SUMMARY OF 2025 PUBLIC ACTS

Connecticut General Assembly

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TABLE OF CONTENTS

NOTICE TO USERS II
2025 VETOED ACTS III
TABLE ON PENALTIES IV
EMERGENCY CERTIFICATION 5
AGING COMMITTEE 207
APPROPRIATIONS COMMITTEE 214
BANKING COMMITTEE 219
COMMITTEE ON CHILDREN 239
COMMERCE COMMITTEE 252
EDUCATION COMMITTEE 265
ENERGY AND TECHNOLOGY COMMITTEE 304
ENVIRONMENT COMMITTEE 334
FINANCE, REVENUE AND BONDING COMMITTEE 382
GENERAL LAW COMMITTEE 387
GOVERNMENT ADMINISTRATION AND ELECTIONS COMMITTEE 480
GOVERNMENT OVERSIGHT COMMITTEE 486
HIGHER EDUCATION AND EMPLOYMENT ADVANCEMENT COMMITTEE 494
HOUSING COMMITTEE 508
HUMAN SERVICES COMMITTEE 541
INSURANCE AND REAL ESTATE COMMITTEE 560
JUDICIARY COMMITTEE 570
LABOR AND PUBLIC EMPLOYEES COMMITTEE 641
PLANNING AND DEVELOPMENT COMMITTEE 647
PUBLIC HEALTH COMMITTEE 664
PUBLIC SAFETY AND SECURITY COMMITTEE 685
TRANSPORTATION COMMITTEE 696
VETERANS' AND MILITARY AFFAIRS COMMITTEE 739

NOTICE TO USERS

This publication, *Summary of 2025 Public Acts*, summarizes all public acts passed during the Connecticut General Assembly's 2025 Regular Session. Special acts are not summarized. This publication is word searchable and contains hyperlinks for ease of navigation.

Use of This Publication

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Organization of the Publication

The summaries are organized in chapters based on the committee that sponsored the bill. Bills sent directly to the floor without committee action (emergency certification) are placed in a separate chapter. Within each chapter, summaries are arranged in order by public act number.

2025 VETOED ACTS

1. PA 25-1, An Act Concerning Interactions Between School Personnel and Immigration Authorities, the Purchase and Operation of Certain Drones, Grants to Certain Nonprofit Organizations, and Student Athlete Compensation Through Endorsement Contracts and Revenue Sharing Agreements (Emergency Certification) (Line Item Veto: §§ 9-11)

2. PA 25-2, An Act Concerning an Emergency Certificate of Need Application Process for Transfers of Ownership of Hospitals That Have Filed for Bankruptcy Protection, the Assessment of Motor Vehicles for Property Taxation, a Property Tax Exemption for Veterans who are Permanently and Totally Disabled and Funding of the Special Education Excess Cost Grant (Emergency Certification) (Line Item Veto: § 7)

3. PA 25-49, An Act Concerning Housing and the Needs of Homeless Persons (Housing Committee)

4. PA 25-64, An Act Concerning Protections for Workers and Enhancements to Workers' Rights (Labor and Public Employees Committee)

5. PA 25-169, An Act Authorizing Municipal Referenda to Challenge Certain Permit Approvals (Planning and Development Committee)

TABLE ON PENALTIES

Crimes

The law authorizes courts to impose fines, imprisonment, or both when sentencing a convicted criminal. For most crimes, the court may also impose a probation term. For eligible offenders, the court may order participation in various programs, such as accelerated rehabilitation or the pretrial impaired driving intervention program, and dismiss the charges upon the offender's successful completion of the program.

When sentencing an offender to prison, the judge must specify a period of incarceration. The prison terms in the table below represent the range within which a judge must set the sentence. A judge may suspend all or part of a sentence unless the statute specifies it is a mandatory minimum sentence. The judge also sets the exact amount of a fine, generally up to the established limits listed below. Repeated or persistent offenses may result in a higher maximum penalty than specified here.

Crime Classification and Penalties

Classification of Crime	Prison Term	Fine (up to)
Class A felony (murder with special circumstances)	Life, without release	$20,000
Class A felony (murder)	25 to 60 years	20,000
Class A felony (aggravated sexual assault of a minor)	25 to 50 years	20,000
Class A felony	10 to 25 years	20,000
Class B felony (1st degree manslaughter with a firearm)	5 to 40 years	15,000
Class B felony	1 to 20 years	15,000
Class C felony	1 to 10 years	10,000
Class D felony	up to 5 years	5,000
Class E felony	up to 3 years	3,500
Class A misdemeanor	up to 364 days*	2,000
Class B misdemeanor	up to 6 months	1,000
Class C misdemeanor	up to 3 months	500
Class D misdemeanor	up to 30 days	250

*****Effective October 1, 2021, CGS § 53a-36a reduced the maximum sentence for misdemeanors from one year to 364 days.

Violations

CGS § 53a-43 authorizes the Superior Court to fix fines for violations up to a maximum of $500 unless the amount of the fine is specified in the statute establishing the violation. CGS § 54-195 requires the court to impose a fine of up to $100 on anyone convicted of violating any statute without a specified penalty.

A violation is not a crime. Most statutory violations are subject to Infractions Bureau procedures, which allow the accused to pay the fine by mail without making a court appearance. As with an infraction, the bureau will enter a *nolo contendere* (no contest) plea on behalf of anyone who pays a fine in this way. The plea is inadmissible in any criminal or civil court proceeding against the accused.

Infractions

Infractions are punishable by fines, usually set by Superior Court judges, of between $35 and $90, plus a $20 or $35 surcharge and an additional fee based on the amount of the fine. There may be other added charges depending upon the type of infraction. For example, certain motor vehicle infractions trigger a Transportation Fund surcharge of 50% of the fine. With the various additional charges, the total amount due can be over $300 but often is less than $100.

An infraction is not a crime, and violators can pay the fine by mail without making a court appearance.

EMERGENCY CERTIFICATION

PA 25-1—HB 7066
Emergency Certification

AN ACT CONCERNING INTERACTIONS BETWEEN SCHOOL PERSONNEL AND IMMIGRATION AUTHORITIES, THE PURCHASE AND OPERATION OF CERTAIN DRONES, GRANTS TO CERTAIN NONPROFIT ORGANIZATIONS, AND STUDENT ATHLETE COMPENSATION THROUGH ENDORSEMENT CONTRACTS AND REVENUE SHARING AGREEMENTS

SUMMARY: This act makes changes related to (1) procedures for interactions between school personnel and immigration authorities, (2) unmanned aircraft (i.e. drone) purchase and operation, and (3) student athlete compensation.

The act requires (1) public school superintendents or an appropriate governing authority 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 protects school staff from being disciplined for following the act's provisions (§§ 1-4).

Regarding drones, the act generally prohibits, beginning on varying dates, state agencies, municipalities, and those who contract with either from purchasing or using certain drones assembled or manufactured by a covered foreign entity (e.g., China or Russia) (§ 5). It 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 (§§ 6-8).

Regarding student athletes, the act allows them to (1) receive compensation through endorsement contracts for use of their person, name, image, or likeness (NIL) or employment unrelated to an intercollegiate athletic program, and (2) obtain representation once they have agreed to attend a higher education institution and participate in sports, instead of only once they are enrolled and participating. It also authorizes a higher education institution, or an entity acting on its behalf, to compensate a student athlete through an endorsement contract or a revenue sharing agreement under a policy adopted by the institution (§§ 12 & 13).

The act also would have made several changes to FY 25 appropriations (§§ 9-11), but these sections were vetoed. Lastly, the act makes various technical and conforming changes.
EFFECTIVE DATE: Various, see below.

§§ 1-4 — INTERACTIONS BETWEEN SCHOOL PERSONNEL AND IMMIGRATION AUTHORITIES

The act requires each public school superintendent to designate at least one administrator at each school in the school district to be responsible for interacting with federal immigration authorities who either appear in person at the school or contact the school to request information. This same requirement also applies to each regional educational services center (RESC), charter school governing authority, and endowed academy serving as a public high school for the schools under each of their respective jurisdictions.

It also requires all local or regional boards of education (i.e. "school boards") to update their school security and safety plans for each school to include protocols for interacting with immigration authorities that are in line with guidance from the State Department of Education (SDE). The act specifically refers to the guidance SDE issued on January 28, 2025, which among other things, recommends that each school district designate at least one administrator to be responsible for interacting with immigration authorities.

The act requires the designated administrator to use the updated security and safety plan protocols when they interact with immigration authorities. Under the act, "immigration authorities" are officers or employees of the U.S. Immigration and Customs Enforcement or the Department of Homeland Security, or people paid by or acting as their agents, who are charged with civil enforcement of the Immigration and Nationality Act.

The act also prohibits a school board, RESC, charter school authority, or endowed academy from disciplining, suspending, terminating, or otherwise punishing a designated employee or administrator for implementing the updated plan or taking certain permitted actions when interacting with federal immigration officials.

Finally, within seven days of the act's enactment (March 10, 2025) the SDE commissioner must notify all public school authorities listed above about these provisions.
EFFECTIVE DATE: Upon passage (except a conforming change, § 3, is effective July 1, 2025).

Updated School Security and Safety Plan

The act requires all school boards to update, for the 2024-25 school year, their school security and safety plan to cover protocols for interacting with federal immigration authorities. Schools must base these protocols on the SDE guidance on

immigration authorities interacting with public schools (i.e. "Guidance to K-12 Public Schools Pertaining to Immigration Activities," issued January 28, 2025). Under existing law, unchanged by the act, these plans must cover each school in the district, include an all-hazards approach to emergencies at public schools, and include crisis management procedures, among other things.

The act specifically requires school boards to do the following in the plan:

1. designate at least one administrator at each school to serve as the individual responsible for interacting with federal immigration authorities;
2. specify that this administrator, or any other school employee, may request certain information from the immigration authorities or take certain other actions (see below); and
3. allow other school personnel to direct immigration authorities to the designated administrator if they request access to records, information, the school building interior, or other school personnel.

Actions Staff May Take. The act allows the designated administrator or any other school employee to take the following actions:

1. request and record a federal immigration authority's identification, including the name, badge or identification number, telephone number, and business card;
2. ask the immigration authority if he or she has a judicial warrant to support the authority's request and, if so, to show the warrant;
3. review warrants or other materials that the authority provides to determine who issued the warrant and what it or the other material authorizes the authority to do; and
4. consult with the school district's legal counsel (or legal counsel's guidance) on how to interact with the immigration authority regarding the request's nature, whether a warrant is produced, the warrant's details (including whether it is a judicial or administrative warrant), whether the immigration authority is claiming exigent circumstances, and any other consideration the legal counsel has identified.

Protections for Staff

The act prohibits a school board, RESC, charter school authority, or endowed academy from disciplining, suspending, terminating, or otherwise punishing a designated employee or administrator for (1) taking any of the permitted actions listed above and (2) directing the immigration authority to communicate with the designated administrator.

School Security and Safety Committee

Under prior law, the school security and safety committee at each school had to include one administrator. The act instead requires that the administrator designated to interact with immigration authorities serve on the committee. By law, the other members of the committee include a local police officer, a local first responder, a teacher employed at the school, a mental health professional, a parent or guardian of a student enrolled in the school, and any other person the school board deems necessary.

§ 5 — DRONES FROM CERTAIN FOREIGN ENTITIES PROHIBITED

Beginning on varying dates shown in the table below, the act generally prohibits the Department of Emergency Services and Public Protection (DESPP), other state agencies with department heads, and municipalities from purchasing or operating small unmanned aircraft systems (i.e. drones, see definition below) assembled or manufactured by a covered foreign entity. These provisions also prohibit an individual or entity with a contract with an agency or a municipality from purchasing or operating one of these drones pursuant to the contract.

The act specifies that the above prohibitions do not impair any contract entered into before these dates. It also prohibits state or federal funds, including contract, cooperative agreement, or grant funding, from being used to purchase or operate these drones after the dates that apply to state entities.

Effective Dates of Prohibitions

Covered Entity	*Prohibited Action*	*Effective Date*
DESPP	Purchase	October 1, 2025
	Operate	October 1, 2027

Covered Entity	*Prohibited Action*	*Effective Date*
State agencies, municipalities, and individuals or entities who contract with them	Purchase	October 1, 2026
	Operate	October 1, 2028

The act also sets a process for certain officials to waive these prohibitions under specified conditions.
EFFECTIVE DATE: July 1, 2025

Covered Foreign Entities, Persons, and Drones

Under the act, a "covered foreign entity" is:

1. any person on the federal Consolidated Screening List or Entity List (15 C.F.R. Part 744, Supp. 4) (generally, these lists set restrictions or licensing requirements for certain parties related to exports, reexports, or item transfers);
2. the People's Republic of China, the Russian Federation, and any of their governmental subdivisions, agencies, or instrumentalities;
3. any person domiciled in, or under the control or influence of, these countries; and
4. any affiliate or subsidiary of any foreign government or person described above.

A "person" is any individual, association, corporation, limited liability company, partnership, trust, government, governmental subdivision, agency, instrumentality, or other legal entity.

A "small unmanned aircraft system" (drone) is any unmanned, powered aircraft weighing less than 55 pounds, including anything attached to or carried by it, that is operated without the possibility of direct human intervention from within or on the aircraft. It also includes all (1) elements associated with the aircraft and required for the operator to operate it safely and efficiently in the national airspace system and (2) communication links and components that control the aircraft.

Waiver

Between the applicable operation prohibition date and December 31, 2034, the act allows the DESPP commissioner, state agency heads, and municipalities' chief law enforcement officers or fire department chiefs to waive the prohibitions. Each may do so if he or she determines the waiver is needed (1) because of exigent circumstances (i.e. significantly changed circumstances that were unforeseeable and pose an imminent threat to public health or safety), (2) to counter another drone, or (3) for a criminal investigation.

If DESPP, a state agency, or a municipality uses such a foreign entity drone during this period, the person granting the waiver must submit a certified written statement within seven days disclosing the (1) reason the waiver was needed and (2) facts supporting the determination. For the state or municipal waiver, the applicable person must submit the statement to the DESPP commissioner, as he prescribes.

The act requires DESPP to maintain each written waiver statement the commissioner creates and those submitted to the department. The commissioner must disclose a copy of the written statement to any General Assembly member upon request. The statement is also subject to disclosure under the Freedom of Information Act (FOIA).

§§ 6-8 — DRONE OPERATION AND PROHIBITION ON DEADLY WEAPONS

Critical Infrastructure Facilities (§§ 6 & 7)

The act generally prohibits any "person" (see § 5 above) from operating, or programming to operate, an unmanned aircraft (i.e. drone) at a height of less than 250 feet above ground level of a "critical infrastructure facility" (see below) or within 100 horizontal feet of one. It specifies that this prohibition also extends to inside any tunnels located on a limited access highway. By law, an unmanned aircraft is a powered aircraft that (1) uses aerodynamic forces to provide vertical lift, (2) is operated remotely by a pilot in command or that is capable of autonomous flight, (3) does not carry a human operator, and (4) can be expendable or recoverable.

Additionally, the act generally prohibits using an unmanned aircraft to surveil, gather evidence, or collect information related to a critical infrastructure facility without prior approval from the facility's owner or administrator.

The act exempts the following individuals while performing their official duties: (1) employees of the federal government, the state, or its political subdivisions; (2) public service company employees (e.g., electric distribution, gas, and telephone companies); (3) U.S. or state armed forces members; and (4) firefighters, police officers, and emergency

management directors. This exemption also covers operating unmanned aircraft on behalf of these individuals. The act also exempts people operating unmanned aircraft for commercial purposes in compliance with Federal Aviation Administration authorization (if doing so is necessary for these purposes). However, the commercial purposes exemption does not apply to the act's surveillance provisions discussed above.

The act makes a violation of its critical infrastructure facility provisions a class A misdemeanor (see Table on Penalties).

Critical Infrastructure Facility Defined. Under the act, a "critical infrastructure facility" is a limited access highway (or tunnel located on one) and any of the following types of properties, if they are completely enclosed by a fence or other physical barrier that is clearly designed to exclude intruders or clearly marked with at least one sign (which is reasonably likely to come to an intruder's attention) stating that operating unmanned aircraft is prohibited:

1. electrical generating facility, electric substation or switchyard, or electric control system;
2. facility for storing, receiving, or processing petroleum products and other fuels;
3. chemical or rubber manufacturing or storage facility;
4. correctional facility;
5. telecommunications central office or wireless telecommunications infrastructure;
6. commercial port, harbor, rail yard, truck terminal, or other freight transportation facility;
7. gas manufacturing or distribution plant;
8. television or radio station transmission facility licensed by the Federal Communications Commission;
9. any portion of an above-ground oil, gas, or chemical pipeline;
10. dam classified as a high or significant hazard by the energy and environmental protection commissioner;
11. air navigation facility;
12. military facility;
13. reservoir, water treatment plant, distribution system and pumping station or wastewater treatment plant, collection system and pump station;
14. facility used primarily by a defense contractor, as defined in federal regulations;
15. government office building;
16. hospital;
17. public safety building or facility; or
18. state- or locally-owned bridge.

Deadly Weapons (§§ 6 & 8)

The act generally prohibits any "person" (see above) from equipping an aircraft or unmanned aircraft with a deadly weapon, dangerous instrument, firearm, ammunition, or an explosive or incendiary device. However, it exempts aircraft and unmanned aircraft operated by a (1) U.S. or state armed forces member performing official duties or (2) police officer, firefighter, or emergency management director during rescue services or while providing emergency services to people in dangerous situations, when the aircraft or unmanned aircraft is equipped with a motorized breaching tool.

The act makes a violation of this provision a class A misdemeanor (see Table on Penalties).

EFFECTIVE DATE: October 1, 2025

§§ 9-11 — FY 25 APPROPRIATION CHANGES

The act would have appropriated from the General Fund in FY 25 (1) $2,087,500 to the Judicial Department to make grants of specified amounts to various community organizations and (2) $800,000 to the Department of Public Health to make a grant of this amount to Planned Parenthood of Southern New England, Inc. (These sections were vetoed by the governor but are similar to a provision adopted in SA 25-2.)

EFFECTIVE DATE: Upon passage

§§ 12 & 13 — STUDENT ATHLETE COMPENSATION

Student Athletes

The act expands the time frame during which student athletes can receive compensation through endorsement contracts or employment unrelated to an intercollegiate athletic program and obtain legal or professional representation (see *Background — Student Athlete Endorsement Contracts*, below). Prior law required student athletes to be enrolled in a higher

education institution and participate in an intercollegiate athletic program to do these things. The act instead requires the student to attend or agree to attend the institution and participate or agree to participate in an intercollegiate athletic program.

Compensation by Institutions

The act removes a prohibition on student athletes receiving NIL compensation as an incentive to attend, enroll in, or continue attending a specific higher education institution or intercollegiate athletic program. Instead, it allows a student athlete (including one who has agreed to attend an institution) to earn compensation through an endorsement contract or revenue sharing agreement directly with an institution or an entity acting on its behalf if the (1) institution has a policy allowing it and (2) student follows the policy (see *Background — Related Cases*, below).

Under the act, a "revenue sharing agreement" is an agreement between an institution, or an entity acting on its behalf, and a student athlete that allows the student to share a portion of the institution's revenue as compensation.

The act prohibits institutions from using any state funds appropriated to it for this type of compensation. But it also allows an institution, or an entity acting on its behalf, to create, negotiate, assist, or enable opportunities for a student or prospective student to earn NIL or other compensation related to participation in an intercollegiate athletic program.

Annual Reports by Institutions

The act requires public higher education institutions that enter revenue sharing agreements with student athletes to annually report, beginning by January 1, 2026, to the Higher Education and Employment Advancement Committee on the total (1) amount of revenue used to compensate student athletes and (2) number of student athletes compensated.

Institution Policies

The act applies the policies that institutions must adopt regarding student athlete endorsement contracts and employment to the expanded group of student athletes eligible to enter these agreements under the act and endorsement contracts with institutions. These policies must (1) require student athletes to disclose these agreements and any representation agreements to their institution, (2) prohibit agreements that conflict with an institution's agreements, (3) prohibit endorsement contracts and employment that interferes with official team activities and academic obligations, and (4) identify prohibited endorsements.

Disclosure of Agreements

The act expands, to include records of compensation under a revenue sharing agreement, the existing prohibition on public higher education institutions disclosing records of student athlete compensation under the FOIA unless the student consents in writing.

Other Provisions

Under existing law, institutions, athletic associations (including the National Collegiate Athletic Association (NCAA)), and athletic conferences are not required to compensate student athletes for NIL. The act adds that they are not required to enter into revenue sharing agreements with student athletes.

Existing law also specifies that scholarships from an institution are not compensation, and the act adds that other financial aid is not compensation.

The act applies various other provisions from existing law to the expanded agreements that student athletes may enter under the act. Among other things, under these provisions:

1. student athletes and others are not required to compensate an institution, association, or conference for a student athlete's endorsement contract or employment activity entered into under these provisions;
2. student athletes are not employees of an institution;
3. institutions are not required to take actions that violate the federal Discrimination Based on Sex and Blindness Act;
4. student athletes are not prohibited from employment activities involving coaching or playing a sport that are unrelated to any intercollegiate athletic program;
5. institutions can use an athlete's NIL for official team activities;
6. institutions are not required to allow student athletes to use institutional marks (such as logos); and
7. an association or conference cannot, on the basis of these agreements, (a) prevent an institution or athletic program

from participating in intercollegiate sports, (b) restrict or revoke a student athlete's eligibility to participate in intercollegiate athletics, or (c) prevent a student athlete from earning compensation from these agreements or having legal or agent representation.

The act additionally prohibits an association or conference from acting on a complaint, opening an investigation, or taking adverse action against an institution, an entity acting on its behalf, an institution employee, or a student athlete because of an action permitted by the provisions on student athlete compensation.

The act makes several related changes, makes technical changes, and deletes obsolete provisions.

EFFECTIVE DATE: Upon passage

Background — Student Athlete Endorsement Contracts

By law, an endorsement contract is a written agreement to employ or compensate a student athlete for the use of the athlete's person, name, image, or likeness by another party to promote a product, service, or event.

Background — Related Cases

A federal judge approved settlements in two lawsuits against the NCAA and five athletic conferences (which do not involve any Connecticut higher education institutions) (*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.)). The settlements resulted in, among other things, changes to NCAA rules governing student athletes; current and certain former student athletes receiving compensation; and creation of a revenue sharing system that permits institutions to compensate student athletes in the future.

PA 25-2—HB 7067
Emergency Certification

AN ACT CONCERNING AN EMERGENCY CERTIFICATE OF NEED APPLICATION PROCESS FOR TRANSFERS OF OWNERSHIP OF HOSPITALS THAT HAVE FILED FOR BANKRUPTCY PROTECTION, THE ASSESSMENT OF MOTOR VEHICLES FOR PROPERTY TAXATION, A PROPERTY TAX EXEMPTION FOR VETERANS WHO ARE PERMANENTLY AND TOTALLY DISABLED AND FUNDING OF THE SPECIAL EDUCATION EXCESS COST GRANT

SUMMARY: This act (1) establishes a new emergency certificate of need (CON) process, (2) creates an option for municipalities to adopt a modified depreciation schedule for vehicles, and (3) adjusts the property tax exemption for permanently and totally disabled veterans.

Specifically, the act establishes a separate emergency CON process for bankruptcy-related hospital ownership transfers and sets application, public hearing, and other related requirements (§ 1).

Beginning with the 2024 assessment year (i.e. for tax bills sent out beginning July 1, 2025), the act also allows municipalities to adopt a modified depreciation schedule for vehicles, generally increasing their values for property tax purposes, and establishes requirements for them to do so (§ 2).

The act also modifies the property tax exemption for veterans with a permanent and total disability to specify that the exemption applies to veterans if they have been determined by the U.S. Department of Veterans Affairs (U.S. DVA) to be permanently and totally disabled based on a service-connected disability rating of 100% (§ 4). Additionally, it makes a conforming change to another property tax exemption for disabled veterans (§ 5).

Related to these changes concerning property taxes, the act also generally (1) allows municipalities, by April 15, 2025, to amend their 2024 grand lists; (2) gives aggrieved taxpayers a 30-day period to file assessment appeals; and (3) requires municipal boards of assessment appeals to hear appeals over a specified 16-day period. It also allows municipalities that have adopted budgets or levied taxes for FY 26 to amend them by June 15, 2025 (§§ 3 & 6).

Lastly, the act also made a change to the FY 25 appropriations for the excess cost grant (§ 7, which was vetoed by the governor, but similar to a provision adopted in SA 25-1).

EFFECTIVE DATE: Upon passage, with the provisions modifying property tax exemptions applicable to assessment years starting on or after October 1, 2024.

§ 1 — EMERGENCY CERTIFICATE OF NEED FOR BANKRUPTCY-RELATED HOSPITAL OWNERSHIP TRANSFERS

By law, the Office of Health Strategy's (OHS) Health Systems Planning Unit (HSPU) administers the state's CON program for health care entities. Under this program, health care entities must generally receive CON approval when establishing new facilities or services, changing ownership, acquiring certain equipment, or terminating certain services.

The act establishes a separate emergency CON process for the ownership transfer of hospitals (1) that applied to a court for bankruptcy protection and (2) whose potential buyer has been or must be approved by the bankruptcy court. Regardless of the state's existing CON law, transacting parties involved in such a hospital's ownership transfer may apply, at the OHS commissioner's discretion, to OHS for an emergency CON through the new process the act establishes.

Under the act, an emergency CON issued by HSPU and any conditions imposed on it apply to (1) the applicant, (2) the hospital subject to the ownership transfer, and (3) any subsidiary or group practice that would otherwise require a CON under existing law that is also subject to the ownership transfer as part of the bankruptcy proceeding.

The act specifies that the new emergency CON process does not affect any existing CON issued under existing law.

Application Submission

The act requires HSPU to develop an emergency CON application that identifies any required data submission needed to analyze the hospital ownership transfer's effects on health care costs, quality, and access in the affected market. If the hospital's potential buyer is a for-profit entity, the application may require additional information or data to ensure the hospital's ongoing operation post-transfer maintains the public interest.

Under the act, applicants must submit an emergency CON application as the OHS commissioner chooses, and she must post the application on the OHS website. The commissioner may change the application's required data submission, so long as she posts the change on the OHS website at least 15 days before it takes effect.

An application is deemed complete on the date HSPU determines the applicant submitted a complete application, including any required data submission. The act requires HSPU to make this determination within three business days after the submission.

Under the act, if HSPU determines an application is incomplete, it must notify the applicant within three business days after making the determination and identify any inadequate information or data. HSPU cannot review an application until the applicant submits the requested information or data.

Public Hearings and Comments

Under the act, HSPU may hold a public hearing on an emergency CON application if it does so within 30 days after it determines the application is complete and notifies the applicant at least five days before the hearing date. The public may submit comments at any time during the application process and may request that HSPU use its discretion to hold a public hearing.

Public hearings or other proceedings related to the emergency CON process are not considered a contested case under the Uniform Administrative Procedure Act.

Application Review

When reviewing an application, the act authorizes HSPU to consult with anyone and consider any relevant information. Unless federal or state law prohibits it, the act requires HSPU to include any opinion or information it gathers when doing so in the application record and cite it in the unit's final decision on the application.

Third-Party Consultants

The act authorizes HSPU to contract with third-party consultants to analyze (1) the anticipated effect of the hospital ownership transfer on health care access, cost, and quality in the affected community and (2) any other issues arising from the application review process.

Under the act, HSPU must include in the application record any of the consultants' reports or analyses that the unit considered when issuing its final decision, unless federal or state law prohibits it.

The applicant must pay for the consultants, whose aggregated costs cannot exceed $200,000. The act specifies that these retainer agreements are not subject to existing laws on (1) the Department of Administrative Services, (2) consultant and personal service agreements with the state, and (3) methods for awarding state contracts.

Final Decisions

The act requires HSPU to issue a final decision on an emergency CON application within 60 days after it determines the application is complete. The final decision must (1) express the anticipated effect of the hospital's ownership transfer on health care access, cost, and quality in the affected community, and (2) assess the transfer's effect on health care market concentration and Medicaid recipients' access to health care.

When issuing a final decision, the act requires HSPU to consider the effect of the hospital's bankruptcy on the patients and communities the hospital serves and the applicant's plans to restore the hospital's financial viability.

Under the act, HSPU's final decision on an emergency CON application, including any conditions imposed on its approval (see below), cannot be appealed.

Conditional Approval

Under the act, HSPU may impose conditions on an approved application, so long as the conditions are (1) consistent with the state's existing CON program and (2) reasonable in time and scope. Before imposing a condition, the unit must weigh the value of doing so in promoting the existing CON program's purpose with the cumulative burden on the applicant and other transacting parties.

If HSPU imposes conditions on its approval, its final decision must include a concise statement of (1) the legal and factual basis for the condition and (2) which health care criterion (i.e. access in the affected area, cost, or quality) the condition intends to promote.

Under the act, an applicant or other transacting party may request, in a manner HSPU sets, an amendment to or relief from any condition due to changed circumstances, hardship, or other good cause. HSPU may grant or deny the request.

§ 2 — OPTIONAL MOTOR VEHICLE DEPRECIATION SCHEDULE

Existing law requires municipal assessors to value vehicles using their manufacturer's suggested retail price (MSRP), subject to a 20-year depreciation schedule. Beginning with the 2024 assessment year, the act allows municipalities to adopt a modified depreciation schedule for vehicles. The modified schedule generally increases, by five percentage points, the taxable portion of a vehicle's MSRP that is subject to property tax. By law, a vehicle's property tax assessment equals its depreciated MSRP value multiplied by 70%.

To adopt the modified schedule, the municipality's legislative body (or board of selectmen where the body is a town meeting) must vote in favor of it. The municipality must then notify the Office of Policy and Management (OPM).

The act also allows municipalities that published a grand list before the act's passage to make certain adjustments to their 2024 grand lists and FY 26 budgets and tax levies, subject to certain conditions (see §§ 3 & 6).

Modified Depreciation Schedule

As shown in the table below, the act allows municipalities to adopt a modified schedule that values new vehicles (up to one year old) at 90% of their MSRPs, rather than 85%, and correspondingly increases the values for older vehicles by five percentage points. By law, unchanged by the act, the minimum assessment amount is $500.

Valuations Under the General Schedule and the Act's Optional Modified Schedule

Vehicle Age (in years)	% of MSRP	
	General Schedule	Modified Schedule
Up to 1	85	90
2	80	85
3	75	80
4	70	75
5	65	70
6	60	65
7	55	60
8	50	55
9	45	50

Vehicle Age (in years)	% of MSRP	
	General Schedule	Modified Schedule
10	40	45
11	35	40
12	30	35
13	25	30
14	20	25
15-19	15	20
20+	≥ $500	≥ $500

Notice to OPM

If a municipality adopts the act's modified schedule, it must notify OPM within 14 days. The notice must specify the first assessment year the municipality will begin using the modified schedule and be provided in a form and way the OPM secretary sets.

§§ 4 & 5 — PERMANENT AND TOTAL VETERAN PROPERTY TAX EXEMPTION

PA 24-46 fully exempted from property tax a primary dwelling or motor vehicle for each former member of the armed services (i.e. veteran) who has a service-connected permanent and total disability rating (often referred to as "P&T rating") from the U.S. DVA. The act instead specifies that a veteran qualifies for the exemption if he or she is determined by the U.S. DVA to be permanently and totally disabled based on a 100% service-connected disability rating. It also makes conforming changes.

By law, if the qualifying veteran dies, the exemption may transfer to his or her surviving spouse or minor children subject to certain conditions. The act allows the transferred exemption to apply to eligible property belonging to the qualifying veteran's minor children, as well as property held in trust for them as existing law allows.

§§ 3 & 6 — GRAND LIST ADJUSTMENTS, TAX APPEALS, AND BUDGET AND TAX LEVY CHANGES

The act authorizes municipalities that adopted a 2024 grand list before the act's passage to make certain adjustments to their 2024 grand lists and FY 26 budgets and tax levies. For towns that choose to make these adjustments, the act allows taxpayers to appeal their assessments and sets procedural requirements for these appeals hearings. The act also provides similar, overlapping authority specifically for municipalities that adopt the act's modified motor vehicle depreciation schedule (see § 2).

Adjustments to 2024 Grand Lists

Existing law generally requires municipal assessors to publish the grand lists for their towns by January 31 annually, unless they are granted an extension under the law. The act authorizes any municipal assessor that published the grand list for the October 1, 2024, assessment year (i.e. the 2024 grand list) before the act's passage to disregard, adjust, and republish the grand list by April 15, 2025 (the act was signed into law on March 3, 2025). (Under the provision specific to municipalities that adopt a modified depreciation schedule, municipalities may only adjust their grand lists to reflect the newly adopted depreciation schedule (§ 3).)

Extended Assessment Appeals Period

In towns that published their 2024 grand lists before the act's passage, the act allows taxpayers who are aggrieved by an assessor's actions to appeal those actions to the town's board of assessment appeals by April 2, 2025. It does so regardless of the laws that generally set the deadline for filing these appeals by February 20.

The act requires the boards to meet to hear appeals over a 16-day period, from April 17 to May 2, 2025. As under existing law, they must allow appeals to be heard on business days, which included Saturdays.

The act's timelines allow towns to provide notice before a hearing, but its procedures do not require it. Under the act, the boards of assessment appeals must, by May 2, 2025, notify each taxpayer who filed an appeal with either (1) the appeal hearing's date, time, and place or (2) a determination that the board has elected not to hold an appeal hearing. The act's

timelines and procedures apply regardless of the law that otherwise (1) requires boards to hold a hearing on any appeal except those for commercial, industrial, utility, or apartment properties assessed at over $1 million; (2) requires boards to notify these appellants by March 1 about their decision not to hold a hearing; and (3) allows these appellants to appeal the board's decision not to hold a hearing directly to Superior Court.

Submission of Corrected 2024 Grand List

The act requires municipal assessors in these towns, by June 1, 2025, to transmit a report (abstract) of the grand list that the board of assessment appeals examined and corrected to the OPM secretary. It does so regardless of the law that required them to file this report by May 1.

FY 26 Budget and Tax Adjustments

The act authorizes municipalities that already adopted a budget or levied taxes for FY 26 to adjust them by June 15, 2025. Municipalities must (1) amend their budgets in the same way they originally adopted them and (2) adjust their tax levy and any remaining tax installments. If they levied a tax for FY 26 due in a single installment, they may mail or hand deliver taxpayers a supplemental tax bill for any additional taxes resulting from the adjusted tax levy.

The act allows municipalities to make these adjustments regardless of any conflicting requirements in special acts, municipal charters, home rule ordinances, or laws on municipalities or levying and collecting property taxes.

BACKGROUND

Related Acts

PA 25-168, §§ 233-239, makes additional changes to the 100% P&T veteran property tax exemption, including modifying the exemption's scope, proof of eligibility requirements, and portability, among other things.

SA 25-1 establishes a special education emergency municipal assistance account and transfers $40 million into it for making grants to municipalities for special education costs.

PA 25-3—SB 1553
Emergency Certification

AN ACT EXCLUDING APRIL 20, 2025, FROM THE PERIOD OF EARLY VOTING PRIOR TO THE DAY OF A SPECIAL ELECTION AND SUSPENDING THE MUNICIPAL REVENUE SHARING ACCOUNT SPENDING CAP

SUMMARY: This act adjusted a recent special election early voting period and suspends the municipal spending cap.

By law, municipalities must provide early voting for a four-day period before special elections. Specifically, the period must begin five days before the election and end two days prior. The law previously allowed this period to be adjusted to exclude legal holidays and March 31, 2024, which was the date of Easter in 2024, as long as there were still four days of early voting. The act substituted the specific 2024 date with April 20, 2025, which was this year's date for Easter (§ 1).

Existing law generally requires the Office of Policy and Management (OPM) to reduce a municipality's municipal revenue sharing grant if the municipality's budget expenditures exceed the statutory spending cap (see BACKGROUND). For FY 26, the act prohibits OPM from doing so. It also makes minor and technical changes to reorganize certain defined terms (§ 2).

EFFECTIVE DATE: October 1, 2025, except that the early voting provision took effect upon passage.

BACKGROUND

Municipal Spending Cap

By law, municipalities receive a reduced revenue sharing grant if they increase their general budget expenditures over the previous fiscal year by an amount that exceeds the greater of the inflation rate or 2.5% of the prior fiscal year's "adopted budget expenditures" (spending from a municipality's general fund and any nonbudgeted funds). The reduction is equal to 50 cents for every dollar the municipality spends over the cap (CGS § 4-66l(f)).

PA 25-168—HB 7287
Emergency Certification

AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2027, AND MAKING APPROPRIATIONS THEREFOR, AND PROVISIONS RELATED TO REVENUE AND OTHER ITEMS IMPLEMENTING THE STATE BUDGET

TABLE OF CONTENTS:

§§ 1-12 — FY 26 AND FY 27 APPROPRIATIONS

Appropriates money for state agency operations and programs for FYs 26 and 27

§ 13 — SPENDING REDUCTIONS AND BUDGETED LAPSES

Allows the OPM secretary to reduce spending in the executive and judicial branches to achieve specified unallocated lapses in the General Fund

§ 14 — AUTHORITY TO TRANSFER FUNDS TO AND FROM THE RESERVE FOR SALARY ADJUSTMENTS ACCOUNT

Allows the OPM secretary to transfer specified funds to implement and account for adjustments to various personal services expenses

§ 15 — COLLECTIVE BARGAINING AGREEMENT COSTS

Carries forward the unexpended portion of appropriated funds related to collective bargaining agreements and related costs and requires that the funds be used for the same purposes in FYs 26 and 27

§§ 16 & 17 — APPROPRIATION TRANSFERS AND ADJUSTMENTS TO MAXIMIZE FEDERAL MATCHING FUNDS

Authorizes the governor, subject to specified conditions, to transfer or adjust agency appropriations to maximize federal matching funds

§ 18 — FEDERAL REIMBURSEMENT FOR DCF AND DSS PROJECTS

Authorizes DSS and DCF to establish receivables for anticipated federal reimbursement

§ 19 — UCONN HEALTH CENTER APPROPRIATION TRANSFERS TO DSS MEDICAID ACCOUNT

Authorizes the OPM secretary to transfer General Fund appropriations for the UConn Health Center to DSS's Medicaid account to maximize federal reimbursement

§ 20 — DSS PAYMENTS TO DMHAS HOSPITALS

Specifies how (1) DSS must spend appropriations for certain DMHAS hospital payments and (2) hospitals must use the funds they receive from DMHAS

§ 21 — APPROPRIATIONS FOR "NONFUNCTIONAL – CHANGE TO ACCRUALS" LINE ITEM ACCOUNTS

Bars the OPM secretary from allotting funds from the "Nonfunctional – Change to Accruals" line item accounts in the state's appropriated funds

§ 22 — TRANSFER FOR BIRTH-TO-THREE PROGRAM

Requires SDE to transfer certain federal special education funds to OEC for the Birth-to-Three Program

§ 23 — PRIORITY SCHOOL DISTRICT GRANTS

Distributes PSD grants for FYs 26 and 27

§ 24 — DCF-LICENSED PRIVATE RESIDENTIAL TREATMENT FACILITIES

Suspends rate adjustments for DCF-licensed private residential treatment facilities for FYs 26 and 27

§ 25 — MASHANTUCKET PEQUOT AND MOHEGAN FUND GRANTS

Allocates the total grant amounts paid to municipalities and certain tribes from the Mashantucket Pequot and Mohegan Fund for FYs 26 and 27

§ 26 — CONNECTICUT MUNICIPAL DEVELOPMENT AUTHORITY STAFF AND OPERATING COSTS

Requires the General Fund appropriations to DECD for MRDA to be used for its staff and operating costs in FYs 26 and 27

§ 27 — PROBATE COURT ADMINISTRATION FUND

Requires that the Probate Court Administration Fund's balance at the end of FY 25 remain in the fund rather than be transferred to the General Fund

§ 28 — STATE HEALTHCARE COSTS FOR HOSPITAL SERVICES

Requires the state comptroller to negotiate with nongovernmental licensed short-term general hospitals to revise the reimbursement rates for inpatient and outpatient care they provide to current state employees and non-Medicare retired state employees; requires any estimated savings in FY 27 from the resulting rate reductions to be offset by increased supplemental Medicaid payments to hospitals for FY 27, subject to certain restrictions

§ 29 — COLD WEATHER RESPONSE SERVICE

Requires DOH to use up to $8.5 million of its FY 26 and FY 27 General Fund appropriations to maintain cold weather response service, but not necessarily continuous call center service; requires applications for these grants to be submitted as required by the DOH commissioner

§§ 30 & 37 — CARRYFORWARDS

Carries forward prior years' appropriations for OLM and DOL and requires they be used for specified purposes

§§ 31, 36 & 38 — RESERVED AMOUNTS FROM LINE ITEM APPROPRIATIONS

Reserves certain amounts from line items in agency budgets for various purposes in FYs 26 and 27

§§ 32-34 — YOUTH SERVICES PREVENTION AND YOUTH VIOLENCE INITIATIVE GRANTS

Specifies how a portion of the funds appropriated to the Judicial Department for youth services prevention and the youth violence initiative must be distributed; carries forward any unspent funds from these appropriations and requires that they be used for juvenile justice system needs in FYs 27 and 28

§ 35 — FUNDS CARRIED FORWARD FOR STATE EMPLOYEE SALARY ADJUSTMENTS AND HEALTH SERVICE COSTS

Requires the OPM secretary to identify $258 million in unspent appropriations for FYs 24 and 25 and carries forward and transfers these funds for specified state employee salary adjustments and health service costs

§§ 39 & 43 — TRANSFERS FROM THE GENERAL FUND

Transfers specified amounts from the General Fund for FYs 26 and 27 to the Cannabis Regulatory Fund and Municipal Revenue Sharing Fund

§ 40 — TEACHERS' RETIREMENT SYSTEM'S UNFUNDED LIABILITY

Increases the state's contribution to TRS for its unfunded accrued liability by $150 million for FY 26

§§ 41 & 42 — TRANSFER OF GENERAL FUND REVENUE TO FY 26 AND FY 27

Transfers (1) $150 million of FY 25 General Fund revenue to FY 26 and (2) $244 million of FY 26 General Fund revenue to FY 27

§ 44 — TRANSFER OF STF REVENUE TO FY 26 AND FY 27

Transfers $140 million of FY 25 STF revenue to FY 26 ($17 million) and FY 27 ($123 million)

§ 45 — LEGISLATIVE REPORT ON REDUCED FEDERAL FUNDING

Requires the OPM secretary to submit a plan to the legislature whenever the federal government enacts a law that reduces the amount of the state's federal funding for FYs 25 to 27

§ 46 — TECHNICAL CORRECTIONS DURING CODIFICATION

Requires the Legislative Commissioners' Office to make necessary technical, grammatical, and punctuation changes when codifying the act

§ 47 — AHEAD FEDERAL DEMONSTRATION PROGRAM

Requires DSS, within available appropriations, to develop a plan to implement alternative payment methods for hospitals voluntarily participating in the AHEAD federal demonstration program; authorizes DSS to apply for a federal Medicaid waiver to implement these alternative payment methods

§ 48 — TREASURER CONTRACTS FOR TRUST FUND INVESTING SERVICES

Allows the treasurer, under certain conditions, to award contracts related to investing state trust funds sooner than 45 days after recommending them to the Investment Advisory Council; requires the treasurer to establish procurement procedures for awarding these contracts

§§ 49-52 — COMPENSATION FOR JUDGES AND CERTAIN OTHER STATE OFFICIALS

Increases the salary and other compensation for judges and certain other judicial officials by approximately 3.5% starting in FY 26; correspondingly increases the salary of certain other state officials whose salary, by law, is tied to that of judges

§ 53 — PORT AUTHORITY BOARD ANNUAL REPORT

Eliminates the requirement that DAS and OPM jointly review and comment on a CPA annual report before its submission to the governor and Transportation Committee

§ 54 — YOUTH DEVELOPMENT ORGANIZATION TAX CREDIT

Limits the donations that qualify for the youth development organization tax credit to those made to eligible nonprofits in Connecticut

§§ 55-57 — ANNUAL DISTRIBUTION OF SPECIAL LICENSE PLATE-RELATED FEES

Requires OPM to distribute the funds from three special license plate-related accounts annually, rather than quarterly

§§ 58 & 59 — R&D AND R&E TAX CREDITS FOR QUALIFYING LLCS

Allows a single member LLC that meets specified employment and industry parameters to earn R&D and R&E credits and allows the LLC's corporate owner to claim the credits the LLC earned

§§ 60 & 61 — ATTORNEY GENERAL DEFENSE OF STATE EMPLOYEES

Allows the AG, under certain conditions, to defend state employees as witnesses in criminal investigations, or in federal criminal investigations or prosecutions, related to performing their job duties

§ 62 — CJPPD PRISON EDUCATION PROGRAMS

Requires OPM's CJPPD to develop and implement policies for postsecondary educational programs in correctional facilities

§§ 63-66 & 68 — REPEAL OF DIGITAL ANIMATION TAX CREDIT

Eliminates the digital animation tax credit and makes conforming changes

§§ 67 & 68 — GAAP DEFICIT APPROPRIATIONS AND AMORTIZATION REQUIREMENTS

Eliminates provisions (1) related to the GAAP deficit bonds the state redeemed in 2023 and (2) requiring the state to amortize the negative balances that accumulated in state funds for FYs 13 and 14 before the state adopted GAAP in FY 14

§ 68 — REPEAL OF CONNECTICUT NEW OPPORTUNITIES FUND

Repeals the law requiring CI to establish the Connecticut New Opportunities Fund to invest in seed stage and emerging growth companies in the state

§ 69 — FINISH LINE SCHOLARS PROGRAM

Requires BOR to establish a finish line scholars program awarding grants to students who received a Mary Ann Handley program award and then enroll in a bachelor's program at Charter Oak State College or CSCU

§ 70 — PROJECT LONGEVITY INITIATIVE

Removes Norwich from the list of cities in which the Project Longevity Initiative must be implemented

§§ 71 & 72 — CLC PAYMENTS FOR DCP REGULATORY EXPENSES

Adjusts the process for CLC to pay DCP for its reasonable and necessary costs for overseeing CLC's activities

§ 73 — STATE PROPERTIES REVIEW BOARD REVIEW OF DAS

Increases, from $100,000 to $300,000, the value threshold of a DAS consultant contract or task letter that triggers a requirement for approval by the State Properties Review Board

§§ 74 & 75 — ADVERTISING DAS REAL ESTATE NEEDS

Requires certain DAS real estate notices to be posted online instead of through newspaper advertisements

§ 76 — DAS CONSTRUCTION SERVICES SELECTION PANELS

Increases the project value threshold, from $5 million to $7.5 million, that determines whether a construction services selection panel must have three or five members

§§ 77-82 — PROBATE COURT NOTICES SENT TO DAS

Removes requirements for DAS to get various notices from probate court proceedings, primarily related to conservatorships

§§ 83 & 84 — DAS REPEALERS

Repeals provisions related to certain DAS reporting requirements and personal protective equipment

§§ 85-87 — SMALL BUSINESS EXPRESS ASSISTANCE ACCOUNT

Allows DECD to use funds in the small business express assistance account for certain department duties related to supporting business growth

§§ 88-94 —REPEALED AGENCY REPORTS

Repeals certain agency reports and related provisions and makes conforming changes; eliminates the requirement that the budget document present a list of budgeted agency programs and a supporting schedule of total agency expenditures

§ 95 — REPORT ON GRANT PROGRAM FOR CERTAIN LICENSED HEALTH CARE PROVIDERS WORKING AS ADJUNCT PROFESSORS

Requires OHE to also submit its annual report on a grant program for certain licensed health care providers who are adjunct professors to the Appropriations Committee

§ 96 — CHIEF DATA OFFICER'S HIGH VALUE DATA REPORT

Eliminates a requirement for the CDO to annually report on ways to share executive branch high value data

§ 97 — WORKFORCE HOUSING OPPORTUNITY DEVELOPMENT TAX CREDITS

Sets the workforce housing opportunity development program tax credit at 50% of eligible cash contributions, rather than an amount specified by the DOH commissioner as prior law required

§ 98 — USE OF BOND PREMIUMS

Delays by two years, from July 1, 2025, to July 1, 2027, the requirement that the state treasurer direct bond premiums on GO and credit revenue bond issuances to an account or fund to pay for previously authorized capital projects

§§ 99-112— CONNECTICUT MUNICIPAL DEVELOPMENT AUTHORITY

Effectuates the authority's name change; allows any municipality other than Hartford and East Hartford to work with the authority; makes it easier for municipalities to opt to work with the authority

§§ 113 & 114 — PAYMENT FOR CERTAIN PRETRIAL PROGRAMS

Under certain conditions, generally requires a person's public or private insurance, rather than DMHAS, to cover the cost of substance use treatment under specified pretrial programs

§ 115 — OPIOID SETTLEMENT ADVISORY COMMITTEE

Adds two members to the Opioid Settlement Advisory Committee by increasing, from 23 to 25, the number of municipal representatives

§§ 116-120 — TELEHEALTH PRESCRIPTION OF OPIOIDS

Specifically allows opioids to be prescribed through telehealth as part of medication-assisted treatment or to treat a psychiatric disability or substance use disorder

§§ 121 & 122 — REFERRAL TO MFAC AND DESIGNATION AS TIER I

Narrowly changes the law's triggers for referral to MFAC and designation as Tier I

§ 123 — DISTRICT PILOT GRANT REDIRECTED TO TOWN OF WINDHAM

Redirects certain PILOT grants for fire districts to Windham

§ 124 — MATERNITY CARE REPORT CARD

Requires the DPH commissioner to (1) establish an annual maternity care report card for birth centers and hospitals that provide obstetric care, (2) convene an advisory committee to establish the report card's contents, and (3) adjust the report card based on patient acuity levels

§§ 125 & 126 — CAPITAL REGION DEVELOPMENT AUTHORITY

Requires the CRDA board of directors to submit its annual report within the first 120, rather than the first 90, days of the fiscal year; exempts CRDA-owned or -leased land or improvements from local taxes and makes them eligible for PILOT grants

§§ 127-134 — CANNABIS SOCIAL EQUITY AND INNOVATION ACCOUNT

Eliminates the Cannabis Social Equity and Innovation Fund and instead places the money from that fund into the social equity and innovation account, which is appropriated for purposes the Social Equity Council solely determines to further the principles of equity

§§ 135 & 136 — UCONN HEALTH CENTER EMPLOYEE FRINGE BENEFITS

Eliminates a requirement that the comptroller (1) use up to $4.5 million of funds appropriated for State Comptroller-Fringe Benefits to fund a portion of the fringe benefits for UCHC employees each fiscal year and (2) enter into an MOU with UCHC to provide operational support

§§ 137 & 138 — HIGHER EDUCATION LAW ENFORCEMENT TRAINING

Requires DESPP, in consultation with POST, to establish a (1) social work and law enforcement project at SCSU and (2) crime scene processing, forensic evidence, and criminal investigations police training center at CCSU

§ 139 — PLAN FOR INCLUSIVE EDUCATIONAL OPPORTUNITIES WITHIN THE CONNECTICUT STATE UNIVERSITY SYSTEM

Requires a plan for inclusive educational programs for students with intellectual or developmental disabilities at CSUS

§ 140 — UCONN HEALTH NEUROMODULATION CENTER

Requires the UConn Health Center to establish a Center of Excellence for Neuromodulation Treatments

§§ 141 & 142 — HIGHER EDUCATION CONSTITUENT UNITS AND ENERGY-SAVINGS PERFORMANCE CONTRACTS

Authorizes the constituent units of higher education to establish their own energy-savings performance contract process, rather than use DEEP's, but subject to many of the same requirements as DEEP's process

§ 143 — LICENSING FOR INSTALLERS OF PREFABRICATED WINDOWS OR DOORS

Requires an installer of pre-glazed or preassembled windows or doors in commercial buildings to be licensed as a flat glass contractor or journeyperson

§§ 144 & 145 — PFAS IN JUVENILE PRODUCTS

Renames "children's products" as "juvenile products" in the law that regulates the sale and use of certain products containing PFAS

§ 146 — PREVAILING WAGE FOR CERTAIN DECD-ASSISTED BUSINESS CONSTRUCTION PROJECTS

Exempts certain nonprofit organizations from the prevailing wage requirements for projects receiving at least $1 million in DECD financial assistance, with exceptions, and explicitly extends the requirements to municipalities and other specified entities; limits the portion of DECD-assisted remediation projects subject to these prevailing wage requirements to only the portion described in the financial assistance contract between the business and DECD

§ 147 — ANNUAL ADJUSTMENTS TO PREVAILING WAGE RATES

Requires contractors awarded contracts for DECD or renewable energy and hydrogen prevailing wage projects to adjust wage and benefit contributions each July 1 during the contract to reflect changes in the prevailing wage

§ 148 — PREVAILING WAGE FOR OFFSITE CUSTOM FABRICATION

Extends the state's prevailing wage law to cover off-site custom fabrication for a public works project (PA 25-174, §§ 211 & 212, repeals this provision and replaces it with a substantially similar one)

§ 149 — STATE MARSHALS HEALTH INSURANCE

Allows state marshals to participate in the state employee health insurance plan under certain conditions

§ 150 — PROBATE JUDGE VACANCIES

Removes state marshals from the process required to transmit the governor's order for an election to fill a probate judge vacancy

§§ 151-158 — UNDERGROUND STORAGE TANK PETROLEUM CLEAN-UP PROGRAM REPEAL, TRANSFERS, AND APPLICATIONS

Repeals the UST petroleum clean-up program and cancels any pending applications; transfers and credits all amounts appropriated and remaining for the program to the General Fund

§§ 159 & 160 — LOCAL HEALTH DEPARTMENT AND DISTRICT FUNDING

Requires the Department of Public Health to increase aid to municipal and district health departments starting in FY 27

§§ 161-165 — CANNABIS POLICIES AND PROCEDURES EXTENSION

Extends the maximum effective period of cannabis policies and procedures by 15 months if regulations have not been adopted

§ 166 — COMMUNITY OMBUDSMAN PROGRAM

Expands the scope of the Community Ombudsman program by extending the ombudsman's authority to a broader range of services

§ 167 — DSS QUALITY REIMBURSEMENT PROGRAM FOR NURSING HOMES

Allows DSS, starting October 1, 2026, and within available appropriations, to establish a quality metrics program to incentivize nursing homes to provide higher-quality care to Medicaid residents

§ 168 — ROAD NAMING

Eliminates a road naming from PA 25-65

§ 169 — WATER FLUORIDATION

Codifies the amount of fluoride that water companies must add to the water supply, rather than tying the amount to federal recommendations

§ 170 — FEDERAL RECOMMENDATION ADVISORY COMMITTEE

Allows DPH to create an advisory committee on matters related to CDC and FDA recommendations

§§ 171 & 172 — EMERGENCY DEPARTMENTS AND EMERGENCY CARE PROVIDERS

Requires hospital emergency departments to provide services related to pregnancy complications when necessary; prohibits emergency departments, or their providers, from discriminating on various bases; requires hospitals to comply with the federal EMTALA, and DPH to adopt certain EMTALA-related provisions into state regulations if the federal law is revoked; allows DPH to take disciplinary action against hospitals or providers who violate these provisions

§ 173 — SAFE HARBOR ACCOUNT

Creates an account funded by private sources to award grants to nonprofit organizations that provide funding for reproductive or gender-affirming health care services or collateral costs related to these services

§§ 174 & 175 — OPIOID USE DISORDER

Declares opioid use disorder to be a public health crisis in the state and requires the Alcohol and Drug Policy Council to convene a working group to set goals to combat this disorder's prevalence

§ 176 — PUBLIC HEALTH URGENT COMMUNICATION ACCOUNT

Creates an account to fund DPH communications during public health emergencies

§ 177 — EMERGENCY PUBLIC HEALTH FINANCIAL SAFEGUARD ACCOUNT

Creates an account to address unexpected shortfalls in public health funding

§ 178 — SUDEP INFORMATION

Requires physicians, APRNs, and PAs who regularly treat patients with epilepsy to give them information on sudden unexpected death in epilepsy

§ 179 — AEDS AT CERTAIN LONG-TERM CARE FACILITIES

Requires nursing homes and certain MRCs to have an AED in a central location

§ 180 — PANCREATIC CANCER SCREENING PROGRAM

Requires DPH, within available appropriations, to create a pancreatic cancer screening and treatment referral program

§ 181 — EMS ADMINISTERING GLUCAGON NASAL POWDER

Requires EMS personnel to receive training on administering glucagon and allows them to administer glucagon nasal powder when necessary

§ 182 — HOSPITAL FINANCIAL ASSISTANCE PORTAL

Requires OHA to contract with a vendor to develop an online hospital financial assistance portal for patients and their family members

§ 183 — FOOD CODE REVISIONS

Requires the DPH commissioner to adopt into the state's food code any FDA food code revision issued by the end of 2024, and gives her the discretion to adopt other supplements to the federal code

§§ 184-186 — HOME HEALTH AND HOSPICE

Makes various changes to laws on home health and hospice agency staff safety, such as (1) requiring health care providers to give these agencies certain information when referring or transferring a patient to them, (2) extending to hospice agencies certain requirements that already apply to home health agencies, and (3) requiring these agencies to create a system for staff to report violent incidents or threats

§ 187 — EVALUATION OF DOC HEALTH CARE SERVICES

Requires the correction ombuds to evaluate health care services for incarcerated individuals, and specifies certain steps he may take when doing so

§ 188 — CONSERVATOR APPOINTMENT EXPEDITED PROCESS

Requires the probate court administrator and DSS commissioner to evaluate the feasibility of establishing an expedited process to appoint a conservator for hospital emergency department patients who lack the capacity to consent to services

§ 189 — HOSPITAL REPORTING ON EMERGENCY DEPARTMENTS

Adds to the required recipients of hospitals' annual reports analyzing emergency department data

§ 190 — HOSPITAL DISCHARGE WORKING GROUP

Creates a working group on hospital discharge challenges

§ 191 — CSCU RESERVE FUND EXPENDITURE WORKING GROUP

Establishes a working group to oversee and monitor expenditures from each reserve fund of CSCU or the higher education institutions within CSCU (PA 25-174 repeals these provisions)

§§ 192-197 — LACTATION CONSULTANT LICENSURE

Creates a DPH licensure program for lactation consultants; allows unlicensed people meeting specified criteria to practice lactation consulting or provide related services, if they do not refer to themselves as "lactation consultants"

§§ 198-227 — NON-DISCRIMINATION CONTRACT COMPLIANCE, SMALL BUSINESS AND MBE SPENDING ALLOCATION PROGRAM, AND STATE CONTRACTING DISPARITY STUDY

Changes value thresholds that determine whether certain public works contracts are subject to state laws on non-discrimination contract compliance, the Small and Minority Owned Business Set-Aside Program, and affirmative action plans for certain state contractors; converts the set-aside program into the spending allocation program by, among other things, replacing the current 25% set-aside requirements with annual spending allocation goals by industry category and contract-specific spending allocation goals based on certain localized data; requires the state to do a disparity study every five years; makes other changes related to state contracting

§§ 228 & 229 — TRANSPORTATION NETWORK COMPANIES STUDY AND WORKING GROUP

Requires the comptroller to study the compensation of TNCs and third-party delivery company drivers; creates a working group on working conditions and compensation for TNC and third-party delivery company drivers

§ 230 — LYME GRANGE FAIR ASSOCIATION PROPERTY

Removes the cap on the value of property the association can own

§§ 231 & 232 — RESTRICTIONS ON ASSIGNED MUNICIPAL LIENS FOR DELINQUENT PROPERTY TAXES AND SEWER ASSESSMENTS (REPEALED)

Has no legal effect because of repeal in PA 25-174

§§ 233-242 — VETERAN PROPERTY TAX EXEMPTIONS

Modifies the 100% P&T veteran property tax exemption; establishes two new municipal-option veteran-related 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 TDIU rating

§ 243 — DCF EMERGENCY CHILD PLACEMENT

Renames DCF placements with non-licensed caregivers as "emergency placements" and defines the new term

§ 244 — SEEC EXECUTIVE DIRECTOR REAPPOINTMENTS

Specified that SEEC could reappoint its executive director for an additional term, up to an additional four years, without receiving legislative approval; specified that an executive director could not be reappointed more than once (PA 25-174, § 227, repeals this section)

§§ 245 & 246 — JUVENILE JUSTICE POLICY AND OVERSIGHT COMMITTEE MEMBERSHIP & ADVISORY COUNCIL

Expands JJPOC's membership to include the DOH and DESPP commissioners; establishes an advisory council to help develop the state's juvenile justice plan

§ 247 — SDE CHRONIC ABSENTEEISM REPORT

Requires SDE to annually report to JJPOC on each school district with an attendance review team

§ 248 — MUNICIPAL DIVERSION DATA

Requires annual reports to the Children and Judiciary committees and the Office of the Chief State's Attorney about diversions through juvenile review boards or youth diversion programs

§ 249 — YOUTH DIVERSION POLICY

Requires POST, the JJPOC chairpersons, and representatives of the JJPOC community expertise subcommittee to develop a youth diversion policy and youth diversion training curriculum

§ 250 — DCF REPORT ON SPECIALIZED TRAUMA-INFORMED TREATMENT PLAN

Requires DCF to annually report to JJPOC on its implementation of the STTAR Enhancement Plan

§ 251 — REENTRY SUCCESS PLAN

Requires OPM to (1) annually report to JJPOC on the reentry success plan for juveniles released from DOC and judicial branch facilities and programs and (2) coordinate policy development between OPM and CSSD

§§ 252-259 — REAL ESTATE WHOLESALERS

Requires real estate wholesalers to be registered with DCP; requires real estate wholesale contracts to include a seller's right to cancel within three business days without penalty; requires real estate wholesalers to make certain disclosures and provide a DCP-developed wholesaler disclosure report; prohibits certain related filings on the town land records

§ 260 — PROPERTY UNDER FUNERAL SERVICE CONTRACTS

Replaces a requirement created by PA 25-81 with a similar one that requires property holders to obtain a list of all their properties held under a funeral service contract that generally meet any of three triggers for deeming the property payable or distributable

§ 261 — UNLAWFUL DISSEMINATION OF AN INTIMATE SYNTHETIC IMAGE

Establishes a new crime of unlawful dissemination of an intimate synthetically created image that is generally similar to the existing crime of unlawful dissemination of an intimate image; penalties vary based on (1) how the person distributed the image (including the number of recipients and how it was sent) and (2) whether the person intended to harm the victim

§§ 262 & 263 — ROBERTA B. WILLIS SCHOLARSHIPS

Limits the Roberta B. Willis Scholarship Program to need-based grants and need and merit-based grants by eliminating the Charter Oak grant; requires OHE to annually notify institutions of their estimated funding for need-based awards by November 1

§ 264 — PLAN FOR DOC HEALTH CARE SERVICES

Specifically requires DOC's plan for health care services to ensure that various requirements are met, rather than to include guidelines for implementing them; adds certain components to the plan, including (1) interviewing incarcerated people at intake about their mental health history and (2) providing evidence-based mental health services by a mental health provider or therapist, as needed, within two business days after a determination of need upon intake

§ 265 — DOC PALATABLE MEALS AND BAN ON NUTRALOAF

Requires the DOC commissioner to provide palatable and nutritious meals to people in department custody; bans nutraloaf or other punitive diets as a form of discipline

§ 266 — MEDICAL RECORDS AUTHORIZATION FOR INCARCERATED INDIVIDUALS

Requires the DOC commissioner to ensure that everyone in the department's custody is given a form allowing them to authorize someone else to access their medical records that would otherwise be subject to nondisclosure under HIPAA

§ 267 — CORRECTIONAL CENTER RELOCATION STUDY

Requires the DAS and DOC commissioners to study the feasibility of relocating correctional centers in Bridgeport and New Haven

§ 268 — DOC STAFFING LEVELS AND RECRUITMENT

Requires the DOC commissioner to (1) ensure that the department's correctional facilities are sufficiently staffed to protect the safety of everyone at or visiting the facility and (2) develop and implement a program to recruit and retain correctional officers

§ 269 — DOCUMENTING ASSAULTS AGAINST CORRECTIONAL STAFF

Requires the DOC commissioner to develop a protocol to fully document assaults by incarcerated people against correctional staff

§§ 270 & 271 — REPORTS ON STRIP AND CAVITY SEARCHES

Requires DOC to annually report on strip and cavity searches in correctional institutions and report on an evaluation of related directives and procedures

§ 272 — CORRECTION OMBUDS ACCESSING MEDICAL RECORDS

Requires the correction ombuds, before accessing an incarcerated person's medical record, to notify the person about the reasons for doing so

§§ 273 & 274 — SOLAR PHOTOVOLTAIC FACILITY EMERGENCY PREPAREDNESS PROGRAM

Requires the DESPP commissioner to establish a solar photovoltaic facility emergency preparedness program, within available funds; establishes an account to fund this program and specifies it must contain any federal reimbursements or grants related to the preparedness program; money may only be spent according to an OPM-approved plan

§§ 275 & 276 — CERTIFICATE OF NEED FOR HEALTH CARE ENTITIES

Expressly allows OHS, when reviewing CON applications for certain hospital ownership transfers that require a cost and market impact review, to consider the review's preliminary and final reports and other specified related materials; modifies the definition of "termination of services" for CON purposes to include the termination of any services for a combined total of more than 180 days within a consecutive two-year period

§§ 277-287 — REPRODUCTIVE AND GENDER-AFFIRMING HEALTH CARE SERVICES

Subjects HIPAA-covered entities' business associates to the law's limits on disclosing protected information without consent; requires the entities and business associates to notify the attorney general when they get a subpoena for certain patient information; specifies that gender-affirming health care services do not include conversion therapy for anyone under age 18

§ 288 — TRANSFER STATION PERMITS AND LICENSES

Sets conditions under which certain transfer stations may continue to operate and accept municipal solid waste, including recyclables, while their commercial transfer station permit application is pending before DEEP; requires MIRA Dissolution Authority's transfer station permits and licenses to transfer to Essex and remain in effect when the transfer station's ownership or operation transfers from the MIRA Dissolution Authority to the town; requires the Torrington Transfer Station's permits or licenses to transfer to the Northwest Resource Recovery Authority, or its designee; requires the DEEP commissioner to grant the Wallingford Transfer Station a temporary operating permit

§§ 289-292 — ABSENTEE VOTING PROCEDURES FOR ELIGIBLE INCARCERATED INDIVIDUALS

Creates specific procedures for incarcerated individuals to apply for, receive, and cast absentee ballots

§ 293 — ADDITIONAL EARLY VOTING LOCATIONS ON CERTAIN COLLEGE CAMPUSES

Requires certain municipalities with 1,000 or more students living on a college campus or in college-affiliated housing to establish an additional early voting location on campus

§ 294 — SAME-DAY ELECTION REGISTRATION PROOF OF ADDRESS

Allows same-day election registration applicants to prove their residential address through the sworn testimony of an elector

§§ 295 & 296 — CURBSIDE VOTING

Requires the designation of a specific curbside voting area at polling locations; restricts certain election-related activities from occurring within or nearby this area; requires the secretary of the state to adopt related regulations

§§ 297 & 298 — ELECTION-RELATED MATERIALS TRANSLATION

Establishes the Translation Advisory Committee to evaluate translated municipal election-related materials and sets membership and eligibility requirements; requires municipalities that must provide translated election materials under federal or state law to use professional translators and submit these translations to the committee

§ 299 — CHANGES TO ECS GRANT PHASE-IN SCHEDULE

Delays by two years the start of an ECS schedule to phase-in grant reductions for overfunded towns; holds these towns harmless for FYs 26 and 27

§ 300 — LOCAL FOOD FOR SCHOOLS INCENTIVE PROGRAM

Makes various changes to LFSIP, including expanding the program to child care providers, making SDE the lead administering agency, and requiring SDE to use at least 20% of the program's annual appropriation to engage with external partners to provide supplemental services

§ 301 — RETIRED TEACHERS' HEALTH INSURANCE

Reduces the state's share of TRB retired teacher health insurance costs for FY 26

§§ 302-306 — REQUIREMENT TO PROPORTIONATELY REDUCE SPECIFIED EDUCATION GRANTS

Extends the requirement that certain education grants be proportionately reduced if the amount appropriated for them does not fully fund them according to their statutory formulas

§§ 307 & 308 — CHOICE PROGRAM GRANTS FOR MAGNET SCHOOLS AND VO-AG CENTERS

Makes permanent the choice program grants for interdistrict magnet schools and vo-ag centers; beginning with FY 25, adds a new method to determine grants for new magnet schools that begin operating on or after July 1, 2024

§ 309 — ADVANCED AND DUAL CREDIT COURSES

Charges SDE with administering funds for two programs to support advanced and dual credit courses and programs within available appropriations

§ 310 — REMOVAL OF GENERAL ADMINISTRATIVE PAYMENT FOR CERTAIN BIRTH-TO-THREE PROVIDERS

Eliminates the requirement for OEC to pay certain Birth-to-Three early intervention service providers a general administrative payment for each child with an IFSP

§ 311 — ELIMINATION OF OEC BEING UNDER SDE

Eliminates the provision placing OEC under SDE, conforming to current practice

§ 312 — MAGNET SCHOOL TRANSPORTATION GRANTS

Changes the (1) calculation for certain Sheff magnet school transportation grants by eliminating the per-pupil calculation and the supplemental grants structure for RESCs, instead basing the grants on actual costs of transportation services and (2) payment schedule for all magnet school transportation grants

§ 313 — EARLY START AND OEC GRANTS FOR FACILITY REPAIRS

Modifies the eligible programs for which OEC can use bond funding for certain facility-related grants by adding Early Start CT and removing Even Start; increases the maximum grant amount from $75,000 to $100,000 per classroom

§ 314 — ALLIANCE DISTRICT PROGRAM AND ENFIELD BASE YEAR

Changes the base year used to determine how much of Enfield's ECS grant is withheld under the alliance district program

§ 315 — LEARNER ENGAGEMENT AND ATTENDANCE PROGRAM

Requires SDE, starting in FY 27, to administer LEAP and give school boards grants to implement a home visitation program to reduce chronic absenteeism in the school district

§ 316 — HIGH-DOSAGE TUTORING MATCHING GRANT PROGRAM

Requires SDE to establish a competitive high-dosage tutoring matching grant program to award two-year grants to programs that provide high-dosage tutoring

§ 317 — SPECIAL EDUCATION GRANT PROPORTIONAL REDUCTION

Extends a requirement that grants be reduced proportionally to all fiscal years, rather than only for FY 26

§§ 318-320 — MAGNET SCHOOL TUITION CHARGES

Sets a new method for determining tuition rates for magnet school programs that began operating on or after July 1, 2024, based on average tuition charged in the same region

§§ 321-323 — SCHOOL AND PUBLIC LIBRARY POLICIES

Requires school boards and public library governing bodies to adopt policies on collection development and maintenance, displays and programs, and material review and reconsideration; specifies criteria the policies must meet

§ 324 — STATE SUPPLEMENT PROGRAM (SSP)

Freezes SSP payment standards for FYs 26 and 27

§§ 325 & 326 — CASH ASSISTANCE ELIGIBILITY FOR DOMESTIC VIOLENCE VICTIMS

Eliminates separate eligibility requirements for domestic violence victims to receive TFA diversion assistance or similar payments under SAGA

§ 327 — OBESITY TREATMENT UNDER MEDICAID AND CHIP

Allows, rather than requires, DSS to cover certain obesity treatments in Medicaid and CHIP; requires prior authorization, and step therapy in some circumstances, for Medicaid coverage of prescription drug obesity treatment

§§ 328 & 329 — GLP-1 DATA COLLECTION

Requires the DSS commissioner and comptroller to collect data on the use of GLP-1 drugs in the Medicaid program and state employee health plan, respectively, and report to the legislature

§§ 330-335 — NURSING HOME MEDICAID RATES

Prohibits DSS from rebasing nursing home costs in FY 26; eliminates inflation adjustments for nursing homes in FYs 26 and 27; requires DSS to (1) amend the Medicaid state plan to extend the case mix neutrality limit as needed to remain within available appropriations; (2) increase nursing home reimbursement rates to support wage increases for employees, within available appropriations, in FYs 25-27; and (3) distribute supplemental funding in FYs 27 and 28 appropriated to promote workforce retention and high employee health and retirement security standards in long-term care facilities

§ 336 — ICF-IDS RATES

Requires DSS to increase reimbursement rates for ICF-IDs for FYs 26-28; allows certain facilities to receive fair rent increases and rate increases for specified capital improvements in FYs 26 and 27; requires DSS to amend its regulations to remove current inflation cost limits on facility rates starting July 1, 2027

§ 337 — RESIDENTIAL CARE HOME RATES

Allows DSS to give RCHs a rate increase in FYs 26 and 27, within available appropriations, for certain capital costs; allows pro rata fair rent increases in these years at the department's discretion and within available appropriations

§ 338 — HEALTH SYSTEMS PLANNING UNIT STUDY

Specifies that the Health Systems Planning Unit must conduct its biennial health care facility utilization study within available appropriations

§ 339 — DRIVER TRAINING AND EVALUATION FOR PEOPLE WITH DISABILITIES

Transfers, from ADS to DMV, a unit responsible for people with disabilities' driver training and evaluation

§ 340 — MAPOC CHAIRPERSONS

Designates the Human Services and Public Health committees' chairpersons as MAPOC's chairpersons

§ 341 — MEDICAID COVERAGE FOR BREAST PROSTHESES

Requires the DSS commissioner to distribute information on Medicaid coverage for certain breast prostheses

§§ 342 & 343 — ASSISTANCE PROGRAM ELIGIBILITY INCOME DISREGARDS

Requires the DSS commissioner to disregard income (1) a person receives from participating in certain DSS-approved pilot programs and job training programs when determining TFA eligibility and (2) from rental assistance pilot programs when determining eligibility for DSS-administered assistance programs

§ 344 — SCHOOL-BASED BEHAVIORAL HEALTH SERVICES BILLING

Requires the Transforming Children's Behavioral Health Policy and Planning Committee to develop and report on a framework and operational guidelines to streamline municipal Medicaid billing for Medicaid-eligible school-based behavioral health services

§§ 345-347 — IDENTIFIED PRESCRIPTION DRUGS

Caps the sales price for identified prescription drugs in the state; generally imposes a civil penalty on pharmaceutical manufacturers and wholesale distributors who violate the cap and requires the DRS commissioner to impose and collect it; and creates a process for penalty disputes

§§ 348 & 349 — APPEALS PROCESS FOR DSS RATES AND AUDITS

Allows parties to appeal any items not resolved at a rehearing to the Superior Court, as authorized under the UAPA, rather than requiring binding arbitration

§§ 350-352 — FEDERALLY QUALIFIED HEALTH CENTERS (FQHC)

Requires DSS to provide an alternative, updated prospective payment methodology and changes procedures for approving changes to an FQHC's scope of service

§ 353 — NET OPERATING LOSS DEDUCTION FOR CERTAIN COMBINED GROUPS

Eliminates an alternative NOL rule that previously applied to certain combined groups that had more than $6 billion in NOLs from pre-2013 tax years, which subjects them to the standard NOL carry forward limitation applicable to other corporations

§ 354 — CAP ON A COMBINED GROUP'S TAX LIABILITY ON A UNITARY BASIS

Eliminates the $2.5 million cap on the amount by which a combined group's tax, calculated on a combined unitary basis, can exceed the tax it would have paid on a separate basis

§ 355 — RELIEF FROM INTEREST ON ESTIMATED TAX UNDERPAYMENTS

Exempts corporation business taxpayers from interest on estimated tax because of specified tax changes under the act

§§ 356 & 357 — CORPORATION BUSINESS TAX SURCHARGE

Extends the 10% corporation business tax surcharge for three additional years, to the 2026 through 2028 income years

§ 358 — REFUND VALUE OF R&D AND R&E CREDITS FOR QUALIFYING SMALL BIOTECHNOLOGY COMPANIES

Increases, from 65% to 90%, the cash refund a qualifying small biotechnology company may receive for its unused R&D and R&E tax credits

§§ 359, 361, 363 & 364 — TAX ON NURSING HOMES AND INTERMEDIATE CARE FACILITIES

Terminates the quarterly user fee on nursing homes and ICFs as of July 1, 2026, and instead imposes a quarterly 6% tax on their revenue; requires the tax to cease and the user fees to be reimposed if CMS determines that the tax is impermissible

§§ 360 & 361 — HOSPITAL PROVIDER TAX

Beginning in FY 27, requires the base year on which the hospital provider tax is calculated to be tied to an applicable federal fiscal year, rather than FY 16, and makes various corresponding changes; increases, by $375 million, the total revenue on which the tax on outpatient hospital services is calculated and requires the starting amount used to calculate the tax in later years to be increased by $25 million over the prior fiscal year; requires the DSS commissioner to seek approval from CMS to remove the exemption for children's general hospitals; makes other administrative changes to the tax

§ 362 — HOSPITAL MEDICAID SUPPLEMENTAL PAYMENTS

Increases Medicaid supplemental payments to hospitals by $140 million for FY 27 and requires this total to be increased in subsequent years by $25 million over the preceding year if the total amount of hospital provider tax collected for that year increased by $25 million over the preceding year

§§ 365 & 366 — TAX REVENUE ACCRUAL

Authorizes the state comptroller to record revenue from the tobacco products and controlling interest transfer taxes received within five business days after July 31 as revenue for the preceding fiscal year

§ 367 — CONNECTICUT ITINERANT VENDORS GUARANTY FUND

Transfers the Connecticut Itinerant Vendors Guaranty Fund's remaining balance to the General Fund

§ 368 — SALES AND USE TAX EXEMPTION FOR AMBULANCES

Exempts certain ambulances and ambulance-type vehicles from sales and use tax

§ 369 — SALES TAX EXEMPTION FOR CERTAIN AIRCRAFT INDUSTRY JOINT VENTURES

Extends, from 40 to 50 consecutive years, the duration of the sales and use tax exemption for qualifying aircraft industry joint ventures

§ 370 — DUES TAX EXEMPTION

Increases the threshold for annual dues and initiation fees that are exempt from the state's 10% dues tax from $100 to $250

§ 371 — EARNED INCOME TAX CREDIT (EITC) INCREASE

Increases the state EITC by $250 for taxpayers with at least one qualifying child

§ 372 — INCOME TAX CREDIT FOR FAMILY CHILD CARE HOME OWNERS

Establishes a refundable income tax credit for taxpayers who own a state-licensed family child care home

§ 373 — FARM INVESTMENT TAX CREDIT

Creates a refundable business tax credit for farmers' investments in eligible machinery, equipment, and buildings equal to 20% of the amount spent or incurred on the eligible property

§ 374 — CHET CONTRIBUTION TAX CREDIT

Establishes a new business tax credit for employer contributions to a qualifying employee's CHET account

§§ 375-383 — CHET PROGRAM CHANGES

Makes various changes to the CHET program statutes, primarily to (1) align the program's statutes with federal law and current practice, (2) explicitly allow CHET account owners to make federally tax-exempt rollover distributions from their CHET accounts, (3) explicitly authorize the treasurer to retain investment advisors to make CHET trust fund investments on his behalf, (4) eliminate the statutory framework for the CHET Baby Scholars Fund program and its related account, and (5) eliminate the ability for taxpayers to contribute any portion of their state income tax refund to the Baby Scholars Fund and instead allow them to contribute their refunds to the Connecticut Baby Bonds Trust

§§ 384 & 385 — UCONN TAX CREDIT INCENTIVE PROGRAM

Authorizes UConn to set up and administer a tax credit incentive program to promote and publicly recognize the university and its programs, services, and mission; creates a 50% tax credit for payments made to UConn according to qualified agreements under this program; caps the total credits allowed for each calendar year at $5 million and for each taxpayer at $500,000 per tax or income year

§ 386 — VOLATILITY CAP THRESHOLD

Sets the volatility cap threshold at $4,079.3 million for FY 25 and $4,728.6 million for FY 26; requires the cap to be adjusted for inflation for FY 27 and after

§ 387 — DRS TAX GAP REPORT

Extends the deadline for DRS to submit its next tax gap report by one year and requires the agency to submit future reports every two years rather than annually

§ 388 — DRS TAX INCIDENCE REPORT

Limits, from every two years to every four years, the frequency with which DRS's tax incidence report must include incidence projections for the property tax and any other tax that generated $100 million or more in the fiscal year before the report's submission

§§ 389 & 390 — PAYING DOWN SPECIAL TRANSPORTATION FUND-SUPPORTED DEBT

Extends and makes permanent a change made in 2024 requiring that a portion of the STF's remaining balance at the end of the fiscal year be deemed appropriated to pay off STF-supported debt

§ 391 — SOURCING REVENUE TO MUNICIPALITIES

Requires the DRS commissioner to track and record the source of state sales and use, personal income, and corporation business tax revenue to accurately and fairly attribute the revenue from each of these taxes to municipalities

§ 392 — ADDITIONAL DEDUCTION FOR CERTAIN COMBINED GROUPS AFFECTED BY COMBINED REPORTING

Modifies the income year used to calculate a specific corporation business tax deduction for certain combined groups

§ 393 — LOCAL OPTION HOMESTEAD PROPERTY TAX EXEMPTION

Allows municipalities that adopt a local option homestead exemption to limit its eligibility by (1) capping the assessed value of qualifying dwellings, (2) requiring owners to have lived in the property for a specified period of time to qualify, or (3) implementing both

§ 394 — CIGARETTES

Modifies the definition of "cigarettes" under the state's cigarette tax and other laws to, among other things, explicitly include any roll, stick, or capsule of tobacco intended to be heated under ordinary use

§§ 395 & 396 — E-CIGARETTES

Imposes restrictions and penalties on e-cigarettes similar to those that apply to cigarettes under existing law; specifically requires e-cigarette sellers to ask prospective buyers to present a driver's license, passport, or ID card to verify that they are at least age 21 and allows them to use electronic scanners to check a passport's validity, just as existing law allows for driver's licenses and ID cards; increases the maximum fines that may be imposed on anyone who sells, gives, or delivers an e-cigarette to a minor

§ 397 — PILOT PROGRAM TO COLLECT CERTAIN DELINQUENT STATE TAXES

Requires the OPM secretary and DRS commissioner to set up a pilot program to collect unpaid state taxes, penalties, and interest due from anyone receiving payments from a state agency

§ 398 — HOUSING TAX CREDIT CONTRIBUTION PROGRAM PROCEDURES

Eliminates the requirement that the DRS commissioner approve CHFA's written procedures to implement the Housing Tax Credit Contribution program

§§ 399 & 400 — ANNUAL ASSESSMENTS ON THE TRIBES

Shifts, from DRS to DCP, the responsibility for issuing annual assessments to the Mashantucket Pequot and Mohegan tribes

§ 401 — INCOME TAX WITHHOLDING FOR CERTAIN RETIREMENT INCOME DISTRIBUTIONS

Temporarily suspends the income tax withholding requirement on lump sum distributions from pensions, annuities, and other specified sources

§§ 402 & 403 — CONCENTRATED POVERTY CENSUS TRACTS

Expands the list of agencies and entities involved in developing a 10-year plan to reduce the levels of concentrated poverty in a designated concentrated poverty census tract; requires the DECD commissioner, by September 1, 2025, to submit an additional progress report to the legislature on the plan's development; eliminates a related working group

§ 404 — BOTTLE BILL OVER-REDEMPTION REIMBURSEMENT GRANTS AND ENFORCEMENT FUNDING

Establishes the bottle bill escheats enforcement and assistance account to fund (1) State Police enforcement of the ban on illegal bottle redemption and (2) reimbursement grants for financial losses from over-redemption; transfers $2 million to the account for those purposes

§ 405 — ATTORNEY GENERAL ENFORCEMENT OF THE BOTTLE BILL

Authorizes the attorney general to enforce certain bottle bill provisions

§ 406 — NOISE MITIGATION AT TWEED-NEW HAVEN AIRPORT

Earmarks $1 million of the Connecticut airport and aviation account's funds each fiscal year for noise mitigation at Tweed-New Haven Airport

§ 407 — TELEPHONE AND TELECOMMUNICATION SUBSCRIBER FEE

Generally requires telephone and telecommunications companies to charge subscribers a five cent per month per service line fee to be deposited into the firefighters cancer relief account

§§ 408-410 — BENEFITS FOR FIREFIGHTERS WITH CANCER

Explicitly allows firefighters employed by the Connecticut Airport Authority, Tweed-New Haven Airport, or entities contracting with the Tweed-New Haven Airport Authority to participate in a program that provides certain benefits to firefighters with cancer; makes conforming changes to align with changes made by PA 25-4

§§ 411-414 — CHANGES TO THE COMMUNITY INVESTMENT ACCOUNT

Renames the CIA the "Donald E. Williams, Jr. community investment account" and modifies the fee amounts and the allocation of the collected funds

§§ 415-433 — OCCUPATIONAL LICENSE OR CERTIFICATION FEES

Eliminates numerous occupational license or certification fees for health care professionals and educators

§ 434 — TAX EXEMPTION FOR PROPERTY LOCATED ON CERTAIN RESERVATION LANDS

Establishes a tax exemption for property located on reservation land that is held in trust for a federally recognized Indian tribe

§§ 435-442 & 456 — SOUTH MEADOWS SITE, MDA, AND CRDA

Makes various changes related to the South Meadows site, which contains closed resource recovery and jet turbine facilities, to, among other things, (1) transfer MDA-related property and powers to CRDA rather than DAS, (2) subject the work CRDA performs on the site (e.g., development, redevelopment, and remediation) to different regulatory processes, (3) require state tax revenue generated within the site to be retained and reinvested by CRDA there, (4) create a property tax exemption, and (5) terminate MDA a year earlier than scheduled

§ 443 — CONNECTICUT PRECIOUS METALS WORKING GROUP

Creates a Connecticut Precious Metals Working Group to monitor the precious metals markets and related legislation in other states; requires the group to annually report its findings and recommendations to the General Assembly

§ 444 — SALES AND USE TAX EXEMPTION FOR PRECIOUS METALS AND RARE OR ANTIQUE COINS

Modifies the sales and use tax exemption on certain sales of rare or antique coins, gold or silver bullion, and gold or silver legal tender

§ 445 — MUNICIPAL VIDEO COMPETITION TRUST ACCOUNT

Repeals annual offsetting $5 million transfers between the municipal video competition trust account and the General Fund

§§ 446-448 — MUNICIPAL TAX LIEN ASSIGNMENT

Prohibits assignees of municipal tax liens for unpaid taxes from charging post-charge-off charges or fees for collection costs; treats these assignees as consumer collection agencies and explicitly subjects them to banking department requirements for these agencies; no longer prohibits these agencies from receiving assignments as a third party of claims for certain purposes

§§ 449-454 — ABLE ACCOUNTS

Modifies Connecticut's ABLE program by (1) aligning eligibility requirements with federal law, (2) allowing the state treasurer to pay certain associated fees, (3) generally disregarding ABLE accounts as income for all means-tested public assistance programs instead of programs specified by law, and (4) making changes to conform with federal law

§ 455 — FARM MACHINERY PROPERTY TAX EXEMPTION

Increases, from $100,000 to $250,000 in assessed value, the mandatory property tax exemption for farm machinery, other than motor vehicles

§§ 457 & 458 — PHYSICIAN ASSISTANT LICENSURE COMPACT

Enters Connecticut into the Physician Assistant Licensure Compact, which creates a process authorizing PAs who are licensed in one participating state to practice across state boundaries without requiring licensure in each state; correspondingly requires all PA licensure applicants to get a fingerprint-based background check

§ 459 — ONLINE RENTAL PAYMENT SYSTEMS

Amends a provision on rental payments made through online payment systems in PA 25-49, which was vetoed, and so has no legal effect

§§ 460-471 — REVENUE ESTIMATES

Adopts revenue estimates for FYs 26 and 27 for appropriated state funds

§§ 472 & 473 — MUNICIPAL GRANTS

Requires OPM to grant additional municipal aid to New Haven, Ledyard, and Montville out of Other Expenses; increases the supplemental revenue sharing grant amounts for 11 municipalities

§§ 1-12 — FY 26 AND FY 27 APPROPRIATIONS

Appropriates money for state agency operations and programs for FYs 26 and 27

The act appropriates money for state agency operations and programs in FYs 26 and 27. The table below shows the net annual appropriations for each year from each appropriated fund.

FY 26 and FY 27 Net Appropriations by Fund

§	Fund	Net Appropriation	
		FY 26	FY 27
1	General Fund	$24,036,381,982	$25,361,911,684
2	Special Transportation Fund (STF)	2,279,210,908	2,405,174,959
3	Mashantucket Pequot and Mohegan Fund	52,541,796	52,541,796
4	Banking Fund	36,301,539	36,595,890
5	Insurance Fund	118,397,912	120,109,550
6	Consumer Counsel and Public Utility Control Fund	37,235,150	37,519,262
7	Workers' Compensation Fund	27,287,983	27,437,125
8	Criminal Injuries Compensation Fund	2,934,088	2,934,088
9	Tourism Fund	17,884,502*	18,709,502
10	Cannabis Prevention and Recovery Services Fund	3,365,268	3,365,268
11	Cannabis Regulatory Fund	9,374,453	9,374,453
12	Municipal Revenue Sharing Fund	559,409,674	559,409,674

*PA 25-174, § 177, modifies the Tourism Fund's FY 26 appropriations but retains the fund's FY 26 net appropriation in this act.

EFFECTIVE DATE: July 1, 2025

§ 13 — SPENDING REDUCTIONS AND BUDGETED LAPSES

Allows the OPM secretary to reduce spending in the executive and judicial branches to achieve specified unallocated lapses in the General Fund

For FYs 26 and 27, the act allows the Office of Policy and Management (OPM) secretary to reduce allotments for the executive and judicial branches of government, as shown in the table below, to achieve targeted budget savings in the General Fund. These amounts correspond to budgeted lapses designated as "Unallocated Lapse," "Targeted Savings," and "Unallocated Lapse – Judicial" in the act (see § 1). Under the act, judicial reductions must be determined by the chief justice and chief public defender.

FY 26 and FY 27 Spending Reductions by Branch

Branch	*Reduction*	*FY 26*	*FY 27*
Executive	Unallocated Lapse	$63,710,570	$73,710,570
	Targeted Savings	25,518,692	15,000,000
Judicial	Unallocated Lapse	5,000,000	5,000,000

EFFECTIVE DATE: July 1, 2025

§ 14 — AUTHORITY TO TRANSFER FUNDS TO AND FROM THE RESERVE FOR SALARY ADJUSTMENTS ACCOUNT

Allows the OPM secretary to transfer specified funds to implement and account for adjustments to various personal services expenses

The act authorizes the OPM secretary to transfer the following:

1. personal services appropriations in any appropriated fund from agencies to the Reserve for Salary Adjustments account to provide for collective bargaining's impact and related costs and
2. General Fund appropriations for Reserve for Salary Adjustments to any agency in any appropriated fund to implement salary increases; other employee benefits; agency costs related to staff reductions, including accrual payments; agency personal services reductions; or any other authorized personal service adjustment.

EFFECTIVE DATE: July 1, 2025

§ 15 — COLLECTIVE BARGAINING AGREEMENT COSTS

Carries forward the unexpended portion of appropriated funds related to collective bargaining agreements and related costs and requires that the funds be used for the same purposes in FYs 26 and 27

The act carries forward the unexpended funds appropriated in the FY 24-25 budget that relate to collective bargaining agreements and related costs, as determined by the OPM secretary, and requires that the funds be used for the same purpose in FYs 26 and 27. It similarly carries forward the same unexpended funds appropriated for FY 26 and requires that they be used for the same purpose in FY 27.

EFFECTIVE DATE: Upon passage

§§ 16 & 17 — APPROPRIATION TRANSFERS AND ADJUSTMENTS TO MAXIMIZE FEDERAL MATCHING FUNDS

Authorizes the governor, subject to specified conditions, to transfer or adjust agency appropriations to maximize federal matching funds

The act allows the governor, with the Finance Advisory Committee's (FAC) approval, to transfer all or part of an agency's appropriation at the agency's request to another agency to take advantage of federal matching funds. Under the act, both agencies must certify that the receiving agency will spend the transferred appropriation for its original purpose.

Federal funds generated from these transfers can be used to reimburse spending, expand services, or both as the governor determines with FAC approval.

The act also allows the governor, with FAC approval, to adjust all or part of an agency's appropriation to maximize federal funding to the state.

EFFECTIVE DATE: July 1, 2025

§ 18 — FEDERAL REIMBURSEMENT FOR DCF AND DSS PROJECTS

Authorizes DSS and DCF to establish receivables for anticipated federal reimbursement

For FYs 26 and 27, the act allows the departments of Children and Families (DCF) and Social Services (DSS), with OPM's approval, to establish receivables for the anticipated federal reimbursement for approved projects. They must do so in compliance with any advanced planning documents approved by the federal Department of Health and Human Services.

EFFECTIVE DATE: July 1, 2025

§ 19 — UCONN HEALTH CENTER APPROPRIATION TRANSFERS TO DSS MEDICAID ACCOUNT

Authorizes the OPM secretary to transfer General Fund appropriations for the UConn Health Center to DSS's Medicaid account to maximize federal reimbursement

The act authorizes the OPM secretary to transfer all or part of any General Fund appropriation for the UConn Health Center to DSS's Medicaid account to maximize federal reimbursement.

EFFECTIVE DATE: July 1, 2025

§ 20 — DSS PAYMENTS TO DMHAS HOSPITALS

Specifies how (1) DSS must spend appropriations for certain DMHAS hospital payments and (2) hospitals must use the funds they receive from DMHAS

The act requires DSS to (1) spend money appropriated to it for "Department of Mental Health and Addiction Services (DMHAS) – Disproportionate Share" payments when and in the amounts OPM specifies and (2) make disproportionate share payments to DMHAS hospitals for operating expenses and related fringe benefits. It requires the hospitals to (1) use the funds they receive from DMHAS for fringe benefits to reimburse the comptroller and (2) deposit the other DMHAS funds they receive into "grants – other than federal accounts." Unspent disproportionate share funds in these accounts lapse at the end of each fiscal year.

EFFECTIVE DATE: July 1, 2025

§ 21 — APPROPRIATIONS FOR "NONFUNCTIONAL – CHANGE TO ACCRUALS" LINE ITEM ACCOUNTS

Bars the OPM secretary from allotting funds from the "Nonfunctional – Change to Accruals" line item accounts in the state's appropriated funds

The act bars the OPM secretary from allotting funds from the "Nonfunctional – Change to Accruals" line item accounts in the state's appropriated funds, regardless of the law requiring the governor, through OPM, to allot appropriations before they can be spent. These line items represent the change to accruals in agency budgets due to the conversion to generally accepted accounting principles (GAAP)-based budgeting.

EFFECTIVE DATE: July 1, 2025

§ 22 — TRANSFER FOR BIRTH-TO-THREE PROGRAM

Requires SDE to transfer certain federal special education funds to OEC for the Birth-to-Three Program

For FYs 26 and 27, the act requires the State Department of Education (SDE) to transfer $1 million of the federal special education funds it receives each year to the Office of Early Childhood (OEC) for the Birth-To-Three Program to carry out federally required special education responsibilities.

EFFECTIVE DATE: July 1, 2025

§ 23 — PRIORITY SCHOOL DISTRICT GRANTS

Distributes PSD grants for FYs 26 and 27

The act distributes priority school district (PSD) grants for FYs 26 and 27 across three categories as shown in the table below.

PSD Grant Funding Distribution

Category	*FY 26*	*FY 27*
Priority school districts	$30,818,778	$30,818,778
Extended school building hours	2,919,883	2,919,883
School accountability	3,412,207	3,412,207

By law, the PSD program provides grants to districts (1) in the eight towns with the largest populations in the state or (2) whose students receive low standardized test scores and have high levels of poverty.
EFFECTIVE DATE: July 1, 2025

§ 24 — DCF-LICENSED PRIVATE RESIDENTIAL TREATMENT FACILITIES

Suspends rate adjustments for DCF-licensed private residential treatment facilities for FYs 26 and 27

For FYs 26 and 27, the act suspends per diem and other rate adjustments for private residential treatment facilities licensed by DCF.
EFFECTIVE DATE: July 1, 2025

§ 25 — MASHANTUCKET PEQUOT AND MOHEGAN FUND GRANTS

Allocates the total grant amounts paid to municipalities and certain tribes from the Mashantucket Pequot and Mohegan Fund for FYs 26 and 27

For FYs 26 and 27, the act specifies the grant amounts paid to municipalities and certain tribes from the Mashantucket Pequot and Mohegan Fund, totaling roughly $52.5 million in each year. In doing so, it overrides the statutory formulas for the grants.
EFFECTIVE DATE: July 1, 2025

§ 26 — CONNECTICUT MUNICIPAL DEVELOPMENT AUTHORITY STAFF AND OPERATING COSTS

Requires the General Fund appropriations to DECD for MRDA to be used for its staff and operating costs in FYs 26 and 27

The act requires the FY 26 and FY 27 General Fund appropriations to DECD for "MRDA" to be used to support its operating costs and personal services and fringe benefit costs for staff. (MRDA is now known as the Connecticut Municipal Development Authority and the act correspondingly makes changes to laws to effectuate the name change (see §§ 99-112 below).)
EFFECTIVE DATE: July 1, 2025

§ 27 — PROBATE COURT ADMINISTRATION FUND

Requires that the Probate Court Administration Fund's balance at the end of FY 25 remain in the fund rather than be transferred to the General Fund

Under existing law, if there is a balance in the Probate Court Administration Fund on June 30 exceeding 15% of its authorized expenditures in the coming fiscal year, then that excess is transferred to the General Fund. The act suspends this provision for FY 25 by requiring that any balance in the fund as of June 30, 2025, remain there.

EFFECTIVE DATE: Upon passage

§ 28 — STATE HEALTHCARE COSTS FOR HOSPITAL SERVICES

Requires the state comptroller to negotiate with nongovernmental licensed short-term general hospitals to revise the reimbursement rates for inpatient and outpatient care they provide to current state employees and non-Medicare retired state employees; requires any estimated savings in FY 27 from the resulting rate reductions to be offset by increased supplemental Medicaid payments to hospitals for FY 27, subject to certain restrictions

Negotiations for Revised Inpatient and Outpatient Reimbursement Rates

The act requires the state comptroller, by June 30, 2026, to negotiate with nongovernmental licensed short-term general hospitals in Connecticut to revise the reimbursement rates for inpatient and outpatient care they provide to current state employees and non-Medicare retired state employees. The act allows the adjusted rates to vary between the active and retired state employee health plans.

Under the act, any hospital that agrees to reduced rates must accept reduced payments from the state comptroller's contracted administrative services organization (ASO) as payment in full. It may not (1) balance bill affected members beyond the cost share amount required by the member's benefit design or (2) seek additional reimbursement from the ASO. For any hospital that does not agree to revised rates under these negotiations, its existing contract for in-network participation continues to apply.

Partnership Plans

The act specifies that these provisions do not require the state comptroller to adjust hospital reimbursement rates for any "partnership plan" (health benefit plans the comptroller offers to nonstate public employers and certain others). It requires these plan premiums to (1) be calculated using the ASO's hospital reimbursement rates regardless of any negotiated rate revision and (2) not reflect the resulting reduced costs to the active or retired state employee health plans.

Hospital Supplemental Payments

Before the start of FY 27, if the state comptroller estimates that reimbursement rates will be reduced for FY 27 because of these rate negotiations, the act requires that supplemental Medicaid payments to hospitals be increased by at least the amount of the reduction for FY 27 (see also § 362 on additional changes to these supplemental payments for FY 27 and after). But these payments must still comply with applicable federal requirements and required federal approvals, including the requirement that the payments not exceed the upper payment limit.

EFFECTIVE DATE: Upon passage

§ 29 — COLD WEATHER RESPONSE SERVICE

Requires DOH to use up to $8.5 million of its FY 26 and FY 27 General Fund appropriations to maintain cold weather response service, but not necessarily continuous call center service; requires applications for these grants to be submitted as required by the DOH commissioner

The act requires the Department of Housing (DOH) to use up to $8.5 million of its FY 26 and FY 27 General Fund appropriations (up to $3.5 million for FY 26 and up to $5 million for FY 27) to maintain cold weather response service, but not necessarily to provide continuous call center service. Under the act, grant applications for maintaining this service must be submitted as required by the DOH commissioner.

EFFECTIVE DATE: Upon passage

§§ 30 & 37 — CARRYFORWARDS

Carries forward prior years' appropriations for OLM and DOL and requires they be used for specified purposes

The act carries forward to FY 26 up to $100,000 of a prior year's appropriation to the Office of Legislative Management (OLM) for statues and allows the funds to be used to support the John Mason statue's removal from the State Capitol building.

It also carries forward to FY 26 up to $100,000 of a prior year's appropriation to the Department of Labor (DOL) for Cradle to Career. Under the act, the funds are transferred to OEC's Other Expenses line item for a grant to the United Way of Coastal and Western Connecticut.
EFFECTIVE DATE: Upon passage

§§ 31, 36 & 38 — RESERVED AMOUNTS FROM LINE ITEM APPROPRIATIONS

Reserves certain amounts from line items in agency budgets for various purposes in FYs 26 and 27

The act reserves certain amounts from line items in agency budgets for various purposes in FYs 26 and 27, as shown in the table below.

Reserved Amounts for FYs 26 and 27 Line Item Appropriations*

§	Agency	Appropriation For	Reserved For	Amount	FY
31	State Library	Other Expenses	Grants (in equal amounts) to (1) United Way of Central and Northeastern Connecticut for the Dolly Parton Imagination Library, (2) Read to Grow, and (3) Reach Out and Read	$500,000	26 and 27
36(a)	SDE	Other Expenses	Grant to EastCONN Regional Educational Service Center	3,000,000	27
36(b)	SDE	Other Expenses	Grant to EdAdvance Regional Educational Service Center	900,000	27
36(c)	SDE	Other Expenses	Grant to Norwalk MLK Scholarship Fund	20,000	26 and 27
36(d)	SDE	Other Expenses	Robotics	100,000	26
				25,000**	27
36(e)	SDE	Other Expenses	Grant to Brother Carl Institute	800,000	26 and 27
36(f)	SDE	Other Expenses	Grant to Artists Collective	150,000	26 and 27
36(g)	SDE	Other Expenses	Grant to Girls on the Run Greater Connecticut	100,000	26 and 27
36(h)	SDE	Other Expenses	Grant to Big Brothers and Big Sisters of Connecticut for mentoring in Hartford and New Haven	350,000	26 and 27
36(i)	SDE	Other Expenses	Grant to Middletown for youth programming	200,000	26 and 27
36(j)	SDE	Other Expenses	Grant to Boys and Girls Club of Lower Naugatuck Valley for operational support	100,000	26 and 27
36(k)	SDE	Other Expenses	Grant to Hartford Knights	100,000	26 and 27
36(l)	SDE	Other Expenses	Grant to Hartford Youth Programming	15,000	26 and 27

§	Agency	Appropriation For	Reserved For	Amount	FY
36(m)	SDE	Other Expenses	Grant to Active City for youth athletics	150,000	26 and 27
36(n)	SDE	Other Expenses	Grant to Serving All Vessels Equally (SAVE), Inc. in Norwalk	100,000	26 and 27
36(o)	SDE	Other Expenses	Electrical and computer engineering recruitment and after school K-2 reading tutoring	2,000,000	26 and 27
36(p)	SDE	Other Expenses	Grant to EdAdvance School Readiness Council	25,000	26 and 27
36(q)	SDE	Other Expenses	Grant to Stamford Public Education Foundation	210,000	26 and 27
36(r)	SDE	Other Expenses	Grant to Full Circle Youth Empowerment	1,000,000	26 and 27
36(s)	SDE	Other Expenses	Grant to Bridgeport Youth Lacrosse	100,000	26 and 27
36(t)	SDE	Other Expenses	Grant to New Haven Reads	200,000	26 and 27
36(u)	SDE	Other Expenses	Grant to Thompson Alliance District	200,000	26 and 27
36(v)	SDE	Other Expenses	Grant to Big Brothers Big Sisters	150,000	26
				200,000	27
36(w)	SDE	Other Expenses	Grant to Girls on the Run Greater Connecticut	20,000	26 and 27
36(x)	SDE	Other Expenses	Grant to Effective School Solutions	450,000	26
				350,000	27
36(y)	SDE	Other Expenses	Grant to Athlife	100,000	26
36(z)	SDE	Other Expenses	Grant to the Connecticut Association of Boards of Education for boards of education training	100,000	26 and 27
36(AA)	SDE	Other Expenses	Grant to the Connecticut Association of Schools/ Connecticut Interscholastic Athletic Conference for curriculum development	400,000	26
				200,000	27
36(BB)	SDE	Other Expenses	Grant to Free Agent Now	200,000	26
36(CC)	SDE	Other Expenses	Grant to Martin Luther King Scholarship Committee of Greater Middletown	5,000	26 and 27

§	Agency	Appropriation For	Reserved For	Amount	FY
36(DD)	SDE	Other Expenses	Grant to VR Sim	175,000	26 and 27
36(EE)	SDE	Other Expenses	Grant to Greenwich YMCA Scholarship Program	10,000	26
36(FF)	SDE	Other Expenses	Grant to Waterford for school lunch debt	30,000	26 and 27
36(GG)	SDE	Other Expenses	Grant to Montville for school lunch debt	36,000	26 and 27
36(HH)	SDE	Other Expenses	Grant to Fairfield River-Lab	25,000	26 and 27
36(II)	SDE	Other Expenses	Grant to Bridgeport Caribe Youth Leaders	200,000	26 and 27
36(JJ)	SDE	Other Expenses	Grant to Elevate Bridgeport	175,000	26 and 27
36(KK)	SDE	Other Expenses	Grant to Bridgeport Board of Education for the Bridgeport Public Schools Debate League	75,000	26 and 27
36(LL)	SDE	Other Expenses	Grant to Yellow Mill Scholarship Fund	25,000	26 and 27
36(MM)	SDE	Other Expenses	Grant to Waterbury Promise	1,500,000	26 and 27
36(NN)	SDE	Other Expenses	Grant to Meriden Boys and Girls Club	250,000	26 and 27
36(OO)	SDE	Other Expenses	Grant to Newington Public Schools for diverse library circulation materials	10,000	26 and 27
36(PP)	SDE	Other Expenses	Grant to Boys and Girls Club of Milford for AI training	25,000	26 and 27
36(QQ)	SDE	Other Expenses	Grant to New London Public Schools pre-K and early childhood, including transitional kindergarten	500,000	26 and 27
36(RR)	SDE	Other Expenses	Grant to Stamford Public Education Foundation	90,000	26 and 27
36(SS)	SDE	Other Expenses	Grant to Sound Waters Summer Camp	50,000	26 and 27

§	Agency	Appropriation For	Reserved For	Amount	FY
36(TT)	SDE	Other Expenses	Grant to Windham Public Schools	250,000	26 and 27
36(UU)	SDE	Other Expenses	Teacher residency program	750,000	26 and 27
36(VV)	SDE	Other Expenses	Grant to State Education Resource Center for disconnected youth programming	500,000	26 and 27
38	Judicial Department	Other Expenses	Grant to Survivors of Homicide, Inc.	115,000	26

*PA 25-174, §§ 178 & 182, additionally reserves the following amounts from OPM's General Fund FY 26 appropriation for Other Expenses: (1) $500,000 for a grant to the CT Convention & Sports Bureau and (2) $300,000 for staff support in the Office of Consumer Counsel's Office of State Broadband.
**PA 25-174, § 179, increases the amount reserved for this grant in FY 27 to $100,000.

EFFECTIVE DATE: July 1, 2025

§§ 32-34 — YOUTH SERVICES PREVENTION AND YOUTH VIOLENCE INITIATIVE GRANTS

Specifies how a portion of the funds appropriated to the Judicial Department for youth services prevention and the youth violence initiative must be distributed; carries forward any unspent funds from these appropriations and requires that they be used for juvenile justice system needs in FYs 27 and 28

The act appropriates to the Judicial Department for FYs 26 and 27 roughly (1) $8.3 million per year for youth services prevention and (2) $5.6 million per year for the youth violence initiative (§ 1). It reserves a portion of these appropriations for grants to specified organizations, specifically (1) $7.72 million of the FY 26 youth services prevention appropriation and (2) about $5.57 million of the FY 26 and FY 27 youth violence initiative appropriations.

Additionally, the act carries forward any unspent portion of the youth services prevention and youth violence initiative appropriations, as determined by the OPM secretary, and requires that the funds be used for juvenile justice system needs in FYs 27 and 28, as determined by the chief court administrator.
EFFECTIVE DATE: July 1, 2025

§ 35 — FUNDS CARRIED FORWARD FOR STATE EMPLOYEE SALARY ADJUSTMENTS AND HEALTH SERVICE COSTS

Requires the OPM secretary to identify $258 million in unspent appropriations for FYs 24 and 25 and carries forward and transfers these funds for specified state employee salary adjustments and health service costs

The act requires the OPM secretary to identify $258 million in unspent appropriations for FYs 24 and 25 and carries forward and transfers these funds as follows:

1. to Reserve for Salary Adjustments ($100 million for FY 26 and $36 million for FY 27) and
2. to State Comptroller – Fringe Benefits, for State Employees Health Service Cost ($122 million for FY 26).

EFFECTIVE DATE: Upon passage

§§ 39 & 43 — TRANSFERS FROM THE GENERAL FUND

Transfers specified amounts from the General Fund for FYs 26 and 27 to the Cannabis Regulatory Fund and Municipal Revenue Sharing Fund

The act transfers the amounts shown in the following table from the General Fund to the Cannabis Regulatory Fund and Municipal Revenue Sharing Fund for FYs 26 and 27.

General Fund Transfers (In Millions)

§	Fund	FY 26	FY 27
39	Cannabis Regulatory Fund	$10.3	$10.5
43	Municipal Revenue Sharing Fund	101	90

EFFECTIVE DATE: July 1, 2025

§ 40 — TEACHERS' RETIREMENT SYSTEM'S UNFUNDED LIABILITY

Increases the state's contribution to TRS for its unfunded accrued liability by $150 million for FY 26

State law requires the state to contribute to the Teachers' Retirement System (TRS) each fiscal year the actuarially determined employer contribution (ADEC) required to maintain the fund on an actuarial reserve basis (i.e. at a level sufficient to provide the benefits promised by the system). By December 1 each year, the Teachers' Retirement Board must certify to the General Assembly the amount of the ADEC, which includes the (1) contribution needed to meet the actuarial cost of future benefits (normal cost) and (2) amortization payment of any unfunded past service liabilities. The General Assembly must appropriate this certified amount to TRS if it complies with the law's requirements.

The act overrides this law and instead sets the unfunded liability portion of the ADEC at about $1,512 million for FY 26, an amount $150 million greater than the amount certified to the General Assembly in November 2024. (The board had certified an ADEC of approximately $1,362 million for unfunded liabilities and $294 million for normal costs for a total of $1,655 million.) Under the act (§ 1), the total amount appropriated for the TRS ADEC for FY 26 is $1,805 million.
EFFECTIVE DATE: July 1, 2025

§§ 41 & 42 — TRANSFER OF GENERAL FUND REVENUE TO FY 26 AND FY 27

Transfers (1) $150 million of FY 25 General Fund revenue to FY 26 and (2) $244 million of FY 26 General Fund revenue to FY 27

The act requires the state comptroller, by June 30, 2025, to transfer $150 million of FY 25 General Fund resources to be accounted for as FY 26 General Fund revenue. It similarly requires the comptroller, by June 30, 2026, to transfer $244 million of FY 26 General Fund resources to be accounted for as FY 27 General Fund revenue.
EFFECTIVE DATE: Upon passage

§ 44 — TRANSFER OF STF REVENUE TO FY 26 AND FY 27

Transfers $140 million of FY 25 STF revenue to FY 26 ($17 million) and FY 27 ($123 million)

The act requires the state comptroller, by June 30, 2025, to transfer $140 million of FY 25 STF resources to be accounted for as FY 26 STF revenue ($17 million) and FY 27 STF revenue ($123 million).
EFFECTIVE DATE: Upon passage

§ 45 — LEGISLATIVE REPORT ON REDUCED FEDERAL FUNDING

Requires the OPM secretary to submit a plan to the legislature whenever the federal government enacts a law that reduces the amount of the state's federal funding for FYs 25 to 27

The act requires the OPM secretary to submit a plan to the Appropriations and Finance, Revenue and Bonding committees whenever the federal government enacts a law that reduces the amount of the state's federal funding for FYs 25 to 27 by comparison to the state's federal funding for FYs 24 and 25. Under the act, he must submit a plan within 30 days after the federal law's passage that does the following:

1. identifies each program he projects will be affected and its estimated funding reduction;
2. gives recommendations on the feasibility and prudence of using, and legal requirements to use, state resources (including the Budget Reserve Fund) to replace all or part of the federal funding; and
3. includes a draft of any supplemental appropriations and revenue bill needed to enact these recommendations,

which must prioritize maintaining health care, food assistance, education, state employment, and arts and cultural activities.

EFFECTIVE DATE: Upon passage

§ 46 — TECHNICAL CORRECTIONS DURING CODIFICATION

Requires the Legislative Commissioners' Office to make necessary technical, grammatical, and punctuation changes when codifying the act

The act requires the Legislative Commissioners' Office to make technical, grammatical, and punctuation changes as necessary to codify the act, including internal reference corrections.

EFFECTIVE DATE: Upon passage

§ 47 — AHEAD FEDERAL DEMONSTRATION PROGRAM

Requires DSS, within available appropriations, to develop a plan to implement alternative payment methods for hospitals voluntarily participating in the AHEAD federal demonstration program; authorizes DSS to apply for a federal Medicaid waiver to implement these alternative payment methods

The act requires the DSS commissioner, within available appropriations, to develop a method and implementation plan for financing structures or alternative payment methods for hospitals under the Advancing All-Payer Health Equity Approaches and Development (AHEAD) federal demonstration program administered by the Centers for Medicare and Medicaid Services' (CMS) Center for Medicare and Medicaid Innovation. These financing structures and alternative payment methods must at least include a Medicaid global budget payment method for licensed acute care hospitals (including children's hospitals).

Under the act, the commissioner must report by January 31, 2026, to the Appropriations, Human Services, and Public Health committees on the implementation plan and methods.

The act authorizes the commissioner, at least 30 days after she submits the report, to apply to CMS for a Medicaid waiver to implement the financing structure or payment method she develops. If she implements them, they must apply to all licensed acute care hospitals that volunteer to participate in the AHEAD program. Generally, the finance structure or alternative payment method would replace the existing Medicaid fee-for-service payment method for participating hospitals and applies to all included service categories. (Nonparticipating hospitals continue with the Medicaid fee-for-service payment method.)

Under the act, the financing structure or alternative payment method may include incentives or other enhanced payments for participating hospitals, to the extent these incentives or payments are within available resources dedicated to implementing the AHEAD payment model.

The act prohibits state agencies from (1) requiring a licensed acute care hospital to participate in a financing structure or alternative payment method implemented under the AHEAD program, (2) making the participation a condition of Medicaid reimbursement or certificate of need approval, or (3) imposing a penalty or reduction on a hospital that chooses not to participate in the finance structure or alternative payment method.

EFFECTIVE DATE: October 1, 2025

Background — AHEAD Demonstration Program

AHEAD is an 11-year federal demonstration program (from 2024 to 2034) administered by CMS. The program is a state total cost of care model under which Connecticut will assume responsibility for managing health care quality and costs across all payors (Medicaid, Medicare, and private insurers). The program's main components include (1) voluntary hospital global budgets; (2) voluntary participation in Primary Care AHEAD, which gives primary care practices prospective, flexible, and enhanced payments to increase their capacity to provide advanced primary care services; and (3) a statewide health equity plan to help improve population health and reduce disparities in health care access and outcomes. Connecticut is in the program's second cohort, which begins operating in January 2027, after a 30-month implementation period from July 2024, through December 2026. CMS provides up to $12 million total per state for up to six years to support the program's implementation.

Background — Global Budget Payments

Under the AHEAD program, Connecticut will implement Medicare fee-for-service and Medicaid hospital global budgets that give participating hospitals a pre-determined, fixed annual budget for hospital inpatient and outpatient facility services. The budgets are calculated based on a review of previous years' Medicare and Medicaid payments and are adjusted for inflation and changes in populations served and services provided. Additionally, at least one private health insurer must participate in the program by 2028.

§ 48 — TREASURER CONTRACTS FOR TRUST FUND INVESTING SERVICES

Allows the treasurer, under certain conditions, to award contracts related to investing state trust funds sooner than 45 days after recommending them to the Investment Advisory Council; requires the treasurer to establish procurement procedures for awarding these contracts

By law, the state treasurer cannot award a contract related to investing state trust funds until the Investment Advisory Council reviews the treasurer's recommendation for it. Generally, the council may file a written review of the recommendation within 45 days after a meeting in which the treasurer notifies the council about the recommendation, and the treasurer can award the contract after that 45-day period. The act, however, allows the treasurer to award the contract sooner by allowing him to do so once (1) he receives the council's written review or (2) the council notifies him that it does not intend to submit a written review.

The act also requires the treasurer to establish procurement procedures for awarding these contracts, consistent with the state's standards for investing these funds, that (1) foster impartial and comprehensive evaluations of potential providers and (2) encourage the selection of the most responsible provider who can provide the best value to the state. Under the act, these contracts cannot be considered a (1) personal service agreement subject to the laws generally governing those agreements or (2) contract for contractual services subject to the laws generally governing state purchases.

EFFECTIVE DATE: Upon passage

§§ 49-52 — COMPENSATION FOR JUDGES AND CERTAIN OTHER STATE OFFICIALS

Increases the salary and other compensation for judges and certain other judicial officials by approximately 3.5% starting in FY 26; correspondingly increases the salary of certain other state officials whose salary, by law, is tied to that of judges

Starting on July 1, 2025, the act increases the following by approximately 3.5%: (1) salaries for judges, family support magistrates, family support referees, and judge trial referees; (2) additional amounts that certain judges receive for performing administrative duties; and (3) salaries of certain officials whose compensation, by law, is set in relation to the salary of the chief justice or a Superior Court judge or a state referee's per-diem rate (including, starting with the next term for these offices, the governor and other constitutional officers).

The act also makes technical changes, including removing obsolete language.

EFFECTIVE DATE: July 1, 2025

Judicial Salaries

The table below shows the act's changes to judicial salaries starting in FY 26.

Judicial Salaries

Position	*Prior Salary*	*Salary Under the Act Starting July 1, 2025*
Supreme Court chief justice	$240,518	$248,936
Chief court administrator (if a judge)	231,121	239,210
Supreme Court associate judge	222,545	230,334
Appellate Court chief judge	220,084	227,786

Position	Prior Salary	Salary Under the Act Starting July 1, 2025
Appellate Court judge	209,046	216,336
Deputy chief court administrator (if a Superior Court judge)	205,199	212,381
Superior Court judge	201,023	208,059
Chief family support magistrate	174,976	181,101
Family support magistrate	166,533	172,361
Family support referee	260/day*	269/day*
Judge trial referee	302/day*	312/day*

*Plus expenses, mileage, and retirement pay

As under existing law, judges with at least 10 years of judicial or other state service also receive semi-annual longevity payments equal to a specified percentage of their annual salary.

Compensation for Administrative Duties

The law provides judges with extra compensation for taking on certain administrative duties. The act increases these annual payments, which are in addition to the judges' annual salaries, from $1,371 to $1,419 starting on July 1, 2025.

The judges who receive this additional amount are (1) the appellate system's administrative judge; (2) each judicial district's administrative judge; and (3) each chief administrative judge for (a) facilities, administrative appeals, the judicial marshal service, or judge trial referees, and (b) the Superior Court's family, juvenile, criminal, or civil divisions.

Related Increases

The act's provisions result in salary, rate, or maximum compensation increases for other officials or judges whose compensation is tied to those of judges or judge trial referees. Specifically:

1. the salaries of workers' compensation administrative law judges vary depending on service time and are tied to those of Superior Court judges (CGS § 31-277),
2. the salaries of probate court judges vary depending on probate district classification and range from 45% to 75% of a Superior Court judge's salary (CGS § 45a-95a),
3. senior judges receive the same per-diem rates as state referees (CGS §§ 51-47b(a) & 52-434b),
4. the probate court administrator's salary is the same as that of a Superior Court judge (CGS § 45a-75), and
5. the maximum compensation a retired judge may receive is equal to the highest annual salary during the fiscal year for the judicial office the judge held at retirement (CGS § 51-47b(b)).

Additionally, existing law generally makes the (1) governor's salary equal to the salary for the Connecticut Supreme Court chief justice and (2) lieutenant governor's, secretary of the state's, state treasurer's, state comptroller's, and state attorney general's equal to those for Superior Court judges. For these six officials, the salary increase does not take effect until the start of the next term for that office (CGS §§ 3-2, -11, -77, -111 & -124).

§ 53 — PORT AUTHORITY BOARD ANNUAL REPORT

Eliminates the requirement that DAS and OPM jointly review and comment on a CPA annual report before its submission to the governor and Transportation Committee

By law, the Connecticut Port Authority (CPA) board of directors must annually submit a report to the governor and Transportation Committee on various topics (e.g., CPA projects, finances, and legislative recommendations). The act eliminates the requirement that the Department of Administrative Services (DAS) and OPM jointly review and comment on the report before the board submits it.

EFFECTIVE DATE: Upon passage

§ 54 — YOUTH DEVELOPMENT ORGANIZATION TAX CREDIT

Limits the donations that qualify for the youth development organization tax credit to those made to eligible nonprofits in Connecticut

The act limits the donations that qualify for the youth development organization tax credit to those made to eligible organizations in Connecticut. Under prior law, donations made to any eligible nonprofit, regardless of its location, qualified for the credit.

Existing law establishes the tax credit for the 2024 and 2025 income and tax years for cash contributions individuals and businesses make to eligible youth development organizations to fund programs like afterschool tutoring, mentoring, and workforce preparedness training. The credit may be applied against the corporation business or personal income tax, but not the withholding tax. It equals 50% of the qualifying contribution, up to a maximum credit amount of $100,000 per income year for corporation business taxpayers or $20,000 per tax year for personal income taxpayers. Total credits under the program are capped at $2.5 million per fiscal year.

EFFECTIVE DATE: Upon passage, and applicable to applications filed on or after that date.

§§ 55-57 — ANNUAL DISTRIBUTION OF SPECIAL LICENSE PLATE-RELATED FEES

Requires OPM to distribute the funds from three special license plate-related accounts annually, rather than quarterly

State law establishes special license plates commemorating people, organizations, and causes in a number of different categories. These plates have distinct designs or logos and typically carry fees that apply in addition to the standard vehicle registration fees. In most cases, the law directs these additional fees to separate, nonlapsing General Fund accounts to be used for specified purposes related to the cause displayed on the license plate.

The act requires OPM to distribute the funds from three of these accounts annually, rather than quarterly as under prior law (see table below).

Special License Plate Accounts Impacted by the Act

Commemorative Account	*Entity Receiving Funds*	*OPM Distribution*
Olympic Spirit	U.S. Olympic Committee	Annually (quarterly under prior law)
Support for the Nursing Profession	Connecticut Nurses Foundation	
Support Our Troops!	Support Our Troops, Inc.	

EFFECTIVE DATE: Upon passage

§§ 58 & 59 — R&D AND R&E TAX CREDITS FOR QUALIFYING LLCS

Allows a single member LLC that meets specified employment and industry parameters to earn R&D and R&E credits and allows the LLC's corporate owner to claim the credits the LLC earned

The act allows a single member limited liability company (LLC) that meets specified employment and industry parameters to earn research and development (R&D) and research and experimental expenditures (R&E) credits. To qualify for the tax credits, the LLC must (1) have over 3,000 employees in Connecticut and (2) be engaged in manufacturing, with expertise in mechatronics, alignment and sensor technology, and optical fabrication. If the LLC is disregarded as an entity separate from its owner for federal income tax purposes, the LLC's employee count includes its employees and those of its owner.

By law, R&D and R&E tax credits apply only against the corporation business tax (for which an LLC is not liable). Under the act, if the taxpayer earning the credit is a single member LLC that is disregarded as an entity separate from its owner, its owner may claim the credit if it is subject to the state corporation business tax. In doing so, the act allows a corporation that is the sole owner of an LLC that meets the parameters described above and earns R&D and R&E tax credits to claim those credits against its tax liability. (PA 25-165, §§ 1 & 2, has identical provisions.)

EFFECTIVE DATE: Upon passage, and applicable to income and tax years beginning on or after January 1, 2025.

§§ 60 & 61 — ATTORNEY GENERAL DEFENSE OF STATE EMPLOYEES

Allows the AG, under certain conditions, to defend state employees as witnesses in criminal investigations, or in federal criminal investigations or prosecutions, related to performing their job duties

Witnesses in Criminal Investigations

The act allows the state, through the attorney general (AG), to defend a member of the Public Defender Services Commission or any state officer or employee (collectively referred to as state employees below) if they are a witness in a criminal investigation and became one as a result of performing their work duties or in the scope of their employment.

Under the act, the AG must determine, based on his investigation of the case's facts and circumstances, that the state employee is not a target, subject, or person of interest in the investigation or proceeding at the time of the request (presumably, the employee's request for representation). He must also periodically confirm the employee's status as a witness and ensure compliance with the terms of representation. If the employee becomes a target, subject, or person of interest, or is subsequently indicted or arrested, the AG must determine whether representation must end and, if so, promptly notify the employee about that.

If the AG determines that there is a conflict of interest between the employee seeking representation and the state's broader legal interests, the act requires him to promptly notify the employee and advise whether or not the use of outside counsel at the state's expense will be authorized.

The act specifies that this representation is strictly limited to matters arising from the employee's status as a witness and does not extend to personal legal matters or conduct unrelated to the employee's work.

Civil Actions

Existing law, unchanged by the act, similarly requires the AG defend a state employee in any civil action or proceeding in any state or federal court arising out of any alleged act, omission, or deprivation that occurred or is alleged to have occurred while the state employee was performing his or her work duties. The act specifies that this representation is also strictly limited to matters arising from the employee's official duties and does not extend to personal legal matters or conduct unrelated to the employee's work

Federal Criminal Investigations or Prosecutions

The act also allows the state, through the AG, to defend any state employee in a federal criminal investigation or prosecution arising out of any alleged act, omission, or deprivation that occurred, or is alleged to have occurred, while the employee was discharging their duties or acting within the scope of employment. To do so, the relevant agency head or constitutional officer must request representation and the AG must determine that the (1) alleged act, omission, or deprivation was consistent with the employee's obligations under state law and the U.S. Constitution's Tenth Amendment and (2) legal basis for the investigation or prosecution is without merit.

The act also makes conforming changes (§ 61).

EFFECTIVE DATE: July 1, 2025

§ 62 — CJPPD PRISON EDUCATION PROGRAMS

Requires OPM's CJPPD to develop and implement policies for postsecondary educational programs in correctional facilities

The act expands the responsibilities of OPM's Criminal Justice Policy and Planning Division (CJPPD), which the law tasks with promoting an effective and cohesive criminal justice system. The act does this by requiring CJPPD to develop and implement policies for statewide delivery of postsecondary educational programs in correctional facilities. It specifically requires CJPPD to have policies on federal Pell grants and prison education programs.

EFFECTIVE DATE: July 1, 2025

§§ 63-66 & 68 — REPEAL OF DIGITAL ANIMATION TAX CREDIT

Eliminates the digital animation tax credit and makes conforming changes

The act eliminates the digital animation tax credit, which, under prior law, was available for eligible companies with in-state studio facilities and 200 or more in-state employees that incurred eligible production expenses and costs in Connecticut. Previously, the credit had the same three tiers as the film production tax credit (10% to 30%, based on eligible expenditures) and could be applied against the corporation business and insurance premiums taxes. Total annual credits were capped at $15 million. (No credits have been issued under this program since 2016.) The act also makes conforming changes. (PA 25-165, §§ 3 & 10-13, has the same provisions.)
EFFECTIVE DATE: Upon passage

§§ 67 & 68 — GAAP DEFICIT APPROPRIATIONS AND AMORTIZATION REQUIREMENTS

Eliminates provisions (1) related to the GAAP deficit bonds the state redeemed in 2023 and (2) requiring the state to amortize the negative balances that accumulated in state funds for FYs 13 and 14 before the state adopted GAAP in FY 14

In 2023, the state redeemed the outstanding bonds originally issued in 2013 to reduce the state's accumulated General Fund deficit, determined according to GAAP. The act eliminates related provisions that (1) automatically make a GAAP deficit appropriation for each year in which the GAAP deficit bonds are outstanding and (2) among other things, promise bondholders that the state will not reduce this GAAP deficit appropriation until the bonds are paid in full, except under limited circumstances. It also eliminates provisions requiring the state to amortize the negative balances that accumulated in state funds for FYs 13 and 14 before the state adopted GAAP in FY 14.
EFFECTIVE DATE: Upon passage

§ 68 — REPEAL OF CONNECTICUT NEW OPPORTUNITIES FUND

Repeals the law requiring CI to establish the Connecticut New Opportunities Fund to invest in seed stage and emerging growth companies in the state

The act repeals the law requiring Connecticut Innovations, Inc. (CI) to establish the Connecticut New Opportunities Fund to invest in seed stage and emerging growth companies in the state. The fund was enacted in 2005 but never established.

Prior law (1) specified how CI could structure the fund, invest its assets, and liquidate its returns; (2) allowed the fund to receive investments from pension funds, foundations, and other private entities; and (3) set the fund's term at 10 years, with extensions allowed if CI needed more time to liquidate the fund's assets.
EFFECTIVE DATE: Upon passage

§ 69 — FINISH LINE SCHOLARS PROGRAM

Requires BOR to establish a finish line scholars program awarding grants to students who received a Mary Ann Handley program award and then enroll in a bachelor's program at Charter Oak State College or CSCU

The act requires the Board of Regents for Higher Education (BOR) to establish a finish line scholars program awarding grants, within available appropriations, to students who received a Mary Ann Handley program award (see *Background — Mary Ann Handley Award*) and then enroll in a bachelor's program at Charter Oak State College or the Connecticut State Colleges and Universities (CSCU).

Under the act, starting with the fall 2026 semester, the new program's award amounts must be the same as under the Mary Ann Handley program. This means that eligible students receive a grant equal to the greater of (1) the unpaid portion of their eligible institutional costs (tuition and required fees) after subtracting their financial aid or (2) a minimum award of $500 for a full-time student or $300 for a part-time student. The award cannot be used to replace a student's financial aid including federal, state, or private student loans. It must be available until an eligible student, after enrolling at Charter Oak State College or CSCU, earns (1) 72 credits or (2) a bachelor's degree, whichever comes first.

BOR must create the program's rules, procedures, and forms and report on them to the Higher Education and Employment Advancement Committee. (The act does not specify a deadline.)

The act also requires BOR to submit a report to the Appropriations and Higher Education and Employment Advancement committees by (1) November 1, 2026; (2) March 1, 2027; and (3) each following semester. As described below, this report must include information on participation and degree completion rates, among other things.
EFFECTIVE DATE: July 1, 2025

Eligibility for New Program

The act's finish line scholars program is substantially similar to the Mary Ann Handley program, except it serves students who leave Connecticut State Community College (CT State) and enroll at Charter Oak State College or CSCU. Under the act, to be eligible for the program, students must:

1. have participated in, and earned at least 60 credits through the Mary Ann Handley program at CT State;
2. enroll part- or full-time in a bachelor's degree-seeking program, in a fall or spring semester, at either a four-year institution within CSCU or Charter Oak State College;
3. qualify as in-state students;
4. have made satisfactory academic progress while enrolled at CT State and continue to make satisfactory academic progress while enrolled at CSCU or Charter Oak State College;
5. have completed the Free Application for Federal Student Aid (FAFSA); and
6. have accepted all available financial aid other than loans (i.e. scholarships, grants, and federal, state, and institutional aid).

Required Semesterly Reporting

Under the act, the required report to the legislature must include the following information about program participants and awards:

1. the number of students (a) enrolled during each semester; (b) receiving minimum awards; and (c) receiving awards for the unpaid portion of eligible institutional costs, as well the average amount of those awards;
2. the average number of credit hours students (a) enrolled in each semester and (b) completed each semester; and
3. degree completion rates by subject area.

Background — Mary Ann Handley Award

In 2019, the legislature required BOR to establish a tuition-free community college program, which is known as the Mary Ann Handley Award (formerly known as PACT). It is offered to certain high school graduates (or transition program students) who enroll as part- or full-time CT State students. Award eligibility depends on a student's enrollment status, in-state student classification, and academic progress during matriculation.

By law, the program gives eligible students awards that are the greater of:

1. the unpaid portion of the tuition and required fees (i.e. tuition and fees after non-loan financial aid is applied) or
2. a minimum $500 grant for full-time students or $300 grant for part-time students.

Provided on a semester basis, the awards must apply to the first 72 credit hours earned by a student in a community college degree-granting or certificate program (CGS § 10a-174).

§ 70 — PROJECT LONGEVITY INITIATIVE

Removes Norwich from the list of cities in which the Project Longevity Initiative must be implemented

By law, the "Project Longevity Initiative" is a comprehensive, community-based initiative to reduce gun violence in the state's municipalities. Prior law required its implementation in Bridgeport, Hartford, New Haven, New London, Norwich, and Waterbury. The act removes Norwich from the initiative.
EFFECTIVE DATE: July 1, 2025

§§ 71 & 72 — CLC PAYMENTS FOR DCP REGULATORY EXPENSES

Adjusts the process for CLC to pay DCP for its reasonable and necessary costs for overseeing CLC's activities

The act adjusts the process for the Connecticut Lottery Corporation (CLC) to pay the Department of Consumer Protection (DCP) for its reasonable and necessary costs for overseeing CLC's activities. In FY 26, it ends the prior process,

which required OPM to (1) assess CLC for these costs, and submit to CLC an assessment for the current fiscal year and a proposed assessment for the next fiscal year, based on the current year, by May 1 annually and (2) set the current fiscal year assessment by June 15 after receiving any objections from CLC and making any changes.

Beginning with FY 27, the act instead requires OPM to:

1. submit its estimate of the current fiscal year assessment based on the prior fiscal year by August 1, and make adjustments if the prior fiscal year's estimated cost did not match its actual cost, and
2. set the assessment by September 15 after receiving any objections from CLC and making any changes.

Additionally, the act requires CLC to pay these assessments in three installments (on October 1, January 1, and April 1) beginning in FY 27, instead of four as previously required (on July 1, October 1, January 1, and April 1). It also requires CLC to make these payments to DCP, rather than paying OPM and having OPM give the money to DCP.

EFFECTIVE DATE: July 1, 2025

§ 73 — STATE PROPERTIES REVIEW BOARD REVIEW OF DAS CONSULTANT CONTRACTS

Increases, from $100,000 to $300,000, the value threshold of a DAS consultant contract or task letter that triggers a requirement for approval by the State Properties Review Board

By law, consultant contracts entered into by DAS for projects under the state facility plan must be approved by the State Properties Review Board if they cost more than a certain amount. The approval requirement also applies to all DAS on-call contracts and to task letters. The act increases the value threshold triggering these requirements from $100,000 to $300,000, which matches the current threshold for higher education and Judicial Department projects. As under existing law, the board has 30 days to approve or disapprove the contract or task letter, and it is deemed approved if the board does not act within this timeframe.

"Consultants" covered by the provision include licensed architects, professional engineers, landscape architects, land surveyors, accountants, interior designers, environmental professionals, construction administrators, and any planners or financial specialists. By law, three-member selection panels in DAS prepare a list of the most qualified consultants to perform "on-call" contracts, which are not connected to a specific project. DAS subsequently issues task letters to consultants with on-call contracts that identify a specific scope of services to be performed and the fee for those services.

EFFECTIVE DATE: July 1, 2025

§§ 74 & 75 — ADVERTISING DAS REAL ESTATE NEEDS

Requires certain DAS real estate notices to be posted online instead of through newspaper advertisements

By law, when a state agency or institution needs to lease at least 2,500 square feet of space, the DAS commissioner generally must publicize the space needs and specifications. The act requires her to do this by posting notice about the space needs and specifications on the DAS website instead of by advertising them in a newspaper with substantial circulation in the area where the space is sought, as prior law required. It also makes conforming changes.

When the commissioner establishes plans and specifications for new construction on state land or new construction for sale to the state, and the requesting agency's space needs are less than 5,000 square feet, prior law required her, when practicable, to continue advertising in a newspaper as described above. The act requires this advertising to occur through a notice posted online (presumably, on the DAS website) instead of in a newspaper. As under prior law, the notice must give third parties an equal opportunity to do business with the state regardless of their political affiliation, political contributions, or relationships with people in governmental positions.

EFFECTIVE DATE: July 1, 2025

§ 76 — DAS CONSTRUCTION SERVICES SELECTION PANELS

Increases the project value threshold, from $5 million to $7.5 million, that determines whether a construction services selection panel must have three or five members

The act increases the value threshold, from $5 million to $7.5 million, that determines whether a DAS construction services selection panel must have three members (for projects valued below the threshold) or five members (for projects valued at or above the threshold). By law, DAS must establish a panel to evaluate proposals for consultant services if the estimated cost exceeds $750,000 (adjusted for inflation after July 1, 2024). Generally, a panel must review submitted

proposals, select at least three firms that are most qualified to perform the required services, and submit a list of these firms to the DAS commissioner for her consideration.
EFFECTIVE DATE: July 1, 2025

§§ 77-82 — PROBATE COURT NOTICES SENT TO DAS

Removes requirements for DAS to get various notices from probate court proceedings, primarily related to conservatorships

The act removes requirements for the DAS commissioner to receive the following notices in certain probate court proceedings:

1. copies of the petition and notice for a hearing to determine whether a conservator or guardian of someone supported by the state in a humane institution, or receiving state public assistance benefits, qualifies for additional compensation for extraordinary services (§ 77);
2. copies of the application to appoint a guardian of the estate of a minor under certain circumstances, if the application states that the minor is receiving state aid (§ 78);
3. notice about a hearing to decide a petition for voluntary representation (a respondent's request to have a conservator appointed), if the respondent is receiving state aid or care (§ 79);
4. notice about a hearing to decide an application for involuntary representation (a third-party's request to have a conservator appointed for the respondent), if the respondent is receiving state aid or care (§ 80);
5. copies of an application to appoint a conservator of the estate or for an involuntary representation, if they state that the respondent is receiving state aid or care (§ 81); and
6. notice about a hearing to determine whether a conservator of the estate may make gifts or other transfers of income and principal from the conserved person's estate (§ 82).

EFFECTIVE DATE: January 1, 2026

§§ 83 & 84 — DAS REPEALERS

Repeals provisions related to certain DAS reporting requirements and personal protective equipment

The act repeals requirements for:

1. DAS to report quarterly to the Finance, Revenue and Bonding and Government Administration and Elections committees on the status of the Office of the Chief Medical Examiner's facilities and the Greater Bridgeport Community Mental Health Center's parking garage (§ 83) (PA 25-174, § 132, reinstates the requirement for quarterly reports on the Office of the Chief Medical Examiner's facilities with the first report due by October 1, 2025);
2. DAS to prepare, periodically update, and report on a list of companies in the state that changed their business model to produce personal protective equipment (PPE) during the COVID-19 epidemic; and
3. state agencies buying PPE to make reasonable efforts to buy at least 25% of it from the companies on the DAS list (§ 84).

EFFECTIVE DATE: Upon passage

§§ 85-87 — SMALL BUSINESS EXPRESS ASSISTANCE ACCOUNT

Allows DECD to use funds in the small business express assistance account for certain department duties related to supporting business growth

The act (1) expands the permitted uses of money in the General Fund's small business express assistance account to include carrying out existing Department of Economic and Community Development (DECD) purposes related to business growth and development and (2) allows the DECD commissioner to make grants for these purposes.

By law, examples of these purposes include supporting growth of start-up and growth stage businesses and providing the businesses and entrepreneurs with technical training and resources, promoting entrepreneur community building, and facilitating innovation and entrepreneurship at higher education institutions. For these purposes, the law allows the commissioner to do things such as enter into contracts, audit funds, increase capital availability, provide specified financial aid and grants, and maintain data and information.
EFFECTIVE DATE: July 1, 2025

§§ 88-94 —REPEALED AGENCY REPORTS

Repeals certain agency reports and related provisions and makes conforming changes; eliminates the requirement that the budget document present a list of budgeted agency programs and a supporting schedule of total agency expenditures

The act repeals certain agency reports and related provisions and makes conforming changes.
EFFECTIVE DATE: Upon passage

Agency Reports Repealed

The act repeals various reporting requirements. The affected reporting agencies are DCF, the Department of Correction (DOC), DMHAS, and DSS; budgeted agencies; the judicial branch's Court Support Services Division (CSSD); OPM, including CJPPD; and the UConn Institute of Municipal and Regional Policy (IMRP).

The table below summarizes the repealed reports, including the reporting entities and the reports' recipients, content, and frequency.

Repealed Agency Reports

Prior Law				
Statute CGS §	***Reporting Agency***	***Report Recipient***	***Report Content***	***Report Frequency***
2-33b	Budgeted agencies	• OPM • Legislature	Performance-informed budget review	Biennially
2-36	OPM	• Governor • Comptroller • Legislature	List of appropriations accounts with potential deficiency and an explanation	Monthly
2-36b	OPM	• Legislature	Non-appropriated moneys held by each budgeted agency	Annually
4-77	Budgeted agencies	• Office of Fiscal Analysis (OFA)	Non-appropriated moneys status report	Monthly
4-68s & 4-77c	• DCF • DOC • DMHAS • DSS • CSSD	• OPM • Legislature • OFA • UConn IMRP	Program inventory (evidence-based, research-based, promising, or lacking evidence)	Annually
4-85d	OPM	• Legislature	Estimated accounting of anticipated federal funds for energy programs and a description of how the funds will be spent	Annually

Transfer of Funds to Implement Improvements to Fiscal and Related Reporting Procedures

The act also repeals a provision that, under prior law, allowed funds to be transferred, upon the governor's recommendation and the Finance Advisory Committee's approval, from a specific account to the various state agencies as required to implement improvements to the state's fiscal and related reporting procedures (CGS § 4-95b).

Recommended Appropriations

By law, the budget document must present in detail, for each fiscal year of the subsequent biennium, the governor's recommendation for appropriations to meet the state's expenditure needs from the General Fund and from all special and agency funds classified by budgeted agencies.

The act eliminates prior law's requirement that, for each budgeted agency and its subdivisions, the budget document include a list of agency programs and a supporting schedule of total agency expenditures. Relatedly, the act also eliminates prior law's requirement that the program list be supported by (1) each program's statutory authorization, objectives, description, performance measures, and budget breakdown; (2) a summary of permanent full-time positions; (3) a statement of actual expenditures and estimated expenditure requirements; and (4) an explanation of any significant program change requested or recommended (CGS § 4-73).

§ 95 — REPORT ON GRANT PROGRAM FOR CERTAIN LICENSED HEALTH CARE PROVIDERS WORKING AS ADJUNCT PROFESSORS

Requires OHE to also submit its annual report on a grant program for certain licensed health care providers who are adjunct professors to the Appropriations Committee

The act requires the Office of Higher Education (OHE) to annually report to the Appropriations Committee, in addition to the Public Health Committee as required by existing law, on the program that provides $20,000 grants to licensed health care providers with at least 10 years of clinical experience who work as adjunct professors at public higher education institutions for at least one academic year (they are also eligible for an additional $20,000 grant after at least two academic years of work).

By law, this report must include the number and demographics of those who applied for and received grants, the number and type of classes they taught, their employing institutions, and other information.

EFFECTIVE DATE: October 1, 2025

§ 96 — CHIEF DATA OFFICER'S HIGH VALUE DATA REPORT

Eliminates a requirement for the CDO to annually report on ways to share executive branch high value data

The act eliminates a requirement for the state's chief data officer (CDO) to annually report on ways to share executive branch high value data. By law, "high value data" is data that a department head determines:

1. is critical to an executive branch agency's operation;
2. can (a) increase executive branch agency accountability and responsiveness, (b) improve public knowledge about the agency and its operations, (c) further the agency's core mission, or (d) create economic opportunity;
3. is frequently requested by the public;
4. responds to a need and demand as identified by the agency through public consultation; or
5. is used to satisfy any legislative or other reporting requirements.

The act also makes minor and technical changes.

EFFECTIVE DATE: October 1, 2025

§ 97 — WORKFORCE HOUSING OPPORTUNITY DEVELOPMENT TAX CREDITS

Sets the workforce housing opportunity development program tax credit at 50% of eligible cash contributions, rather than an amount specified by the DOH commissioner as prior law required

Starting in 2025, the law establishes a tax credit administered by DOH for people and entities making cash contributions of at least $250 to eligible developers building or rehabilitating qualifying workforce housing opportunity development projects in federally designated opportunity zones. The act sets this tax credit at 50% of eligible cash contributions, rather than an amount specified by the DOH commissioner as prior law required.

By law, the DOH commissioner must determine the program's eligibility criteria. The credit may be applied against the personal income tax or corporation business tax and total credits are capped at $5 million per fiscal year.

EFFECTIVE DATE: Upon passage, and applicable to income and tax years beginning on or after January 1, 2025.

§ 98 — USE OF BOND PREMIUMS

Delays by two years, from July 1, 2025, to July 1, 2027, the requirement that the state treasurer direct bond premiums on GO and credit revenue bond issuances to an account or fund to pay for previously authorized capital projects

The act delays by two years, from July 1, 2025, to July 1, 2027, the requirement that the state treasurer direct bond premiums on state general obligation (GO) and credit revenue bond issuances to an account or fund to pay for previously authorized capital projects. (A bond premium is the extra, up-front payment investors make in exchange for a higher interest rate on the bonds.)

Prior law required the treasurer to direct the bond premiums as follows:

1. until July 1, 2025, bond premiums (as well as accrued interest and net investment earnings on bond proceed investments) were directed into the General Fund after paying bond issuance costs and interest on state debt and
2. beginning July 1, 2025, bond premiums, net of any original issue discount and after paying the issuance costs, were directed to an account or fund to pay for previously authorized capital projects.

The act delays this requirement to July 1, 2027, requiring the treasurer to continue directing bond premiums to the General Fund (after paying bond issuance costs and interest on state debt) until then.

EFFECTIVE DATE: July 1, 2025

§§ 99-112— CONNECTICUT MUNICIPAL DEVELOPMENT AUTHORITY

Effectuates the authority's name change; allows any municipality other than Hartford and East Hartford to work with the authority; makes it easier for municipalities to opt to work with the authority

The Municipal Redevelopment Authority (MRDA) is a quasi-public agency authorized to stimulate economic development and transit-oriented development. MRDA is now known as the Connecticut Municipal Development Authority (CMDA). The act correspondingly makes changes to laws to effectuate the name change.

The act allows additional municipalities to work with CMDA. Prior law prohibited Hartford and municipalities in the Capital Region Development Authority (CRDA) capital region from becoming "member municipalities" or joining through a "joint member entity." (Under prior law, the "capital region" encompassed the seven municipalities that surround Hartford, but another law narrowed the region, see *Background — Related Act*.) The act relaxes this restriction and instead allows any municipality except Hartford and East Hartford to work with CMDA.

The act also allows municipalities in which the legislative body is a town meeting to opt to work with the authority (as a member municipality or joint member entity) by vote of their board of selectmen, rather than the town meeting as prior law required. And it expands municipalities' options for soliciting public input on plans to work with CMDA by allowing them to do so either by providing for public comment or holding a public hearing, rather than only the latter option as under prior law.

By law, municipalities working with CMDA must enter into an agreement with it to establish at least one development district near existing infrastructure, such as an existing or planned transit station. The act broadens the definition of a qualifying "transit station" by eliminating a provision in prior law that required the station to be wholly within the boundaries of a member municipality or joint member entity's jurisdiction. Under existing law and the act, a district cannot extend into a municipality that has not opted to work with the authority.

EFFECTIVE DATE: October 1, 2025

Background — Related Act

PA 25-73, § 12, narrows the definition of capital region, which is the area in which CRDA may operate, to exclude Newington and West Hartford, in turn allowing these towns to become CMDA member municipalities.

§§ 113 & 114 — PAYMENT FOR CERTAIN PRETRIAL PROGRAMS

Under certain conditions, generally requires a person's public or private insurance, rather than DMHAS, to cover the cost of substance use treatment under specified pretrial programs

The act requires a person's insurance (specifically private, Medicaid, or Medicare), rather than DMHAS, to cover the costs of substance use treatment under the pretrial Drug Intervention and Community Service Program or pretrial Impaired Driving Intervention Program if the court (1) finds the person is indigent and unable to pay and (2) waives the costs for the

participant. This applies as long as these costs are a covered benefit under the person's insurance. The act continues to require DMHAS to pay other program-related treatment costs for these people, including out-of-pocket expenses, not covered by insurance.
EFFECTIVE DATE: July 1, 2025

§ 115 — OPIOID SETTLEMENT ADVISORY COMMITTEE

Adds two members to the Opioid Settlement Advisory Committee by increasing, from 23 to 25, the number of municipal representatives

The act adds two members to the Opioid Settlement Advisory Committee by increasing, from 23 to 25, the number of municipal representatives the governor appoints. This increases the total membership from 51 to 53.

Existing law charges the committee with ensuring (1) that Opioid Settlement Fund moneys are allocated and spent on specified substance use disorder abatement purposes and (2) robust public involvement, accountability, and transparency in allocating and accounting for the fund's money.
EFFECTIVE DATE: Upon passage

§§ 116-120 — TELEHEALTH PRESCRIPTION OF OPIOIDS

Specifically allows opioids to be prescribed through telehealth as part of medication-assisted treatment or to treat a psychiatric disability or substance use disorder

The act removes a prior prohibition on telehealth providers' ability to prescribe schedule II or III opioids to treat a psychiatric disability or substance use disorder, including through medication-assisted treatment. This clarifies that medications such as buprenorphine may be prescribed through telehealth.

It also makes technical changes to the definition of opioid drug in various statutes. (PA 25-101, §§ 23-26, makes the same opioid drug definition changes.)
EFFECTIVE DATE: Upon passage

§§ 121 & 122 — REFERRAL TO MFAC AND DESIGNATION AS TIER I

Narrowly changes the law's triggers for referral to MFAC and designation as Tier I

The act expands the reasons why the OPM secretary must refer a municipality to the Municipal Finance Advisory Commission (MFAC) by requiring the secretary to do so if it (1) has been a distressed municipality for at least 15 consecutive years and (2) has a population of 15,001 to 19,999. (It appears that currently only Ansonia qualifies.) The act also requires MFAC to designate a municipality meeting both criteria as a Tier I municipality for FYs 26 and 27, and makes a technical change.
EFFECTIVE DATE: July 1, 2025

§ 123 — DISTRICT PILOT GRANT REDIRECTED TO TOWN OF WINDHAM

Redirects certain PILOT grants for fire districts to Windham

The act requires OPM to give Windham any payment in lieu of taxes (PILOT) grant due to a fire district wholly within its boundaries.
EFFECTIVE DATE: July 1, 2025

§ 124 — MATERNITY CARE REPORT CARD

Requires the DPH commissioner to (1) establish an annual maternity care report card for birth centers and hospitals that provide obstetric care, (2) convene an advisory committee to establish the report card's contents, and (3) adjust the report card based on patient acuity levels

The act requires the Department of Public Health (DPH) commissioner, starting July 1, 2026, to establish an annual maternity care report card that evaluates maternity care provided at birth centers and hospitals that provide obstetrics care.

When doing so, the commissioner must first establish an advisory committee to create the report card's quantitative metrics, qualitative measures, and assessment methodology. This methodology must reflect any disparities in obstetrics care and outcomes across patient demographics using valid statistical principles and other widely accepted data science methods to ensure sufficient data. The commissioner must report to the Public Health Committee by February 1, 2026, on the advisory committee's quantitative metrics, qualitative measures, and assessment methodology.

The commissioner must also (1) post the report card on the DPH website annually, starting by January 1, 2027, and (2) revise the report card criteria at least once every three years in consultation with the advisory committee and, if she chooses, other experts.

EFFECTIVE DATE: Upon passage

Advisory Committee Membership

The act requires the advisory committee's membership to include one member with HIPAA expertise and at least one representative each of the following:

1. an in-state hospital association;
2. an in-state physician medical society;
3. an obstetrician-gynecologist professional membership organization;
4. a Connecticut hospital with a significant percentage of high-risk births;
5. an independent Connecticut hospital that is not part of a multihospital health system;
6. birth centers; and
7. a Connecticut organization that promotes equity and addresses health disparities for vulnerable communities through research, advocacy, and culturally resonant services.

Report Card Contents and Scoring

Under the act, the report card must include (1) quantitative metrics; (2) qualitative measures based on patient-reported experiences; and (3) if the advisory committee recommends it, an equity assessment of care patients received at each facility, disaggregated by race, ethnicity, and income level. The commissioner must identify and collect any available data needed to complete the report card.

The act requires the commissioner to adjust the report card based on factors the advisory committee identified as well as obstetric patients' acuity level to ensure a fair comparison between facilities. It also requires the report card to comply with HIPAA and the federal Centers for Medicare and Medicaid Services' (CMS) cell suppression policy (or a stricter policy) regarding publicly shared data. (This policy generally sets minimum thresholds for researchers to publicly display CMS data.)

§§ 125 & 126 — CAPITAL REGION DEVELOPMENT AUTHORITY

Requires the CRDA board of directors to submit its annual report within the first 120, rather than the first 90, days of the fiscal year; exempts CRDA-owned or -leased land or improvements from local taxes and makes them eligible for PILOT grants

By law, the CRDA board of directors must submit an annual report on the authority's projects and financial activities to the governor; Auditors of Public Accounts; and Finance, Revenue and Bonding Committee. The act requires the board of directors to submit this report within the first 120 days of CRDA's fiscal year, rather than within the first 90 days as required under prior law.

The act also exempts any land or improvements CRDA owns or leases from any taxes or assessments levied by any municipality, political subdivision, or special taxing district. Correspondingly, the act deems these properties state-owned properties for which, unless they are otherwise exempt from taxation, the state must make PILOT grants to the municipalities in which they are located.

EFFECTIVE DATE: July 1, 2025

§§ 127-134 — CANNABIS SOCIAL EQUITY AND INNOVATION ACCOUNT

Eliminates the Cannabis Social Equity and Innovation Fund and instead places the money from that fund into the social equity and innovation account, which is appropriated for purposes the Social Equity Council solely determines to further the principles of equity

The act eliminates the Cannabis Social Equity and Innovation Fund and instead places the money that goes into the fund into the social equity and innovation account, including the remaining balance at the end of FY 25.

Under prior law, the money from the Cannabis Social Equity and Innovation Fund had to be appropriated to provide (1) access to business capital, (2) technical assistance for business start-ups and operations, (3) workforce education, (4) community investments, and (5) payment of costs incurred to implement activities authorized under the Responsible and Equitable Regulation of Adult-Use Cannabis Act (RERACA).

Existing law and the act require the OPM secretary to allocate the money in the social equity and innovation account for purposes the Social Equity Council solely determines to further the principles of equity (see *Background — Equity*), which may include the fund's purposes listed above, except for RERACA costs, and also includes funding investments in disproportionately impacted areas.

The act also makes technical and conforming changes, including eliminating the (1) obsolete cannabis regulatory and investment account, which had all remaining money transferred to the General Fund at the end of FY 23, and (2) requirement for the council to submit to OPM certain budgetary estimates information related to the Social Equity and Innovation Fund.
EFFECTIVE DATE: July 1, 2025

Fund Transfers

The act requires the following money that prior law required to be placed in the Cannabis Social Equity and Innovation Fund to instead go into the social equity and innovation account:

1. cannabis tax revenue,
2. the license conversion fees for a (a) dispensary facility to become a hybrid retailer and (b) producer to engage in the adult use cannabis market, and
3. the provisional license application fee from certain social equity cultivators that received a license without going through a lottery or request for proposal and their conversion fee to be a micro-cultivator.

The act also requires the comptroller to transfer the Social Equity and Innovation Fund's remaining balance at the end of FY 25 to the social equity and innovation account.

Record as Revenue

As under prior law for the Cannabis Social Equity and Innovation Fund, at the end of each fiscal year cannabis tax is imposed, the act allows the comptroller to record as revenue for the fiscal year the tax amounts the DRS commissioner received within five business days after the July 31 immediately following the end of the fiscal year.

Background — Equity

Existing law defines "equity" and "equitable" as efforts, regulations, policies, programs, standards, processes, and any other government functions or principles of law and governance intended to (1) identify and remedy past and present patterns of discrimination and disparities of race, ethnicity, gender, and sexual orientation; (2) ensure that these intentional or unintentional patterns are not reinforced or perpetuated; and (3) prevent the emergence and persistence of foreseeable future patterns of discrimination or disparities on these bases (CGS § 21a-420(25)).

§§ 135 & 136 — UCONN HEALTH CENTER EMPLOYEE FRINGE BENEFITS

Eliminates a requirement that the comptroller (1) use up to $4.5 million of funds appropriated for State Comptroller-Fringe Benefits to fund a portion of the fringe benefits for UCHC employees each fiscal year and (2) enter into an MOU with UCHC to provide operational support

The act eliminates a requirement that the comptroller, each fiscal year, use up to $4.5 million of the resources appropriated for State Comptroller-Fringe Benefits to fund the fringe benefit cost differential between the average rate for fringe benefits of private hospitals in the state and the fringe benefit rate for University of Connecticut Health Center

(UCHC) employees. The "fringe benefit cost differential" is the difference between the (1) state fringe benefit rate calculated on UCHC payroll and (2) average member fringe benefit rate of all of Connecticut's acute care hospitals in the annual reports submitted to the Office of Health Strategy's (OHS's) Health Systems Planning Unit as required by law.

The act also eliminates a requirement for the comptroller to enter a memorandum of understanding (MOU) with UCHC to provide operating support.

It also deletes an obsolete provision.

EFFECTIVE DATE: July 1, 2025

§§ 137 & 138 — HIGHER EDUCATION LAW ENFORCEMENT TRAINING

Requires DESPP, in consultation with POST, to establish a (1) social work and law enforcement project at SCSU and (2) crime scene processing, forensic evidence, and criminal investigations police training center at CCSU

Social Work and Law Enforcement Project

The act requires the Department of Emergency Services and Public Protection (DESPP), in consultation with the Police Officer Standards and Training Council (POST), to establish a social work and law enforcement project. The project will advance the ethical and effective integration of social work services into law enforcement units by preparing social workers, social work students, and law enforcement professionals to collaborate in the field of police social work.

The project must be located at Southern Connecticut State University (SCSU) and have the objectives of:

1. educating and training the social work and law enforcement workforce to collaborate by using a model that integrates police and social work;
2. increasing community wellness through training, research, education, and policy advocacy on integrating police and social work;
3. strengthening the engagement among social workers, law enforcement officers, and community members; and
4. promoting dialogues on diversity, disparities, and systemic racism in criminal and juvenile justice settings.

By January 1, 2026, the DESPP commissioner must enter an MOU with SCSU to establish the project. The MOU must require the DESPP commissioner's written authorization for any use of project funding for a purpose other than providing training or education to police officers.

Police Training Center

The act also requires DESPP, in consultation with POST, to establish a police training center to train and educate police officers in crime scene processing, the collection and analysis of forensic evidence, and criminal investigations.

The training center must be located at Central Connecticut State University (CCSU), and by January 1, 2026, the DESPP commissioner must enter an MOU with CCSU to establish the center. The MOU must require the DESPP commissioner's written authorization for any use of center funding for a purpose other than providing training or education to police officers.

EFFECTIVE DATE: July 1, 2025

§ 139 — PLAN FOR INCLUSIVE EDUCATIONAL OPPORTUNITIES WITHIN THE CONNECTICUT STATE UNIVERSITY SYSTEM

Requires a plan for inclusive educational programs for students with intellectual or developmental disabilities at CSUS

The act requires BOR, in consultation with the Department of Developmental Services, SDE, and DSS, to develop a plan for inclusive educational programs at universities within the Connecticut State University System (CSUS) for students with intellectual or developmental disabilities who are at least age 18.

The plan must include:

1. an admissions process without standardized college entrance aptitude tests, high school graduation, or minimum grade point averages;
2. a list of degree, certificate, or occupational credential programs or credit or noncredit courses at the universities that (a) are inclusive and open to all students and (b) students may enroll in based on their individualized education program or other assessment-based educational or career plan;
3. inclusive academic enrichment experiences, extracurricular activities, and employment and socialization opportunities;

4. individualized supports and services for students' unique academic, social, housing, and life skill needs, including peer mentors, assistive technology, or on-campus resource centers;
5. information or training for staff, faculty, and peers on educating and supporting students; and
6. required funding for these inclusive education programs, supports, and services and whether it is available from financial aid, federal programs, nonprofit organizations, and other resources.

BOR must submit its plan to the Higher Education and Employment Advancement Committee by January 1, 2027.
EFFECTIVE DATE: July 1, 2025

§ 140 — UCONN HEALTH NEUROMODULATION CENTER

Requires the UConn Health Center to establish a Center of Excellence for Neuromodulation Treatments

The act requires the UConn Health Center to establish a Center of Excellence for Neuromodulation Treatments. It allows the health center to collaborate with an in-state hospital to provide neuromodulation treatments to patients at this center.

Under the act, "neuromodulation" is the alteration of nerve activity through targeted delivery of a stimulus, including electrical stimulation or chemical agents, to specific neurological sites in the body. In practice, neuromodulation can be used in various treatments, such as for stroke recovery, Parkinson's Disease, and chronic pain.
EFFECTIVE DATE: Upon passage

§§ 141 & 142 — HIGHER EDUCATION CONSTITUENT UNITS AND ENERGY-SAVINGS PERFORMANCE CONTRACTS

Authorizes the constituent units of higher education to establish their own energy-savings performance contract process, rather than use DEEP's, but subject to many of the same requirements as DEEP's process

The act allows a constituent unit of higher education (see *Background — Constituent Units of Higher Education*) to establish its own energy-savings performance contract process, rather than using the Department of Energy and Environmental Protection's (DEEP) standardized process. Under existing law, municipalities and state agencies (including constituent units of higher education) can participate in DEEP's process, which among other things, requires them to contract with a qualified energy service provider on DAS's list. Previously, only municipalities could opt out and establish their own process. Under the act, constituent units may also establish their own process, but it is subject to many of the same provisions required by law for DEEP's process.

Under existing law and the act, an energy-savings performance contract is a contract entered into with a qualified energy service provider to evaluate, recommend, and implement energy savings measures (improvements that reduce energy or water consumption and operating costs and increase efficiency). The contract must (1) include equipment design and implementation, including operation and maintenance as applicable, and (2) guarantee annual savings that at least equal the annual contract payments made over the life of the contract.

The act allows constituent units to use any savings they realize for contract payments and other required expenses and to reinvest the savings (beyond the required payments and expenses) into other energy-saving measures when practicable.

Constituent Unit's Process

The act permits the chief executive officer of a constituent unit or one of its institutions to enter an energy-savings performance contract according to the unit's process and purchasing guidelines established by the appropriate governing board. As existing law requires under DEEP's process, a unit's process must include standard procedures and documents for these contracts, including requests for qualifications and proposals, investment-grade audit contracts, project savings guarantees, and project financing agreements.

The act specifies that it does not require a unit to use DEEP's process for these contracts if the unit has established its own process. For units that enter these contracts under their own process, the act allows the contract to last for up to 30 years. Existing law allows municipalities and state agencies to enter these contracts for up to 20 years. Under both processes, contracts must require that payments be made over time, except when a contract terminates early.

Requests for Qualifications and Proposals

Like the requirements in existing law for DEEP's process, the act requires a constituent unit's process to include:

1. a request for qualifications from companies that offer these services in order to make a list of qualified providers;
2. a review of responses, for inclusion on the list, that is based on each provider's experience with different aspects of these contracts, including (a) energy efficiency retrofits, (b) monitoring projects and reporting savings from them, (c) project management, (d) access to long-term financing, (e) financial stability, (f) similar projects, (g) in-state subcontractors, and (h) other factors the unit determines are relevant and appropriate;
3. a request for proposals from at least three qualified providers, which must include in their responses a cost feasibility analysis to be used for selecting a provider for final negotiations;
4. consideration for the following when selecting a provider: contract terms, proposal and cost saving comprehensiveness, financial stability, experience and quality of technical approach, and overall benefits to the constituent unit;
5. a requirement that selected providers prepare investment-grade audits (which include a description of the recommended improvements, their estimated costs, and their projected utility and operations and maintenance cost savings) at a cost agreed to before completion, which become part of the contract; and
6. awarding contracts to the provider that best meets the unit's needs, which does not have to be to the lowest cost provider.

Policy Requiring an Engineering Review

Similar to the requirements in existing law for DEEP's process, the act allows the unit's governing board to adopt policies requiring a licensed engineer, with at least three years' experience in energy calculation and review, to review cost savings projections. It specifies the engineer must not be an officer or employee of the provider or associated with the contract. The act requires the review to focus on proposed improvements from an engineering perspective, the cost savings methodology and calculation, revenue increases, and metering equipment efficiency and accuracy. It also requires the engineer to keep proprietary information confidential.

Contract Provisions

Similar to the existing requirements for DEEP's process, the act generally allows:

1. guaranteed energy-savings performance contracts to include financing, including tax-exempt financing, by a third party that is separate from the energy-savings performance contract;
2. a unit to use funds, bonds, lease purchase agreements, and master leases for these contracts if this use is consistent with their purpose;
3. payments beyond the fiscal year the contract becomes effective, for costs incurred in future years;
4. contracts that reflect the useful life of the cost saving measures;
5. contracts that allow payments over a period based on deadlines in the contract from the date of the final installation of the cost saving measures; and
6. contracts that require reconciliation of amounts owed in a period beyond a year, with final reconciliation before the contract ends, and contingency provisions if actual savings do not meet predicted savings.

The act also requires providers to (1) give constituent units an annual reconciliation of guaranteed energy cost savings, (2) pay the unit any shortfall amount (any excess amounts must remain with the unit and cannot be used to cover shortages in prior or future years), and (3) monitor reductions in energy consumption and costs due to the installed measures and at least annually report (according to the International Performance Measurement and Verification Protocol) to the unit on the measures' performance.

Modifications

Similar to the requirements in existing law for DEEP's process, the act allows a unit and provider to modify savings calculations based on:

1. a material change to the energy consumption that was identified when the contract began;
2. a change in the number of days in the utility billing cycle, building's square footage, or the facility's operating schedule or temperature;
3. a material change in the weather or amount of equipment or lighting used at the facility; or
4. other changes reasonably expected to change energy use or costs.

Background — Constituent Units of Higher Education

By law, the constituent units of higher education are the (1) University of Connecticut, including all its campuses, and (2) CSCU, including the state universities, Connecticut State Community College, and Charter Oak State College.
EFFECTIVE DATE: July 1, 2025

§ 143 — LICENSING FOR INSTALLERS OF PREFABRICATED WINDOWS OR DOORS

Requires an installer of pre-glazed or preassembled windows or doors in commercial buildings to be licensed as a flat glass contractor or journeyperson

The act requires an installer of pre-glazed or preassembled windows or doors in commercial buildings to be licensed as a flat glass contractor or journeyperson. By law, "flat glass work" is installing, maintaining, or repairing glass in residential or commercial structures.
EFFECTIVE DATE: July 1, 2025

§§ 144 & 145 — PFAS IN JUVENILE PRODUCTS

Renames "children's products" as "juvenile products" in the law that regulates the sale and use of certain products containing PFAS

The act renames a "children's product" as a "juvenile product" under the state's law regulating the sale and use of certain products containing per- and polyfluoroalkyl substances (PFAS). The law generally defines these products as those designed or marketed for use by an infant or child under age 12, but excludes adult mattresses and electronic devices and related equipment (e.g., a computer, wireless phone, game console, mouse, keyboard, or power cord).

Beginning July 1, 2026, the law allows the manufacture, sale, or offer or distribution for sale of certain categories of new products (including juvenile products) with intentionally added PFAS only if the manufacturer labels them as such and gives prior written notice to DEEP. Without the label and notice, their manufacture, sale, or offer or distribution for sale is banned. Beginning January 1, 2028, the law bans manufacturing, selling, or offering or distributing for sale most of the same products if they contain intentionally added PFAS.
EFFECTIVE DATE: Upon passage

§ 146 — PREVAILING WAGE FOR CERTAIN DECD-ASSISTED BUSINESS CONSTRUCTION PROJECTS

Exempts certain nonprofit organizations from the prevailing wage requirements for projects receiving at least $1 million in DECD financial assistance, with exceptions, and explicitly extends the requirements to municipalities and other specified entities; limits the portion of DECD-assisted remediation projects subject to these prevailing wage requirements to only the portion described in the financial assistance contract between the business and DECD

Covered Entities

Under prior law, prevailing wage requirements applied to any business or legal entity ("business organization") receiving at least $1 million in DECD financial assistance for a covered construction project (i.e. building, remodeling, refinishing, refurbishing, rehabilitating, altering, or repairing a property the business owns). The act exempts from these requirements any federally tax-exempt 501(c)(3) nonprofit and 501(c)(6) chamber of commerce that accepts at least $1 million in DECD financial assistance for a covered project valued at $10 million or less, unless it is a remediation, demolition, or pollution abatement project as described below. It also explicitly extends these requirements to municipalities, regional councils of governments, state-certified brownfield land banks, and municipal and nonprofit economic development agencies receiving this financial assistance. By law, municipalities and other political subdivisions are already subject to the public works prevailing wage law on projects that meet the prevailing wage cost thresholds (i.e. new construction projects of $1 million or more and rehabilitation or repair projects of $100,000 or more).

As under the public works prevailing wage law, the contracts these covered entities enter into with contractors and subcontractors on covered projects must provide that the contractors and subcontractors pay their construction workers the prevailing wage. Contractors who do not provide benefits at the same rate required under the prevailing wage must make up the difference in hourly wages.

DECD-Assisted Remediation Projects

For covered projects receiving DECD financial assistance for remediation, demolition, or pollution abatement in buildings, soil, or groundwater located at a project site, the act limits the portion of the project subject to these prevailing wage requirements to only the portion described in the financial assistance contract between the business organization and DECD. Under the act, the financial assistance contracts for these covered projects must be (1) limited to remediation, demolition, and abatement purposes and (2) separate from any contract for redevelopment activities at the site.
EFFECTIVE DATE: July 1, 2025

§ 147 — ANNUAL ADJUSTMENTS TO PREVAILING WAGE RATES

Requires contractors awarded contracts for DECD or renewable energy and hydrogen prevailing wage projects to adjust wage and benefit contributions each July 1 during the contract to reflect changes in the prevailing wage

Existing law requires contractors awarded contracts for state and municipal prevailing wage projects to (1) contact the labor commissioner by each July 1 during the contract to find out the current prevailing wage and contribution rates and (2) adjust wage and benefit contributions each July 1 during the contract to reflect changes in the prevailing wage. The act extends this requirement to contractors awarded contracts for (1) DECD prevailing wage projects (described above) and (2) renewable energy and hydrogen projects subject to prevailing wage requirements (CGS § 31-53d).
EFFECTIVE DATE: July 1, 2025

§ 148 — PREVAILING WAGE FOR OFFSITE CUSTOM FABRICATION

Extends the state's prevailing wage law to cover off-site custom fabrication for a public works project (PA 25-174, §§ 211 & 212, repeals this provision and replaces it with a substantially similar one)

The act extends the state's prevailing wage law to cover off-site custom fabrication for a covered public works project. Under the act, "off-site custom fabrication" is fabricating systems specifically for a public works project at a site other than the project's location, but still in Connecticut. It includes plumbing, heating, cooling, pipefitting, ventilation, and exhaust duct systems, but not components or materials that are stock shelf items or readily available. (PA 25-174, §§ 211 & 212, repeals this provision and replaces it with a substantially similar one that further specifies that the covered systems are "mechanical" ones.)

Generally, the prevailing wage law requires each contract to build, renovate, or repair certain public works projects to have a provision requiring the project's contractors and subcontractors to pay their construction workers wages and benefits equal to those customary or prevailing for the same work, in the same occupation, in the same town. Starting July 1, 2025, the act requires contracts for offsite custom fabrication on prevailing wage projects to include this provision. The prevailing wage law applies to new construction projects costing at least $1 million and renovation projects costing at least $100,000.
EFFECTIVE DATE: July 1, 2025

§ 149 — STATE MARSHALS HEALTH INSURANCE

Allows state marshals to participate in the state employee health insurance plan under certain conditions

The act allows certain state marshals to participate in the state employee health insurance plan, under the same terms and conditions, and paying the same amount, as active state employees under the State Employees Bargaining Agent Coalition (SEBAC) agreement. To be eligible, they must:

1. work as a state marshal at least 20 hours per week, on average, on a quarterly basis;
2. be actively engaged in serving (a) process for indigent parties who have the cost of serving process waived in civil or criminal matters; (b) protection orders for victims of domestic violence, sexual abuse, sexual assault, or stalking; or (c) capias mittimus orders (civil arrest warrants) issued by a family support magistrate;
3. certify the above facts for the preceding calendar quarter on forms provided by and filed with the State Marshal Commission by the 15th day of each April, July, October, and January; and
4. not have access to health insurance coverage through (a) their spouse's employer, if it meets certain criteria, or (b) the Connecticut Municipal Employees Retirement System.

More specifically, the act disqualifies a state marshal for state employee health insurance if the health insurance available through the marshal's spouse (1) has an actuarial value that at least equals the state employee plan; (2) offers

similar access to in-network providers; and (3) is available at an employee premium share, for each class of coverage, that is no greater than the premium shares for active state employees under the SEBAC agreement.

Prior law allowed state marshals to join the state employee health insurance plan regardless of how many hours per week they work, but it required them to pay the full cost of the coverage. Under the act, state marshals who work less than 20 hours per week on average continue to have this option.

The act also makes technical and conforming changes (e.g., allowing the health insurance provided to state marshals over age 65 to be modified in the same ways existing law allows for active and retired state employees over that age).
EFFECTIVE DATE: October 1, 2025

§ 150 — PROBATE JUDGE VACANCIES

Removes state marshals from the process required to transmit the governor's order for an election to fill a probate judge vacancy

By law, whenever there is a vacancy or an impending vacancy of a probate judge in any district, the governor may issue writs of election directed to the town clerk, assistant town clerk, or clerks within the district, ordering an election to be held.

Prior law required the governor to transmit the writs to a state marshal, who then had to transmit them to the town clerk or clerks. The act eliminates this requirement and, instead, requires the governor to cause the writs to be conveyed to the clerk or clerks.

As under existing law, upon receipt of the writs, the clerk or clerks must warn that elections are to be held on the day appointed in the writs, in the same way that is done for state elections.
EFFECTIVE DATE: Upon passage

§§ 151-158 — UNDERGROUND STORAGE TANK PETROLEUM CLEAN-UP PROGRAM REPEAL, TRANSFERS, AND APPLICATIONS

Repeals the UST petroleum clean-up program and cancels any pending applications; transfers and credits all amounts appropriated and remaining for the program to the General Fund

The act repeals the underground storage tank (UST) petroleum clean-up program, which provided payment and reimbursement for the costs of investigating and remediating leaking commercial tanks.

Related to the program's repeal, the act (1) transfers and credits all amounts appropriated and remaining for the program to the General Fund and (2) cancels all pending program applications, including those that were approved but remain unpaid. Additionally, prior law required remediation paid for by the program to be done, or directly supervised, by a registered contractor and according to applicable exposure criteria regulations. The act removes the program qualification, instead applying the requirement to all contaminated soil or groundwater remediation. It also makes related conforming changes.
EFFECTIVE DATE: Upon passage

§§ 159 & 160 — LOCAL HEALTH DEPARTMENT AND DISTRICT FUNDING

Requires the Department of Public Health to increase aid to municipal and district health departments starting in FY 27

Starting in FY 27, the act increases annual funding to local and district health departments as follows: (1) from $1.93 to $2.13 per capita for municipal health departments and (2) from $2.60 to $3.00 per capita for district health departments.

By law, to qualify for this funding, among other things, (1) municipalities must have a full-time health department and a population of at least 50,000 and (2) health districts must have a total population of at least 50,000 or serve three or more municipalities, regardless of combined population.
EFFECTIVE DATE: Upon passage

§§ 161-165 — CANNABIS POLICIES AND PROCEDURES EXTENSION

Extends the maximum effective period of cannabis policies and procedures by 15 months if regulations have not been adopted

Prior law required DCP and the Social Equity Council to issue policies and procedures to implement various cannabis

provisions that were effective until final regulations were adopted or either June 22, 2025, or July 1, 2025, if the regulations had not been submitted to the Regulation Review Committee.

The act extends the maximum effective period of these policies and procedures by 15 months, but it eliminates the requirement that the regulations must not have been submitted to the Regulation Review Committee. (DCP submitted proposed regulations to the Regulation Review Committee, which rejected them without prejudice on May 27, 2025.)

As under existing law, the policies and procedures are no longer effective once regulations are adopted. PA 25-166, §§ 15, 22, 27, 29 & 31, has identical provisions.

EFFECTIVE DATE: Upon passage

§ 166 — COMMUNITY OMBUDSMAN PROGRAM

Expands the scope of the Community Ombudsman program by extending the ombudsman's authority to a broader range of services

The act expands the scope of the community ombudsman program in the Office of the Long-Term Care Ombudsman. It does so by extending the ombudsman's authority under provisions that cover a broader category of services. Under prior law, these provisions applied to home care services, which are long-term services and supports for adults in a home- or community-based DSS-administered program. Under the act, these provisions instead apply to "home and community-based long-term services and supports," which more broadly includes a comprehensive array of health, personal care, and supportive services. It specifically includes (1) DSS community-based programs, and (2) providers of home care to people with physical, cognitive, or mental health conditions to enhance quality of life, facilitate optimal functioning, and support independent living in a setting of the person's choice.

The act also expands who is considered a home care provider by adding individuals who formally or informally offer direct home- and community-based long-term services and supports. Previously, only home health or hospice agencies and homemaker-companion agencies were considered home care providers.

Specifically, the act applies this broader category of services to provisions that allow the ombudsman to:

1. identify, investigate, refer, and help resolve complaints;
2. raise public awareness;
3. promote access; and
4. refer clients for legal, housing, and social services.

The act expands the ombudsman's access to data, subject to certain existing consent requirements, to include data about home- and community-based long-term services and supports, rather than data about long-term services and supports from home care providers. The act also makes conforming changes to the ombudsman's annual reporting and data protection requirements to reflect the expanded scope of the program.

EFFECTIVE DATE: July 1, 2025

§ 167 — DSS QUALITY REIMBURSEMENT PROGRAM FOR NURSING HOMES

Allows DSS, starting October 1, 2026, and within available appropriations, to establish a quality metrics program to incentivize nursing homes to provide higher-quality care to Medicaid residents

Existing law requires DSS to implement an acuity-based Medicaid reimbursement rate for nursing homes starting July 1, 2022. Acuity-based rates generally reimburse nursing homes based on the level of care needed for residents. In practice, DSS is transitioning from a cost-based system to an acuity-based system over a period of years.

The act effectuates this transition by authorizing DSS, starting October 1, 2026, and within available appropriations, to establish a quality metrics program to pay nursing homes (1) for achieving high quality outcomes based on their performance on the program's quality metrics and (2) to incentivize providing high-quality services to Medicaid residents, based on individualized reports existing law requires DSS to give them (see below).

Under the act, the program must evaluate nursing homes based on national quality measures issued by the Centers for Medicare and Medicaid Services and state-administered consumer satisfaction measures. DSS may weight quality measures based on desired outcomes it determines. The act requires DSS to report on the program's implementation by February 1, 2027, to the Appropriations and Human Services committees.

EFFECTIVE DATE: October 1, 2025

Individualized Reports

As part of the new acuity-based system, existing law required DSS, starting July 1, 2022, to phase in rate adjustments based on each nursing home's performance on quality metrics, with a period of only reporting. The following year, the law required DSS to start issuing individualized reports annually to each nursing home to show the quality metrics program's impact on the home's Medicaid rate. Prior law required DSS to report to the Appropriations and Human Services committees, by June 30, 2025, on the quality metrics program, including information on the individualized quality metrics reports and the anticipated impact on nursing homes if the state implemented a rate withhold on nursing homes that fail to meet certain quality metrics. (Presumably, "rate withholds" refers to some portion of a nursing home's Medicaid payment that DSS keeps or otherwise declines to pay a nursing home based on its performance under the quality metrics program.)

The act eliminates this requirement starting October 1, 2025 (presumably, DSS must still report to the committees by June 30, 2025).

§ 168 — ROAD NAMING

Eliminates a road naming from PA 25-65

The act eliminates a provision of PA 25-65 that named a road portion in East Hartford the "Melody A. Currey Memorial Highway."

EFFECTIVE DATE: Upon passage

§ 169 — WATER FLUORIDATION

Codifies the amount of fluoride that water companies must add to the water supply, rather than tying the amount to federal recommendations

The act codifies the amount of fluoride that water companies must add to the water supply, rather than tying the amount to federal Department of Health and Human Services (HHS) recommendations as prior law did. In doing so, it maintains the prior required level.

Specifically, it requires water companies to add enough fluoride to maintain an average monthly fluoride content of 0.7 milligrams per liter (mg/L), within a range of 0.15 mg/L greater or lower than this amount. As under prior law, the act applies to water systems that serve at least 20,000 people. (The current HHS recommendation is 0.7 mg/L, but HHS recently directed the Centers for Disease Control and Prevention (CDC) to reexamine the issue.)

EFFECTIVE DATE: Upon passage

§ 170 — FEDERAL RECOMMENDATION ADVISORY COMMITTEE

Allows DPH to create an advisory committee on matters related to CDC and FDA recommendations

The act expressly allows the DPH commissioner to create a committee to advise her on matters relating to federal CDC and Food and Drug Administration (FDA) recommendations, using evidence-based data from peer-reviewed sources. If convened, the committee must serve in a nonbinding advisory capacity, providing guidance solely at the commissioner's discretion.

The committee may include, among others, the following members from in-state higher education institutions:

1. the deans of public health schools at an independent and a public institution,
2. a primary care physician with at least 10 years of clinical experience and who is a medical school professor,
3. an infectious disease specialist with at least 10 years of clinical experience and who is a professor, and
4. a pediatrician with at least 10 years of clinical experience and expertise in children's health and vaccinations and who is a professor.

The committee may also include anyone else the commissioner determines would be beneficial.

EFFECTIVE DATE: Upon passage

§§ 171 & 172 — EMERGENCY DEPARTMENTS AND EMERGENCY CARE PROVIDERS

Requires hospital emergency departments to provide services related to pregnancy complications when necessary; prohibits emergency departments, or their providers, from discriminating on various bases; requires hospitals to comply with the federal EMTALA, and DPH to adopt certain EMTALA-related provisions into state regulations if the federal law is revoked; allows DPH to take disciplinary action against hospitals or providers who violate these provisions

The act sets various requirements and restrictions for hospital emergency departments related to emergency care and the federal Emergency Medical Treatment and Labor Act (EMTALA, see *Background — EMTALA*).

The act requires hospital emergency departments, in cases when there is a serious risk to a patient's life or health, to include as part of their required care reproductive health care services related to pregnancy complications if those services are legal in the state and necessary to treat the patient. This at least includes services related to miscarriage management and treating ectopic pregnancies.

The act prohibits emergency departments, or health care providers providing care at them, from discriminating against a patient when providing emergency care based on the person's ethnicity, citizenship, age, preexisting medical condition, insurance or economic status, ability to pay, sex, race, color, religion, disability, genetic information, marital status, sexual orientation, gender identity or expression, primary language, or immigration status. But it is not discrimination for an emergency department provider to consider any of these factors if the provider believes it is medically significant to providing appropriate care.

The act also requires hospital emergency departments to meet the requirements of (1) EMTALA, including any related federal regulations on emergency department patient transfers, capabilities, and on-call professional staff, or (2) any DPH regulations adopted under the act if EMTALA is revoked, not enforced, or no longer applies (see below).

Under the act, hospitals that provide emergency care must adopt policies and procedures to implement these provisions and make them available to DPH upon request.

The act specifies that these provisions do not impact accepted medical standards of care.

It also authorizes the DPH commissioner to investigate violations and impose disciplinary action against hospitals or individual providers.

EFFECTIVE DATE: Upon passage

Required Regulations if EMTALA is Revoked (§ 172)

The act requires the DPH commissioner to adopt regulations to implement certain requirements for hospitals if EMTALA, as it existed as of the act's passage, in whole or part (1) is revoked, (2) is not being adequately enforced, or (3) no longer applies in Connecticut. The commissioner has the sole discretion to determine whether any of these events occur, but she may consult with the attorney general's office when doing so.

Specifically, the regulations must implement operational requirements for hospitals in Appendix V of the federal Centers for Medicare and Medicaid Services' State Operations Manual for hospitals, as of December 31, 2024. The appendix includes detailed interpretative guidelines on what hospitals must do to comply with EMTALA.

Under the act, if the commissioner finds, under existing procedures, that adopting these regulations with fewer than 30 days' notice is needed due to imminent danger to public health, safety, or welfare, she must adopt them (1) without prior notice, public comment period, or hearing or (2) upon any abbreviated notice, public comment period, and hearing, if feasible. Under existing law, the (1) governor must approve a finding that the conditions warrant an emergency regulation and (2) Regulation Review Committee has 15 days to disapprove an emergency regulation (CGS § 4-168(g)).

The act specifies that it does not (1) require the commissioner to request, or otherwise involve, any federal entity's participation in overseeing or enforcing these regulations or (2) authorize her to adopt these regulations based on routine changes to EMTALA that do not lead to a material loss of patient rights.

Under the act, if the commissioner adopts these regulations, the Public Health Committee must annually review them and recommend to the commissioner whether she should maintain or repeal them.

Investigations and Disciplinary Action (§ 171(e) & (f))

Under the act, DPH may investigate each alleged violation of these provisions unless the commissioner concludes that the (1) facts do not require further investigation or (2) allegation is otherwise without merit.

The act allows DPH to take disciplinary action, under existing procedures, against hospitals or individual providers. By law, DPH may impose a range of disciplinary actions, such as (1) revoking or suspending a license, (2) issuing a letter of reprimand, (3) placing the institution or person on probationary status, or (4) imposing a civil penalty.

Background — EMTALA

EMTALA requires every hospital with an emergency department that participates in Medicare to screen and treat patients with emergency medical conditions or arrange for their appropriate transfer if they are unable to do so. They must do this regardless of a person's ability to pay, insurance status, or certain other factors. Hospitals and providers who fail to comply are subject to civil penalties and termination from Medicare or Medicaid (42 U.S.C. § 1395dd and 42 C.F.R. § 1003.500).

§ 173 — SAFE HARBOR ACCOUNT

Creates an account funded by private sources to award grants to nonprofit organizations that provide funding for reproductive or gender-affirming health care services or collateral costs related to these services

The act creates the "safe harbor account" related to reproductive and gender-affirming health care. The account is a separate, nonlapsing account of the state treasurer administered by a board of trustees, and must contain funds received from private sources (e.g., gifts, grants, or donations) and earnings on those funds. The act requires the treasurer to follow certain standards when investing the account's funds.

Under the act, account-related administrative costs (for maintenance or disbursements) must be paid from the account itself and not from taxpayer funds; however, the treasurer may use available staff resources to administer the account.

The board must spend the account's funds to award grants, in line with policies and procedures it adopts, to nonprofits that:

1. provide funding for reproductive or gender-affirming health care services or the collateral costs (such as travel, lodging, or meals) people incur receiving these services in the state or
2. serve LGBTQ+ youth or families in Connecticut by reimbursing or paying them directly for their collateral costs to receive reproductive or gender-affirming health care services in the state.

EFFECTIVE DATE: July 1, 2025

Required Investment Standards

The act requires the treasurer to invest the account's funds in a manner reasonable and appropriate to achieve the account's objectives. In doing so, he must exercise the discretion and care of a prudent person in similar circumstances with similar objectives. The treasurer must give due consideration to rate of return risk; term or maturity; diversification of the account's total portfolio; liquidity; projected disbursements and expenditures; and expected payments, deposits, contributions, and gifts to be received.

The account's funds must be continuously invested and reinvested in a way consistent with its objectives until they are disbursed as required in the act.

Board of Trustees

Under the act, the safe harbor account is administered by a five-member board of trustees. The board includes the state treasurer or his designee (who serves as the board's chairperson) and four treasurer-appointed members, including (1) one in-state provider of reproductive health care services, (2) one person experienced in working with the LGBTQ+ community, (3) one person experienced in working with reproductive health care providers, and (4) one person experienced in working with providers of health care or mental health services to the LGBTQ+ community.

When making his appointments, the treasurer must use his best efforts to ensure that the board reflects the state's racial, gender, and geographic diversity.

Board Policies and Procedures

The act requires the board of trustees, by September 1, 2025, to adopt policies and procedures for awarding these grants, including:

1. application procedures, including procedures for subgrants;
2. eligibility criteria for applicant nonprofits, including subgrantees, and for people served by the grants;
3. eligibility criteria for collateral costs;
4. considerations of need for people served by the grants, including the urgency or time sensitivity and financial need; and

5. ways to coordinate with any national network that performs similar functions, including on accepting funding transferred to the account for a particular use.

The policies and procedures must not condition grant eligibility on the collection or retention of patient-identifiable data.

The act allows the board to update the policies and procedures as it deems necessary. It also allows the board to make a fact-based eligibility determination if it decides that the policies and procedures are inadequate to determine (1) a particular provider's or organization's eligibility or (2) whether a provider or nonprofit may use grant money to reimburse or pay for a certain service or collateral cost.

§§ 174 & 175 — OPIOID USE DISORDER

Declares opioid use disorder to be a public health crisis in the state and requires the Alcohol and Drug Policy Council to convene a working group to set goals to combat this disorder's prevalence

The act requires the state's Alcohol and Drug Policy Council to convene a working group to set one or more goals for the state in its efforts to combat the prevalence of opioid use disorder. The council must report on these goals to the Public Health Committee by July 1, 2026.

The act also declares that opioid use disorder is a public health crisis in Connecticut and will continue as one until the state meets the working group's goals.

EFFECTIVE DATE: Upon passage

§ 176 — PUBLIC HEALTH URGENT COMMUNICATION ACCOUNT

Creates an account to fund DPH communications during public health emergencies

The act creates the public health urgent communication account as a separate, nonlapsing account that must contain any money required by law to be deposited into it.

Under the act, DPH must use the account's funds to give the public, health care providers, and other stakeholders timely, effective communication during a governor-declared public health emergency.

EFFECTIVE DATE: Upon passage

§ 177 — EMERGENCY PUBLIC HEALTH FINANCIAL SAFEGUARD ACCOUNT

Creates an account to address unexpected shortfalls in public health funding

The act creates the emergency public health financial safeguard account as a separate, nonlapsing account that must contain any money required by law to be deposited into it.

Under the act, DPH must use the account's funds to (1) address unexpected shortfalls in public health funding and (2) ensure the department's ability to respond to the state's health care needs and provide essential public health services. But the act specifically prohibits DPH from using the account for any of the purposes for which the safe harbor account must be used (see § 173).

EFFECTIVE DATE: Upon passage

§ 178 — SUDEP INFORMATION

Requires physicians, APRNs, and PAs who regularly treat patients with epilepsy to give them information on sudden unexpected death in epilepsy

Starting October 1, 2025, the act requires physicians, advanced practice registered nurses (APRNs), and physician assistants (PAs) who regularly treat patients with epilepsy to inform them about sudden unexpected death in epilepsy (SUDEP), which is death among people with epilepsy not caused by injury, drowning, or other known unrelated causes. Specifically, they must give patients information on the risks of SUDEP and ways to mitigate those risks.

EFFECTIVE DATE: July 1, 2025

§ 179 — AEDS AT CERTAIN LONG-TERM CARE FACILITIES

Requires nursing homes and certain MRCs to have an AED in a central location

The act requires administrators of nursing homes and managed residential communities (MRCs), by January 1, 2026, to have and maintain an automated external defibrillator (AED) in a central location at the home or MRC. They must (1) make the AED's location known and accessible to staff members and residents and their visiting family members and (2) maintain and test the AED according to the manufacturer's guidelines.

Under the act, MRCs generally are facilities consisting of private residential units that provide a managed group living environment for people who are primarily age 55 or older. The act excludes (1) state-funded congregate housing facilities, (2) elderly housing complexes receiving assistance and funding through the U.S. Department of Housing and Urban Development's Assisted Living Conversion Program, and (3) affordable housing units subsidized under the DSS assisted living demonstration project.

EFFECTIVE DATE: October 1, 2025

§ 180 — PANCREATIC CANCER SCREENING PROGRAM

Requires DPH, within available appropriations, to create a pancreatic cancer screening and treatment referral program

The act requires the DPH commissioner, by January 1, 2026, and within available appropriations, to establish a pancreatic cancer screening and treatment referral program within DPH.

The program must (1) promote pancreatic cancer screening and detection among people who may be susceptible to the disease due to higher risk factors; (2) educate the public, including unserved and underserved populations (see below), about this cancer and the benefits of early detection; and (3) make referrals to appropriate screening, counseling services, and treatment referral services.

The act requires the program to include creating a public education and outreach initiative to publicize (1) pancreatic cancer screening services and the extent of health coverage that may be available for them; (2) the benefits of early detection and the recommended frequency of screening services, including clinical examinations; and (3) Medicaid and any other public or private program that patients may use to access these services.

The program must link to, and coordinate with, screening and counseling and treatment referral services offered by health systems, health care entities, and providers recognized by DPH. The program must also use and distribute professional education programs on the benefits of early detection of pancreatic cancer and the recommended screening frequency.

Under the act, "unserved or underserved populations" are patients (1) at or below 250% of the federal poverty level for individuals (250% is $39,125 for 2025), (2) who lack health coverage for pancreatic cancer screening services, and (3) of an age at which these screening services are deemed appropriate by medical professionals.

EFFECTIVE DATE: October 1, 2025

§ 181 — EMS ADMINISTERING GLUCAGON NASAL POWDER

Requires EMS personnel to receive training on administering glucagon and allows them to administer glucagon nasal powder when necessary

The act allows emergency medical services (EMS) personnel to administer glucagon nasal powder. Generally, "glucagon nasal powder" is a class of intranasally administered medications used to treat severe low blood sugar in people with diabetes.

In order to administer glucagon nasal powder, the EMS professional must (1) be trained in administering injectable glucagon and (2) determine that administering glucagon is necessary to treat the patient.

The act requires all EMS personnel to receive this training from an organization designated by the DPH commissioner. It also allows licensed or certified ambulances to have glucagon nasal powder for EMS personnel to administer as described above.

Under the act, "EMS personnel" are (1) certified emergency medical responders; (2) any class of certified emergency medical technicians (EMTs), including advanced EMTs; and (3) licensed paramedics.

EFFECTIVE DATE: Upon passage

§ 182 — HOSPITAL FINANCIAL ASSISTANCE PORTAL

Requires OHA to contract with a vendor to develop an online hospital financial assistance portal for patients and their family members

The act requires the Office of the Healthcare Advocate (OHA) to contract with a vendor to develop an online hospital financial assistance portal for patients and family members.

Under the act, the portal must serve as a navigation tool to help patients and family members identify and apply for hospital financial assistance at Connecticut hospitals that would partially or fully reduce patients' liability for the cost of care. The portal may at least include:

1. technical assistance and tools that streamline the application process for assistance,
2. a screening tool to help determine whether patients may be eligible for assistance, and
3. information to help patients and family members avoid future medical debt.

The act also authorizes OHA to (1) consult with OPM and publish information about the state's medical debt erasure initiative on the OHA website (see *Background — Medical Debt Erasure Initiative*) and (2) develop, in consultation with relevant organizations, recommendations on the initiative that may help patients and family members avoid future medical debt, including ways to streamline the hospital financial assistance application process.

Starting July 1, 2026, hospitals that offer financial assistance programs must give OHA contact information for their programs (i.e. website links, email addresses, and phone numbers). If a hospital revises the program's application form or contact information or establishes a new program, it must notify OHA and give the office any new program contact information within 30 days after doing so.

EFFECTIVE DATE: July 1, 2025

Background — Medical Debt Erasure Initiative

PA 23-204, as amended by PA 24-81, allocated $6.5 million in federal American Rescue Plan Act (ARPA) funds for the state to enter a partnership with Undue Medical Debt, a national nonprofit organization. Undue Medical Debt uses these funds to negotiate with hospitals and other health care providers to eliminate large, bundled portfolios of certain medical debt.

To qualify for medical debt erasure, patients must have (1) income at or below 400% of the federal poverty level (e.g., $84,600 for a family of two in 2025) or (2) medical debt that is at least 5% of their income. Patients do not apply for the debt relief. Instead, they are notified by Undue Medical Debt if their debt has been identified for erasure.

§ 183 — FOOD CODE REVISIONS

Requires the DPH commissioner to adopt into the state's food code any FDA food code revision issued by the end of 2024, and gives her the discretion to adopt other supplements to the federal code

Existing law requires the DPH commissioner to adopt the FDA Food Code as the state's food code for regulating food establishments, and DPH regulations doing so took effect in early 2023. The act requires the commissioner to adopt into the state code any FDA code revision issued by December 31, 2024. It gives her the discretion to adopt into the state code other supplements to the federal code, rather than requiring her to as under prior law.

EFFECTIVE DATE: Upon passage

§§ 184-186 — HOME HEALTH AND HOSPICE

Makes various changes to laws on home health and hospice agency staff safety, such as (1) requiring health care providers to give these agencies certain information when referring or transferring a patient to them, (2) extending to hospice agencies certain requirements that already apply to home health agencies, and (3) requiring these agencies to create a system for staff to report violent incidents or threats

The act makes various changes to laws on staff safety for home health care and home health aide agencies ("home health agencies"), and extends some of these provisions to hospice agencies (i.e. organizations that provide home care and hospice services to terminally ill patients).

It requires health care providers, when referring or transferring a patient to a home health agency, to give the agency any documentation or information the provider has on the topics that the agency must collect during client intake (generally

client and service location information; see *Background — Home Health Agency Client Intake Data Collection*). It similarly requires providers to give this information to hospice agencies. These provisions apply to the extent it is feasible and consistent with other state or federal laws.

Existing law, unchanged by the act, does not require DPH-licensed hospice organizations to collect this information at client intake. The act also specifically exempts from this data collection requirement agencies that operate solely as a (1) hospice agency, (2) home health care agency hospice program, (3) hospice-based home care program, or (4) hospice inpatient facility.

The act extends to hospice agencies requirements to comply with certain safety-related training requirements (or risk losing Medicaid reimbursement if they fail to provide the training). Previously, these requirements applied only to home health agencies.

Existing law requires home health agencies to conduct monthly safety assessments with direct care staff, and prior law required this to occur at the agency's monthly staff meeting. The act extends to hospice agencies the requirement to conduct these assessments. It allows any of these agencies to complete the assessment through in-person or virtual meetings or other communication methods, including email, phone calls, text messages, a hotline, or a reporting portal. It also requires these agencies to create a system for staff to promptly report violent incidents or potential threats, along with the safety assessments.

Existing law authorizes the DSS commissioner to increase Medicaid rates for home health agencies that report workplace violence incidents to DSS and DPH within seven calendar days after they happen. The act (1) specifies that DSS may do so only within available appropriations and (2) extends this provision to hospice agencies.

Existing law also requires home health agencies to annually report to DPH on (1) each instance of a client's verbal abuse that a staff member perceived as a threat or danger, physical or sexual abuse, or any other client abuse of a staff member and (2) the actions they took to ensure the affected staff member's safety. The act requires these agencies to report threats or abuse against staff members by anyone, not just clients, if related to the staff member's employment. It also extends this reporting requirement to hospice agencies. As under existing law, DPH must annually report on the collected information to the Public Health Committee.

EFFECTIVE DATE: October 1, 2025

Hospice Worker Safety Training (§ 185)

The act extends to hospice agencies safety training requirements that previously only applied to home health agencies. Specifically, it requires hospice agencies to adopt and implement a home care worker health and safety training curriculum consistent with the one endorsed by the federal (1) CDC's National Institute for Occupational Safety and Health and (2) Occupational Safety and Health Administration, including training to recognize common home care workplace hazards and practical ways to manage risks and improve safety. Hospice agencies must provide annual staff training that aligns with this curriculum.

Under the act, as under existing law for home health agencies, the DSS commissioner must generally require hospice agencies to provide evidence that they adopted and implemented the above training curriculum to continue receiving Medicaid reimbursements. The commissioner, at her discretion, may approve alternative applicable training programs.

Background — Home Health Agency Client Intake Data Collection

The law generally requires home health agencies to collect certain information during intake with a prospective client and give it to any employee assigned to the client, to the extent it is feasible and consistent with other laws. Specifically, this includes information on the following:

1. the client, including, if applicable, the client's history of violence against health care workers, domestic abuse, or substance use; a list of the client's diagnoses, including psychiatric history; whether the client's diagnoses or symptoms have been stable over time; and any information on violent acts involving the client from judicial records or any sex offender registry data concerning the client and
2. the service location, including, if known to the agency, the municipality's crime rate, as determined by the most recent state crime annual report issued by the Department of Emergency Services and Public Protection; the presence of hazardous materials (including used syringes), firearms or other weapons, or other safety hazards; and the status of the location's fire alarm system.

§ 187 — EVALUATION OF DOC HEALTH CARE SERVICES

Requires the correction ombuds to evaluate health care services for incarcerated individuals, and specifies certain steps he may take when doing so

The act specifies that the state's correction ombuds' services include evaluating the health care services provided to people who are incarcerated by DOC. This must include medical, dental, and mental health care and substance use disorder treatment services.

In doing so, the ombuds may do the following:

1. receive, investigate, and respond to complaints on DOC health care access or quality;
2. employ or contract with licensed health care professionals to provide independent clinical reviews of these complaints, when necessary;
3. collect and analyze health-related data across correctional facilities, including on appointment wait times, mental health care access, medication access and continuity, hospitalizations, and mortalities; and
4. make recommendations to DOC, DPH, and the Judiciary and Public Health committees on necessary improvements in the delivery of health care services within correctional facilities.

Existing law requires the ombuds to annually report to the Judiciary Committee on (1) the conditions of confinement within the state's correctional facilities and halfway houses and (2) his findings and recommendations. The act specifically requires the report to address the delivery of health care in these settings and include recommendations for any improvements in health care service delivery.

The act also updates terminology and makes other technical changes.

EFFECTIVE DATE: October 1, 2025

§ 188 — CONSERVATOR APPOINTMENT EXPEDITED PROCESS

Requires the probate court administrator and DSS commissioner to evaluate the feasibility of establishing an expedited process to appoint a conservator for hospital emergency department patients who lack the capacity to consent to services

The act requires the probate court administrator and DSS commissioner to evaluate the feasibility of establishing an expedited process to appoint a conservator for hospital emergency department patients who lack the capacity to consent to services. This process's purpose is to ensure that these patients receive timely services and to help reduce emergency department crowding and boarding (that is, keeping patients in the department while they await inpatient beds). By January 1, 2026, they must jointly report on the evaluation and any legislative recommendations to the Public Health Committee.

EFFECTIVE DATE: Upon passage

Background — Temporary Conservator Appointments

By law, the probate court may appoint a temporary conservator if, upon the petition of certain parties (e.g., a spouse, relative, or nonprofit hospital chief administrative officer), it finds that (1) the respondent cannot manage his or her affairs or care for himself or herself, (2) immediate and irreparable harm to the respondent's mental or physical health or financial or legal affairs will result without the appointment, and (3) the appointment is the least restrictive available way to prevent this harm. A physician generally must have examined the respondent and made certain findings.

Under some circumstances, if the court determines that delay would cause immediate and irreparable harm, it can order the appointment ex parte and without prior notice to the respondent. In these cases, it must hold the required hearing within three days after the order (excluding weekends and holidays) (CGS § 45a-654).

§ 189 — HOSPITAL REPORTING ON EMERGENCY DEPARTMENTS

Adds to the required recipients of hospitals' annual reports analyzing emergency department data

Existing law generally requires hospitals to annually analyze certain emergency department data toward the goals of (1) developing ways to reduce admission wait times, (2) informing potential ways to improve admission efficiencies, and (3) examining root causes for admission delays. By each March 1 (until 2029) they must annually report to the Public Health Committee on their findings and recommendations. The act requires them to also submit these reports to the DPH and OHS commissioners and the Healthcare Advocate.

EFFECTIVE DATE: Upon passage

§ 190 — HOSPITAL DISCHARGE WORKING GROUP

Creates a working group on hospital discharge challenges

The act creates a 22-member working group to evaluate hospital discharge challenges, including discharge practices, and propose strategies to reduce discharge delays, improve care transitions, and alleviate emergency department boarding. The group must report its findings and recommendations to the Human Services and Public Health committees by January 15, 2026.

Under the act, the Public Health Committee's administrative staff serves in that capacity for the working group.

EFFECTIVE DATE: Upon passage

Working Group Membership

The group consists of the DPH, OHS, DSS, and insurance commissioners or their designees, and the following members appointed by the Public Health Committee chairpersons and ranking members:

1. two hospital administrators (specifically, chief operating officers or vice presidents of care coordination), one from an urban hospital and one from a rural one;
2. two emergency department physicians, nominated by an in-state college of emergency physicians;
3. one practicing hospitalist with discharge planning experience;
4. two health system executives, one from a community hospital;
5. one representative each from (a) a Connecticut-licensed commercial health insurer, (b) a care management organization under a Medicaid care management contract with the state, (c) a skilled nursing facility, (d) a home health or community-based care organization, (e) a patient advocacy organization with care transition expertise, and (f) an in-state hospital association;
6. one behavioral health provider involved in discharge transitions;
7. one primary care physician affiliated with a clinically integrated network;
8. one academic or public health policy expert from an in-state higher education institution; and
9. one member each from the Human Services and Public Health committees, as nonvoting members.

§ 191 — CSCU RESERVE FUND EXPENDITURE WORKING GROUP

Establishes a working group to oversee and monitor expenditures from each reserve fund of CSCU or the higher education institutions within CSCU (PA 25-174 repeals these provisions)

For FY 26 through FY 30, the act establishes a working group to oversee and monitor expenditures from each reserve fund of CSCU, or the higher education institutions within CSCU. Under the act, a "reserve fund" is a fund established for holding monies not immediately needed for use or disbursement. It does not include any special capital reserve fund or other debt service reserve fund. Initial appointments for all members must be made by July 31, 2025, and any vacancies must be filled by the appointing authority.

(PA 25-174, §§ 216 & 217, repeals these provisions and instead establishes a subcommittee of the Higher Education Financial Sustainability Advisory Board to monitor CSCU expenditures and sustainability plans.)

EFFECTIVE DATE: July 1, 2025

Working Group Responsibilities

The working group's responsibilities include:

1. monitoring reserve fund expenditures to ensure at least 13% of the funds are annually spent on educational and student services,
2. making reserve fund expenditure recommendations to CSCU, and
3. informing the General Assembly on the need for increased General Fund contributions for ongoing expenses.

CSCU must regularly give the working group, in a form and manner the group determines, the information needed to fulfill these responsibilities.

Under the act, beginning by February 1, 2027, the working group must annually submit a report on its findings and recommendations to the Higher Education and Employment Advancement Committee through February 1, 2031. The working group terminates when it submits its final report.

The working group's chairpersons (see below) must schedule and hold the group's first meeting by August 30, 2025. The working group must meet at least once every two months and any other times the chairpersons determine.

Chairpersons, Ex-Officio Members, and Administrative Staff

The act makes the Higher Education and Employment Advancement committee's chairpersons, vice chairpersons, and ranking members, or their designees, ex-officio, non-voting working group members. Under the act, however, the committee's chairpersons must select two members of the committee's leadership to serve as the group's chairpersons, and these two members, along with any chairperson's or ranking member's designee who is not a legislator, serve as voting members on the working group.

The Higher Education and Employment Advancement Committee's administrative staff must serve as the working group's administrative staff.

Voting Members

The working group includes the following voting members:

1. the group's chairpersons and certain legislator designees as specified above;
2. two OPM representatives appointed by the OPM secretary;
3. two CSCU representatives appointed by the CSCU chancellor;
4. the BOR chairperson, or his designee;
5. seven representatives from labor organizations who represent CSCU employees appointed by the Board of Regents' faculty advisory committee (CGS § 10a-3a); and
6. two students, including one from Connecticut State Community College or Charter Oak State College and one from a Connecticut state university, appointed by the Higher Education and Employment Advancement Committee's chairpersons.

§§ 192-197 — LACTATION CONSULTANT LICENSURE

Creates a DPH licensure program for lactation consultants; allows unlicensed people meeting specified criteria to practice lactation consulting or provide related services, if they do not refer to themselves as "lactation consultants"

Starting in July 2026, the act creates a DPH licensure program for lactation consultants. To receive a license, an applicant must have a certification in good standing from the International Board of Lactation Consultant Examiners (IBLCE) or any successor to it.

The act generally prohibits unlicensed people from practicing lactation consulting for compensation, using the "lactation consultant" title, or holding themselves out to the public as licensed lactation consultants. But it does not restrict unlicensed people meeting specified criteria from practicing lactation consulting or providing related services if they do not refer to themselves as "lactation consultants."

In addition, the act authorizes DPH to take disciplinary action against licensees and sets forth the grounds for these actions.

Lastly, it specifies that no new regulatory board is created for lactation consultants.

EFFECTIVE DATE: July 1, 2026

Lactation Consulting Definition (§ 192)

Under the act, "lactation consulting" is helping families with lactation and feeding by clinically applying scientific principles and multidisciplinary evidence for evaluation, problem identification, treatment, education, and consultation, including the following services:

1. taking maternal, child, and feeding histories;
2. performing clinical assessments related to breastfeeding and human lactation by systematically collecting subjective and objective information;
3. analyzing relevant information and data;
4. developing an unbiased lactation management and child feeding plan with demonstration and instruction to parents;
5. providing lactation and feeding education, including recommendations and training on using assistive devices;
6. communicating to a primary health care practitioner and referring to other practitioners, as needed;

7. conducting appropriate follow-up appointments and evaluating outcomes; and
8. keeping records of patient encounters.

Licensure Requirement and Exemptions (§ 193)

The act generally prohibits people without a lactation consultant license from:

1. practicing lactation consulting for compensation;
2. holding themselves out to the public as a licensed lactation consultant;
3. using, in connection with their name or business, the "licensed lactation consultant" or "lactation consultant" titles or "IBCLC" or "L.C." designations; or
4. using any title, words, letters, abbreviations, or insignia that may reasonably be confused with this licensure.

These restrictions do not prevent people without this license from providing lactation consulting or related services under the following conditions, as long as they do not refer to themselves by the term "lactation consultant":

1. people licensed or certified by DPH as another type of provider, or by DCP under the pharmacy laws, who are providing lactation consulting under the scope of practice of their license or certification;
2. students in a lactation consulting educational program or an accredited education program required for DPH licensure or certification (or DCP under the pharmacy laws), if lactation consulting is a part of the program and the student provides the consulting under appropriate program supervision;
3. people providing lactation education and support through the federal Special Supplemental Food Program for Women, Infants, and Children (WIC) or other federally funded nutrition assistance programs, while acting within their job description and training;
4. certified community health workers providing lactation support to HUSKY Health program members;
5. people providing education, social or peer support, peer counseling, or nonclinical services related to lactation and feeding;
6. doulas or midwives providing services within their training and scope of practice; or
7. public health professionals engaging in outreach, engagement, education, coaching, informal counseling, social support, advocacy, care coordination, or research related to social determinants of health or a basic screening or assessment of any risk associated with those determinants.

Licensing and License Renewals (§§ 194 & 197)

The act requires DPH to issue a lactation consultant license to an applicant who submits satisfactory evidence, on a DPH form, of being certified by IBLCE or any successor to it. The licensure application fee is $200.

The license expires every two years and may be renewed during the licensee's birth month for a $100 fee. To renew, licensees must provide satisfactory evidence that they have (1) a current certification with IBLCE or any successor to it and (2) completed the continuing education IBLCE requires for that certification.

Enforcement and Disciplinary Action (§ 195)

The act allows the DPH commissioner to deny a license application or take disciplinary action against a lactation consultant licensee for the following reasons:

1. failing to conform to the profession's accepted standards;
2. a felony conviction, if the disciplinary action is based on the (a) nature of the conviction and its relationship to the licensee's ability to safely or competently practice, (b) licensee's degree of rehabilitation, and (c) time passed since the conviction or release;
3. fraud or deceit in getting or seeking reinstatement of a license or in the practice of lactation consulting;
4. negligence, incompetence, or wrongful conduct in professional activities;
5. an inability to conform to professional standards because of a physical, mental, or emotional illness;
6. alcohol or substance abuse;
7. willfully falsifying entries in a hospital, patient, or other record related to lactation consulting; or
8. failing to maintain certification in good standing with IBLCE.

By law, disciplinary actions available to DPH include, among other things, (1) revoking or suspending a license; (2) censuring the violator; (3) issuing a letter of reprimand; (4) placing the violator on probationary status; or (5) imposing a civil penalty.

Under the act, the commissioner may order a licensee to undergo a reasonable physical or mental examination if his or her capacity to practice safely is under investigation. The act allows the commissioner to petition Hartford Superior Court

to enforce the examination order or any DPH disciplinary action. The commissioner must give the person notice and an opportunity to be heard before taking disciplinary action.

§§ 198-227 — NON-DISCRIMINATION CONTRACT COMPLIANCE, SMALL BUSINESS AND MBE SPENDING ALLOCATION PROGRAM, AND STATE CONTRACTING DISPARITY STUDY

Changes value thresholds that determine whether certain public works contracts are subject to state laws on non-discrimination contract compliance, the Small and Minority Owned Business Set-Aside Program, and affirmative action plans for certain state contractors; converts the set-aside program into the spending allocation program by, among other things, replacing the current 25% set-aside requirements with annual spending allocation goals by industry category and contract-specific spending allocation goals based on certain localized data; requires the state to do a disparity study every five years; makes other changes related to state contracting

The act makes changes to the state laws on non-discrimination contract compliance, the Small and Minority Owned Business Set-Aside Program, and affirmative action plans for certain state contractors. Among other things, it:

1. standardizes the definition of the "public works contracts" to which these laws apply, and in doing so, changes value thresholds that determine whether the contracts are subject to the laws;
2. converts the set-aside program into the spending allocation program by, among other things, replacing the current 25% set-aside requirements for small contractors or minority business enterprises (MBEs) (see *Background — Small Contractors and MBEs*) with (a) annual spending allocation goals for goods and services by industry category and (b) contract-specific spending allocation goals for public works contracts based on the percentage of available businesses in the relevant industry and geographic market area;
3. sets specific deadlines for submitting and approving a covered contractor's plans and compliance reports related to the spending allocation program;
4. 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
5. requires general bids for certain state contracts to include a signed statement that the subcontractor has communicated directly with the general bidder about the work to be performed on the specific contract before submitting the general bid.

It also makes numerous minor, technical, and conforming changes (primarily related to standardizing the definition of a "public works contract" and replacing references to the set-aside program with references to spending allocation requirements and goals).

EFFECTIVE DATE: October 1, 2025

"Public Works Contract" Definition

The state's laws on anti-discrimination contract compliance, the Small and Minority Owned Business Set-Aside program, and affirmative action plans for state contractors generally set various diversity-related requirements for contractors on public works contracts, municipal public works contracts, and quasi-public agency projects.

Prior law individually defined a "public works contract," "municipal public works contract," and "quasi-public agency project." Under these definitions, a public works contract was an agreement between any individual, firm, or corporation and the state or any of its political subdivisions (other than a municipality) for constructing, rehabilitating, converting, extending, demolishing, or repairing a public building or highway or other changes or improvements in real property, or which was financed in whole or in part by the state, including matching expenditures, grants, loans, insurance, or guarantees. A "municipal public works contract" and "quasi-public agency project" were substantially similar to a public works contract, except that either a municipality or quasi-public agency was a party to the contract, and the project was anticipated to cost more than $50,000.

The act broadens the definition of a "public works contract" under these three laws to cover contracts with the state, municipalities, and quasi-public agencies. Under the act, a "public works contract" is an agreement for constructing, rehabilitating, converting, extending, demolishing, or repairing of changes or improvements in real property that is financed in whole or in part with at least $150,000 from the state, including matching expenditures, grants, loans, insurance, or guarantees. In broadening the definition in this way, the act sets a new value threshold of $150,000 in state funding for determining when a project becomes a "public works project" covered by the laws above.

Nondiscrimination Contract Compliance Law (§§ 199, 208 & 227)

Contract Compliance Law (§§ 199 & 227). The state's contract compliance law generally requires a contractor on a public works contract to (1) agree and warrant to make good faith efforts to employ MBEs as subcontractors and materials suppliers on the project and (2) include a nondiscrimination affirmation provision certifying that the contractor understands the law's obligations and will maintain a policy to assure that the contract will be performed in compliance with the nondiscrimination requirements.

In applying its broadened definition of a "public works contract" to these requirements, the act changes the value thresholds for when these requirements apply. It (1) creates a new threshold of $150,000 in state funding for state contracts and (2) changes the threshold from $50,000 in a project's costs to $150,000 in state funding for municipal and quasi-public contracts.

The act expands the criteria used to determine a contractor's "good faith efforts" to employ MBEs to include the timing and value of the contractor's bids. The law also includes criteria such as the contractor's employment and subcontracting policies, patterns, and practices, among other things.

The act also changes the range of entities considered MBEs under this provision by applying the definition of MBE used under the set-aside law. In doing so, it primarily removes suppliers of materials from consideration as MBEs and includes enterprises majority-owned by people with disabilities, among other changes.

The act allows CHRO to adopt regulations on these provisions.

Additionally, the act removes standalone provisions on sexual orientation nondiscrimination and applies the state's contract compliance law to this type of discrimination. In doing so, it explicitly applies, among other things, the law's good faith determination analysis to contractors' compliance and requires the contractor to develop and maintain adequate documentation, as determined by CHRO, of its good faith efforts.

Higher Education Contracts (§ 208). The law generally requires certain contracts entered into by the constituent units of the state's higher education system to include the same nondiscrimination provisions as the state's contract compliance law. For contracts entered into on or after July 1, 2026, the act requires the protected classes specified in these contract provisions to include veterans and domestic violence victims (two groups that have become protected classes in recent years).

The Spending Allocation Program (§§ 200 & 201)

Converting Set-Aside Program to Spending Allocation Program. Prior law generally required state agencies and contractors awarded 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 MBEs.

Under prior law, this requirement applied to (1) municipal public works and quasi-public agency contracts anticipated to be for more than $50,000 and (2) state public works contracts, regardless of their value. The act instead applies the requirement, as amended by the act, to any of those contracts financed with at least $150,000 of state funding, regardless of the contract's value.

The act removes both fixed 25% set-aside requirements for small contractors and MBEs and replaces it with the spending allocation program provisions described below. It makes CHRO responsible for administering the new program for public works contracts. Under prior law, the Department of Administrative Services (DAS) commissioner administered the set-aside program for state agencies, and CHRO administered it for municipalities and quasi-public agencies.

Database of Certified Small Contractors and MBEs. The act requires the state's chief data officer or his designee, by January 1, 2026, and in consultation with the DAS commissioner and CHRO, to create a database of available contractors in each industry category. It must indicate (1) which contractors are certified small contractors and MBEs, (2) each contractor's industry and location, and (3) any other information about their availability. The chief data officer must post the database on OPM's website and update it at least annually.

DAS Report on Spending Allocation Goals. The act requires the DAS commissioner, by each June 30, to give each state agency setting annual spending allocation goals for goods and services a preliminary report setting small contractor and MBE goals, by industry, based on the database for the 12-month period beginning July 1 in the same year. By each September 30, the state agency must submit a final version of the report to the commissioner, CHRO, and the chairpersons and ranking members of the Planning and Development (P&D) and Government Administration and Elections (GAE) committees.

Setting Spending Allocation Goals. Starting July 1, 2026, the act requires (1) state agencies to set annual spending allocation goals for goods and services by industry category by following the annual DAS report on small contractor and MBE goals by industry and (2) awarding agencies (i.e. state, municipal, and quasi-public agencies) to set contract-specific

spending allocation goals for public works contracts that reflect and are consistent with the percentage of available businesses in the relevant industry and geographic market area identified as small contractors and MBEs in the database described above.

Under the act, awarding agencies setting spending allocation goals and contractors awarded public works contracts must make good faith efforts, consistent with state and federal law, to achieve these goals. These "good faith efforts" include reasonable initial efforts needed to comply with statutory or regulatory requirements, and additional or substituted efforts when it is determined that the initial efforts are not sufficient.

Before July 1, 2026, the act requires awarding agencies to make a good faith effort toward the annual goals set for the spending allocation programs during the prior fiscal year.

Notices and Contracts. Starting July 1, 2026, the act requires any awarding agency awarding public works contracts to state (1) its spending allocation goals for the relevant contract in its notice of solicitation for competitive bids or requests for proposals or qualifications for the contract and (2) that the contractor will be required to comply with the spending allocation, non-discrimination, and affirmative action laws.

Awarding agencies and contractors must exclude any contract from the spending allocation requirements that may not be subject to spending allocation goals due to a conflict with federal laws or regulations.

The act requires the head of each awarding agency to notify CHRO about its spending allocation goals for public works contracts when it makes bid documents for the contracts available to potential contractors.

Before awarding a public works contract, the act requires a contractor to give the awarding agency a signed statement from each subcontractor listed on the bid form stating that the contractor has communicated directly with the subcontractor about the work to be performed on the contract.

Under the act, an awarding agency may require that a contractor or subcontractor awarded a public works contract, or part of one, perform at least 30% of the work with its own workforce, however, this cannot apply to construction managers. A "construction manager" is a constructional professional with primary responsibility for the day-today management of all construction or engineering activities for a project under a public works contracts with an awarding agency.

The act prohibits (1) a contractor awarded a contract or a portion of one under these provisions from subcontracting with any other person affiliated with the contractor and (2) persons affiliated with each other from being counted towards an agency's spending allocation goal if, when considered together, they would not qualify as a small contractor or MBE.

As under the prior set-aside program, the act allows the awarding agency to require a contractor or subcontractor awarded a public works contract to furnish certain information (e.g., a certificate of incorporation, tax returns), including evidence of paying fair market value to buy or lease property or equipment from another contractor who is not eligible to be counted towards an agency's spending allocation goals.

Contractor Certifications. The act also requires the DAS commissioner to establish a process for certifying small contractors and MBEs as eligible for the spending allocation program, under the same parameters and procedures that applied to certifications for the set-aside program. As under prior law, DAS must maintain an updated directory of certified small contractors and MBEs.

Contractor Letters of Credit. The act allows a small contractor or MBE awarded a public works contract under these provisions to give an awarding agency a letter of credit instead of a performance, bid, labor and materials, or other required bond. The letter of credit must equal 10% of the contract for any contract for less than $100,000, and 25% of the contract for any contract above that threshold.

CHRO Audits. The act allows CHRO to audit the financial, corporate, and business records, and investigate any contractor awarded a public works contract to determine compliance with the spending allocation goal requirements and the contract compliance law. It requires the commission to publish any audit results on its website.

Exemptions. The act exempts from these provisions any (1) awarding agency that has a total value of all contracts anticipated to be $10,000 or less and (2) municipal or quasi-public agency public works contract with a total value anticipated to be $50,000 or less.

Violations. Under the act, when an awarding agency believes that a contractor or subcontractor awarded a state contract has willfully violated the spending allocation goal provisions, it must follow the same procedure prior law required for willful violations of the set-aside program. Generally, it must (1) notify the contractor or subcontractor about the violation and potential penalty; (2) hold a hearing; and (3) if it finds a willful violation, suspend all contract payments to the contractor or subcontractor and potentially issue a civil penalty. The act also requires an awarding agency to follow this procedure if it believes that a contractor or subcontractor awarded a state contract has willfully violated the contract compliance law.

Quarterly Progress Reports. Under the act, by each November 1, and then quarterly, each state agency setting annual and contract-specific spending allocation goals must prepare a status report on the progress made towards achieving its small contractor and MBE goals during the three-month period ending one month before the report's due date. Each report must be submitted to the DAS commissioner and CHRO. A state agency that achieves less than 50% of its goals by the end

of the second reporting period in any 12-month period beginning on July 1 must give the commissioner and CHRO a written explanation reporting the good faith efforts it will employ towards achieving its goals in the final reporting period.

The act requires CHRO to (1) monitor the achievement of the annual and contract-specific goals set by each state agency and (2) prepare a quarterly report on the goal achievement. The report must be submitted to each agency that submitted a report, the DAS and economic and community development commissioners, and the chairpersons and ranking members of the P&D and GAE committees. Failure to do so violates the law that requires state agencies to cooperate with CHRO.

Regulations. The act allows CHRO to adopt regulations to carry out the new program's purposes (prior law limited these regulations to municipal and quasi-public agency projects covered by the set-aside program). It also requires the DAS commissioner to adopt regulations to carry out the new program's purposes (prior law limited these DAS regulations to the state agency set-aside program). As under prior law, the DAS regulations must include provisions on (1) how program applies to individuals with a disability; (2) guidelines for a legally acceptable format for, and content of, authorized letters of credit; (3) procedures for random site visits to businesses applying for certification; and (4) time limits for approving or disapproving applications.

Other Provisions. As under the prior set-aside program, the act (1) specifies that its provision on the spending allocation program do not apply to certain janitorial or service contracts, and (2) requires the DAS commissioner and CHRO to conduct certain training sessions about the program, and (3) requires the DAS commissioner to adopt regulations to implement the program.

Program Statement of Purpose. The law generally (1) finds that there is a serious need to help small contractors, MBEs, nonprofit organizations, and people with disabilities be considered for and awarded state contracts and (2) declares the need to award contracts under the program as a matter of legislative determination. The act further specifies that (1) these findings and determinations are based on a state-wide disparity study and (2) the remedial measures in these provisions needed to address the effects of discrimination on MBEs participating in state-funded contracting must continue until a subsequent state-validated disparity study finds that they are no longer needed to correct the effects of discrimination found in the previous disparity study.

Five-Year Disparity Study. Starting by January 1, 2030, and then every five years, the act requires CHRO, in collaboration with DAS, OPM, and the Office of the Attorney General, to develop and issue a request for a proposal to do a disparity study. The study must make determinations on:

1. whether a statistically significant level of disparity exists in state-funded contracts between the percentage of certified MBEs available in each industry category and the percentage of total dollars spent that goes to them as contractors or subcontractors on those contracts;
2. if the study finds strong evidence that a statistically significant disparity exists, whether factors other than race and gender can be ruled out as its cause;
3. whether the disparity can be adequately remedied with race- and gender-neutral measures;
4. if it cannot be remedied solely using race- and gender-neutral measures, what narrowly tailored remedies might address any statistically significant disparities identified; and
5. whether there are any changes needed to state statutes, regulations, policies, or procedures to implement narrowly tailored remedies that would address any statistically significant disparities identified or bring the state into conformance with federal law.

CHRO Affirmative Action Plans & Compliance Reports (§§ 202-204)

Contracts for Less Than $1 Million (§ 202). Under prior law, a contractor with at least 50 employees who was awarded a public works or municipal public works contract, or a quasi-public agency project for between $50,000 and $1 million, had to develop and file an affirmative action plan with CHRO. The act applies this requirement to "public works contracts" as defined in the act, and in doing so, (1) applies it to contractors regardless of how many employees they have and (2) requires the project to have at least $150,000 in state funding. It also increases the applicable contract value threshold from $50,000 to $150,000.

The act removes the prior procedure for submitting and approving these plans, and replaces it with one that, among other things, requires contractors to submit a good faith efforts plan (rather than an affirmative action plan) and sets deadlines for contractors to do so. It also removes provisions that generally (1) made a failure to develop an approved plan a bar on bidding on or being awarded future contracts; (2) required CHRO to issue certificates of compliance, valid for two years, to contractors with approved plans; and (3) allowed CHRO to revoke a certificate if the contractor did not implement the plan as required by law.

Instead, under the act, contractors awarded a public works contract (as defined by the act) for more than $150,000 but less than $1 million, or a first-tier contractor who has entered into an agreement worth at least $150,000 with a construction

manager subject to the requirements for contracts for over $1 million (see below), must develop and file a good faith efforts plan with CHRO, which must comply with the commission's regulations. The contractor must file the plan within 45 days after the contract or agreement is awarded, and CHRO may grant one 15-day extension upon the contractor's request.

CHRO's executive director or her designee must review and formally approve, conditionally approve, or disapprove the good faith efforts plan within 120 days after it is submitted. If they fail to do so within that period, the plan is deemed approved or deficient without consequence. If they disapprove the plan, the contractor must resubmit an amended plan within 45 days after receiving notice about the disapproval to remedy the reasons for disapproval. The executive director or designee must then approve or disapprove the resubmitted plan within 30 days. If they fail to do so within that period, the plan is deemed deficient without consequence. If the contractor fails to resubmit a plan, or to remedy the reasons for disapproval, the plan must receive a final disapproval from the executive director or her designee.

Under the act, a contractor's failure to submit a plan or receipt of a final disapproval of a plan is a discriminatory practice subject to CHRO investigation and enforcement powers. A contractor who receives a final disapproval may request reconsideration under the existing procedures for reconsiderations.

Contracts for at Least $1 Million (§ 203). The act generally requires contractors awarded a public works contract (as defined by the act) worth at least $1 million, and construction managers that have entered into a contract with a guaranteed maximum price and been awarded a public works contract worth at least $150,000, to follow the same approval process as described above. However, for a construction manager, the good faith efforts plan must be filed within 45 days after the guaranteed maximum price agreement is executed.

In standardizing the approval process, the act removes prior law's provisions for contracts over $1 million that generally:

1. required contractors to file their plans for approval after their bid was accepted, but before the contract is awarded;
2. allowed CHRO to conditionally accept a plan if the contractor gave written assurance that it will amend the plan to meet affirmative action requirements;
3. required 2% of the total contract price to be withheld per month from any payment to the contractor until it develops an affirmative action plan (instead, it requires the same amount to be withheld until the contractor's compliance reports have been submitted and approved (see § 204 below)); and
4. allowed a contractor to file a plan in advance or at the same time as a bid.

Compliance Report Deadlines (§ 204). The law requires contractors and subcontractors to file compliance reports with CHRO when the commission directs it, but prior law did not set a deadline for them to do so. The act requires the reports to be submitted within 45 days after the substantial completion of the contract (it does not define "substantial completion"). It requires CHRO's executive director, or her designee, to review and formally approve or disapprove the report within 30 days. If they fail to approve, conditionally approve, or disapprove it within that time, it is deemed approved or deficient without consequence.

For public works contracts of at least $1 million, the act also requires the awarding agency to withhold 2% of the total contract price per month from any payment made to the contractor until it submits all compliance reports required by CHRO and they have been approved or deemed deficient without consequence.

Failure to Timely Pay Subcontractors (§§ 211 & 214)

With certain exceptions, prior law generally required a contractor with the state to pay any subcontractor it employs within 30 days after the state pays the contractor for any work performed or materials furnished by the subcontractor. The act reduces the payment deadline to 15 days and makes a contractor's failure to meet it a discriminatory practice subject to CHRO investigation and enforcement. As under prior law, a contractor may withhold the subcontractor's payment if, by the payment deadline, it (1) has a bona fide reason and notifies the affected subcontractor about the reason in writing and (2) gives the contracting agency a copy of the notice.

General Bids (§ 213)

The law requires general bids for contracts subject to the law on constructing and altering state buildings to include certain information, such as that the bidder (1) will execute a contract according to the general bid's terms and (2) has made good faith efforts to employ MBEs as subcontractors and suppliers of materials under the contract and will give CHRO certain related information upon request. The act additionally requires that general bids include a signed statement from each subcontractor listed on the bid form that the subcontractor has communicated directly with the general bidder about the work to be performed on the specific contract before submitting the general bid.

Background — Small Contractors and MBEs

By law, a "small contractor" is generally a:

1. contractor or subcontractor that (a) maintains its principal place of business in the state and (b) is registered as a small business in the federal database maintained by the U.S. General Services Administration, as required to do business with the federal government, or
2. nonprofit entity that (a) maintains its principal place of business in the state, (b) had gross revenues of $20 million or less during its most recent fiscal year, and (c) is independent (i.e. generally not reliant on another entity in order to operate).

"Minority Business Enterprises" are generally small contractors with majority ownership by women, minorities, or people with disabilities. The owner must have (1) managerial and technical competence, (2) experience directly related to his or her principal business activities, and (3) the power to direct the enterprise's management or policies (CGS § 4a-60g(a)).

§§ 228 & 229 — TRANSPORTATION NETWORK COMPANIES STUDY AND WORKING GROUP

Requires the comptroller to study the compensation of TNCs and third-party delivery company drivers; creates a working group on working conditions and compensation for TNC and third-party delivery company drivers

Comptroller's Study

The act requires the comptroller to study the compensation of transportation network companies (TNCs) and third-party delivery company drivers in the state. It allows him to hire a consultant for the study but requires him to (1) do the study within available appropriations and (2) spend no more than $100,000 dollars on it. The comptroller must submit a report on the study to the Labor and Public Employees Committee by July 1, 2026.

Under the act, the comptroller must obtain and analyze data and information on the (1) income earned by TNC and third-party delivery company drivers for services they provide in the state and (2) costs directly attributable to providing them. The data and information must (1) exclude proprietary, trade secret, competitively sensitive, or otherwise confidential commercial information that is not publicly available and (2) be aggregated so that it does not report any personally identifiable information.

Working Group

The act also establishes a working group to study and make recommendations on the working conditions and compensation of TNC and third-party delivery company drivers. The study must review the comptroller's report (see above) and the working group must make recommendations on the minimum pay and fair treatment of TNC and third-party delivery company drivers. The working group must submit a report on its findings and recommendations to the Labor and Public Employees Committee by January 1, 2027. Under the act, the working group ends when it submits the report or on January 1, 2027, whichever is later.

The act requires the working group to have the following members, or their designees: the Labor and Public Employees Committee chairpersons, the DOL commissioner, the transportation commissioner, and the comptroller. It must also include appointed members as shown in the table below.

Appointed Working Group Members

Appointing Authority *(two appointments each)*	***Appointee Qualifications***
House speaker	• One with experience working with TNC drivers • One third-party delivery company driver representative
Senate president pro tempore	• One TNC driver • One third-party delivery company driver representative
House majority leader	• One with experience working with TNC drivers • One TNC driver
Senate majority leader	• One with experience working with TNC drivers

Appointing Authority *(two appointments each)*	***Appointee Qualifications***
	• One TNC driver
House minority leader	• One TNC representative • One third-party delivery company representative
Senate minority leader	• One TNC representative • One representative from an association representing business and industry in the state

Under the act, all appointed members may be legislators, and all initial appointments must be made within 30 days after the act becomes effective. Any vacancies must be filled by the appointing authority.

The act requires the Labor and Public Employees Committee chairpersons to be the working group's chairpersons. They must schedule and hold the working group's first meeting within 60 days after the act becomes effective, and then meet monthly and at other times they find necessary.

Lastly, the act requires the Labor and Public Employees Committee's administrative staff to serve in this capacity for the working group.

EFFECTIVE DATE: Upon passage

§ 230 — LYME GRANGE FAIR ASSOCIATION PROPERTY

Removes the cap on the value of property the association can own

The act eliminates a provision in the Lyme Grange Fair Association's special act corporate charter that prohibits it from owning real or personal property with a total value of over $10,000. Under the act, the association is not subject to any cap.

EFFECTIVE DATE: July 1, 2025

§§ 231 & 232 — RESTRICTIONS ON ASSIGNED MUNICIPAL LIENS FOR DELINQUENT PROPERTY TAXES AND SEWER ASSESSMENTS (REPEALED)

Has no legal effect because of repeal in PA 25-174

The act would have imposed several restrictions on certain municipal lien assignments, but PA 25-174, § 223, repealed them before they would have gone into effect. Starting July 1, 2026, this act would have reduced, from 18% to 12%, the annual interest rate on delinquent property taxes when a municipal tax collector files a lien on the property and assigns the lien (i.e. sells it to an outside party). Under existing law, delinquent property taxes generally accrue interest at a rate of 18% per year (CGS § 12-146).

By law, an assignee of a municipal tax lien (i.e. person who bought the lien) generally has the same powers and rights as the municipality and its tax collector would have if the lien had not been assigned. Under existing law, this includes charging the 18% annual interest rate. However, for assignments executed on or after July 1, 2026, and beginning on the date a lien is assigned, the act would have reduced this amount to 12% on the delinquent portion of the principal of the assigned taxes.

Additionally, the act would have limited the validity and enforceability of these assignments unless they were in a written contract executed by the municipality and the assignee that included (1) a requirement that no attorney's fees will be received, claimed, or collected until the start of a foreclosure action or suit on the debt and (2) other provisions already required to be in a written assignment contract under existing law for assignments executed on or after July 1, 2022 (e.g., the structure and rates of attorney's fees that the assignee may claim and a prohibition on the assignee assigning the lien without the municipality's prior written consent). For actions beginning on or after July 1, 2026, the act also would have capped the attorney's fees in connection with a foreclosure, sale, or other disposition of these assigned liens at 15% of the amount of any judgment entered.

The act would have also extended the above validity and enforceability provision and the attorney's fees cap to assigned liens for delinquent municipal sewer assessments. These extensions similarly would have applied to assignments executed on or after July 1, 2026, and for actions beginning on or after that date.

EFFECTIVE DATE: October 1, 2025

§§ 233-242 — VETERAN PROPERTY TAX EXEMPTIONS

Modifies the 100% P&T veteran property tax exemption; establishes two new municipal-option veteran-related 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 TDIU rating

Beginning with the 2024 assessment year, state law fully exempts from property tax a primary dwelling or motor vehicle for each former service member (i.e. veteran) who has a 100% service-connected permanent and total disability (a "100% P&T disability") rating as determined by the U.S. Department of Veterans Affairs (U.S. DVA). The act makes various changes to this exemption's scope and administration.

It also establishes two new municipal-option veteran-related property tax exemptions that are similar to the 100% P&T exemption 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 individual unemployability (TDIU) rating. It also authorizes municipalities to expand or limit these optional exemptions and the 100% P&T exemption in specified ways.

The act makes technical and conforming changes and extends several existing provisions on veterans' property tax exemptions to the 100% P&T exemption, including provisions requiring veterans to file certain proof of their eligibility, applying the exemption to leased property, and authorizing the exemption's portability to other towns.

Existing law, with some exceptions, generally prohibits a person from receiving more than one veteran-related property tax exemption. The act expands this provision to include these exemptions.

EFFECTIVE DATE: October 1, 2025, and except for provisions establishing the new municipal-option exemptions, applicable to assessment years starting on or after that date.

Property Tax Exemption Based on 100% P&T Disability

State law, as amended by PA 25-2, fully exempts from property tax any dwelling owned by a state resident with a 100% P&T disability who (1) served in the U.S. Army, Navy, Marine Corps, Coast Guard, Air Force, or Space Force; (2) resides in the dwelling as his or her primary residence; and (3) files for the exemption with the town assessor. If the veteran does not have a qualifying dwelling, then one motor vehicle he or she owns and keeps in the state is fully exempt instead. If the veteran owns neither, the exemption generally applies to the veteran's spouse's dwelling or motor vehicle if they live together.

By law, unchanged by the act, if the qualifying veteran dies, the exemption may transfer to his or her surviving spouse or minor children, subject to certain conditions.

Scope of the Exemption. The act makes the following changes to the exemption's scope:

1. limits the exemption for dwellings (including condominiums and common interest community units) to only the fractional share that belongs to or is held in trust for the qualifying veteran or other eligible claimant (i.e. eligible spouse, surviving spouse, or minor child) that he or she occupies as a primary residence;
2. specifies it covers the fractional share of a mobile manufactured home that belongs to or is held in trust for the qualifying veteran (or other eligible claimant);
3. expands it to cover eligible dwellings possessed by the qualifying veteran or spouse as a tenant for life (or for a term of years) who is liable for property taxes;
4. excludes from the exemption any portion of the dwelling's unit or structure used for commercial purposes or from which the resident derives rental income; and
5. expands the exemption for motor vehicles to include vehicles that belong to or are held in trust for the qualifying veteran (or other eligible claimant), rather than just vehicles owned by qualifying veterans.

For assessment years on or after October 1, 2025, the act additionally allows any municipality, by vote of its legislative body (or a vote of the board of selectmen if the legislative body is a town meeting), to:

1. exempt up to two acres of the lot a veteran's eligible dwelling sits on;
2. extend the exemption to unmarried surviving spouses of veterans who would have otherwise qualified for the exemption, but died between a date set by the legislative body and October 1, 2024 (when the exemption went into effect); and
3. limit the total exemption amount to the median assessed value of residential real property in the municipality.

Documentation, Eligibility, and Verification. Under existing law, any taxpayers claiming a veteran-related property tax exemption must give proof of their eligibility to the municipality in which they claim it. For assessment years on or after October 1, 2025, the act specifies that to qualify for the 100% P&T exemption, the claimant must annually apply for the exemption by January 1, using an application created by OPM. The application must include all documentation needed to

prove the claimant's qualifying disability rating and an attestation that the claimant has not and will not file for this exemption in another town.

By law, the municipal assessor must annually make a list of taxpayers he or she has certified as entitled to a veteran-related exemption. Unless the law requires an annual application, taxpayers on the list are generally eligible to continue receiving the exemption as long as they continue to reside in the town. The act adds an exception for taxpayers claiming the 100% P&T disability exemption who, under the act, must apply annually.

Further, by law, assessors may, at any time, require taxpayers to appear in person to provide proof that they are still eligible for specified property tax exemptions. For the 100% P&T exemption, the act allows claimants to provide a certification from U.S. DVA that they are unable to appear in person because of their 100% P&T service-connected disability rating.

Leased Property. The act extends to the 100% P&T exemption existing law that allows a veteran's property tax exemption to apply to certain property he or she leases. This leased property includes a (1) resident's primary dwelling that is located on leased land if the lease is recorded in the land records and requires the resident to pay all property taxes related to the dwelling and (2) motor vehicle the resident leases.

Portability of the Exemption. By law, most veteran property tax exemptions that municipalities must provide are portable between municipalities. This means veterans who have established their entitlement to an exemption in one town remain eligible for it if they move to another town during the tax year (even if they miss the application deadline in the second town). The act adds the 100% P&T property tax exemption to the list of portable veteran tax exemptions.

Modification of U.S. DVA Disability Rating.

Generally, the law requires taxpayers to provide proof of their eligibility for specified veteran exemptions as a condition of receiving them. The act further requires that if a veteran's disability rating is modified by U.S. DVA, including a general disability rating, a TDIU rating, or a 100% P&T disability determination, a taxpayer applying for an exemption dependent on that disability rating must give the assessor proof of the modification.

Under state law and the act, if a veteran's disability rating changes so that he or she no longer qualifies for the exemption being received, the veteran may apply for the exemption he or she now qualifies for.

TDIU Veteran Municipal Option Exemption

By law, municipalities must give a property tax exemption to veterans with a disability rating of 10% or more as determined by U.S. DVA or who receive a pension, annuity, or compensation from the United States due to the service-related loss of their arm, leg, or equivalent ("federal compensation"). Qualifying veterans may receive a base exemption between $2,000 and $3,500 based on the veteran's disability rating. Veterans who receive federal compensation or reach age 65 are also eligible for a base exemption of up to $3,500. Veterans may also qualify for an additional severe service-related disability amount of $5,000 or $10,000 for certain qualifying injuries (e.g., total blindness)

Under existing law, the exemption consists of the base amount plus either an additional 50% or 200% of the base exemption amount plus any severe service-related disability amount, depending on whether the veteran's income is above or below a set threshold (CGS § 12-81g). The law requires municipalities to increase these amounts if a revaluation results in a grand list increase of a certain amount (CGS § 12-62g).

The act authorizes a municipality, upon its legislative body's approval, instead of providing the disabled veterans property tax exemption noted above, to provide an alternative exemption for state residents determined by U.S. DVA to have a TDIU rating.

If adopted, this alternative exemption applies to the same property and under the same circumstances as the 100% P&T exemption (see above). Additionally, municipalities may, with their legislative bodies' approval, expand the scope of this exemption in similar ways as the 100% P&T exemption: exempting up to two acres of the dwelling lot, extending it to certain eligible surviving spouses for qualifying veterans who died before October 1, 2025, or limiting the exemption based on the median assessed value of residential property in the municipality.

As under existing law for the required disabled veteran property tax exemption noted above, this exemption is subject to assessor verification, limitations on the number of exemptions that a person may claim, and proof of eligibility requirements. As existing law allows for other veterans' property tax exemptions, the act allows a TDIU veteran to file proof of their eligibility late under certain conditions and receive a property tax abatement or refund, subject to limitations.

Municipal Option Exemption for Surviving Spouses

By law, municipalities must give specified property tax exemptions to the unmarried surviving spouses of certain

veterans or service members. For example, one exemption consists of a base amount of $3,000 (CGS § 12-81(22)), plus either an additional 50% or 200% of the base exemption amount, depending on whether the spouse's income is above or below a set threshold (CGS § 12-81g). The law requires municipalities to increase these amounts if a revaluation results in a grand list increase of a certain amount (CGS § 12-62g).

Alternatively, by law, municipalities may also give a property tax exemption to any income-eligible parent or surviving spouse of a service member killed in action while performing active military duty with the U.S. Armed Forces. A municipality may exempt up to $20,000 or 10% of the assessed value of real or personal property (CGS § 12-81ii).

The act authorizes a municipality, with its legislative body's approval, to offer an alternative property tax exemption to unmarried surviving spouses of veterans who were killed in the line of duty while serving in the armed forces. If adopted, the exemption applies to the same property and under the same circumstances as the 100% P&T exemption (see above). Additionally, the municipality's legislative body may also (1) exempt up to two acres of the dwelling lot and (2) limit the exemption amount to the median assessed valuation of residential real property in the municipality.

In order to receive the exemption, surviving spouses must notify the town clerk about their eligibility for the exemption and submit proof to the assessor of their eligibility, including two affidavits from disinterested persons affirming the spouse's eligibility. The assessor may further question the spouse about his or her eligibility. Once approved for the exemption, the act requires the assessor to put the spouse on a list of those eligible for the exemption and notify the spouse in writing in the year immediately after the spouse's approval. It also specifies that the spouse only needs to reapply biennially to maintain the exemption.

Under the act, a spouse is presumed eligible to receive the exemption once he or she is approved. The act specifies that if the exemption is proven, it takes effect on the next succeeding assessment day.

As discussed earlier, the assessors may, at any time, require taxpayers to appear in person to provide proof that they are still eligible for the exemption. The act allows a spouse to provide documentation certifying he or she is totally disabled and unable to make a personal appearance.

Existing law, with some exceptions, generally prohibits a person from receiving more than one veteran-related property tax exemption. The act expands this provision to include this exemption.

Background — Related Act

PA 25-2, §§ 4-6, specifies that a veteran qualifies for the 100% P&T exemption if the U.S. DVA determines him or her to be permanently and totally disabled based on a 100% service-connected disability rating. It also establishes procedures for municipalities to adjust their 2024 grand lists accordingly.

§ 243 — DCF EMERGENCY CHILD PLACEMENT

Renames DCF placements with non-licensed caregivers as "emergency placements" and defines the new term

By law, a child can be placed with a relative or fictive kin caregiver who is not DCF-licensed or -approved when the placement is deemed in the child's best interest, if DCF does a basic family assessment, including a home visit. As part of this process, the commissioner must order a criminal history and child abuse registry check of anyone 18 years old or older living in the home after the placement is approved.

The act specifies that these placements are "emergency placements," defined as the DCF placement of a child in the home of a relative or fictive kin caregiver due to the sudden unavailability of the child's primary caretaker. (PA 25-116, § 1, makes the same changes as this section.)

The act also makes technical and conforming changes.

§ 244 — SEEC EXECUTIVE DIRECTOR REAPPOINTMENTS

Specified that SEEC could reappoint its executive director for an additional term, up to an additional four years, without receiving legislative approval; specified that an executive director could not be reappointed more than once (PA 25-174, § 227, repeals this section)

By law, the State Elections Enforcement Commission (SEEC) may hire employees needed to administer the state's campaign finance laws, including its executive director. PA 25-26, § 9, required SEEC to submit its executive director nomination to the legislature for approval starting February 1, 2027, and every four years after (this provision was generally repealed and replaced by PA 25-174, § 226).

Under prior law, if the nomination was approved, the executive director generally served a four-year term and could

be reappointed at the commission's discretion. This act would have limited the term of the executive director's reappointment to up to an additional four years at the conclusion of his or her first term. However, under the act, SEEC was not required to submit the reappointment to the legislature for approval. The act specified that an executive director who has been reappointed may not be reappointed again.

(This section was repealed by PA 25-174, § 227. That act (PA 25-174, § 226), instead limits the SEEC executive director to two terms and requires him or her, before reappointment for a second term, to attend, and testify at, a legislative hearing about SEEC's performance and the Citizens' Election Program.)

EFFECTIVE DATE: July 1, 2025

§§ 245 & 246 — JUVENILE JUSTICE POLICY AND OVERSIGHT COMMITTEE MEMBERSHIP & ADVISORY COUNCIL

Expands JJPOC's membership to include the DOH and DESPP commissioners; establishes an advisory council to help develop the state's juvenile justice plan

The act expands the Juvenile Justice Policy and Oversight Committee's (JJPOC) membership by adding DOH and DESPP commissioners, or their designees. It also requires the JJPOC community expertise subcommittee, rather than the Judiciary Committee's House chairperson and ranking member, to appoint the committee's two members who are under age 26 with lived experience in the juvenile justice system.

The act establishes an advisory council within JJPOC to (1) help develop the state's juvenile justice plan in line with federal requirements, (2) advise state agencies on administering the plan, and (3) review and comment on certain grant applications.

EFFECTIVE DATE: Upon passage

Advisory Council

Purpose. By creating the advisory council, the act helps the state meet its requirements for pursuing Title II formula grants under the federal Juvenile Justice and Delinquency Prevention Act. This federal law furthers juvenile crime prevention efforts by giving states grants for programs that support delinquency prevention, intervention, and juvenile justice system improvements. Generally, to receive a grant a state must have a juvenile justice plan that meets specific requirements, designate a state agency to prepare and administer it, and have a state advisory group to issue policy direction and participate in its preparation and administration.

In line with the federal requirement, the act tasks the new council with (1) helping to develop and annually revise the state's juvenile justice plan and (2) advising state agencies on how to administer it and allocate grant funding. It also requires that the council have the opportunity to review and comment on the Title II grant applications submitted to the state.

Membership. The act requires the advisory council to have at least 15, but no more than 33, members. It consists of the OPM undersecretary who directs the Criminal Justice Policy and Planning Division, or the undersecretary's designee, with the remaining members appointed by the governor. The governor must stagger initial council appointments.

For the governor's appointees, the act requires at least (1) 20% to be under age 24 when first appointed and (2) three who either have past or present experience in the juvenile justice system or, if that is not feasible, and it is appropriate, are a parent or guardian of someone with this experience.

The act sets the term for appointed members at three years, starting on June 30 and ending on the same day or until the governor appoints a successor. It allows members to serve two full terms, which may be consecutive. A member appointed to fill a vacated position serves for the remaining term amount and may be reappointed, as long as it would not exceed the act's two-term cap.

§ 247 — SDE CHRONIC ABSENTEEISM REPORT

Requires SDE to annually report to JJPOC on each school district with an attendance review team

The act requires SDE to annually report, beginning by February 1, 2026, to JJPOC on each school district with an attendance review team. The report must include (1) specific efforts and outcomes of teams in alliance districts, as reported in the alliance district plan, and (2) any effective practice an attendance review team used to reduce chronic absenteeism rates.

By law, school districts with chronic absenteeism rates above certain thresholds must establish attendance review teams. These teams must review cases of truant and chronically absent children, discuss school interventions and

community referrals, and make recommendations for the children and their parents or guardians.

Alliance districts are school districts with the lowest Accountability Index (AI) measures or that were previously designated as an alliance district in certain fiscal years (currently, there are 36 total). The AI score measures school district performance based on student standardized test scores plus additional measures, such as student growth over time.

EFFECTIVE DATE: Upon passage

§ 248 — MUNICIPAL DIVERSION DATA

Requires annual reports to the Children and Judiciary committees and the Office of the Chief State's Attorney about diversions through juvenile review boards or youth diversion programs

The act requires each municipality or municipality's agent that operates a juvenile review board or other youth diversion programs to annually report to the Children and Judiciary committees and the Office of the Chief State's Attorney on (1) data about children diverted through the board or programs and (2) the outcomes of the diversions, and as DCF directs otherwise.

Juvenile review boards are diversionary and prevention programs designed to help local police departments deal with juvenile offenders. They are usually composed of representatives of local youth service agencies, police departments, and the juvenile court.

EFFECTIVE DATE: Upon passage

§ 249 — YOUTH DIVERSION POLICY

Requires POST, the JJPOC chairpersons, and representatives of the JJPOC community expertise subcommittee to develop a youth diversion policy and youth diversion training curriculum

The act requires POST, the JJPOC chairpersons, and representatives of JJPOC's community expertise subcommittee to develop a proposed (1) statewide uniform youth diversion policy for JJPOC's adoption and (2) youth diversion training curriculum for inclusion in minimum basic training programs that lead to police certification. Both must occur by February 1, 2026.

EFFECTIVE DATE: Upon passage

§ 250 — DCF REPORT ON SPECIALIZED TRAUMA-INFORMED TREATMENT PLAN

Requires DCF to annually report to JJPOC on its implementation of the STTAR Enhancement Plan

The act requires DCF to annually report to JJPOC, starting by July 1, 2025, on its implementation of the Specialized Trauma-Informed Treatment Assessment and Reunification (STTAR) Enhancement Plan that it released in March 2024. The first report must use metrics in use at the time of the report. But by September 30, 2025, the act requires DCF to consider, and allows it to develop, added metrics to be used in future reports.

The STTAR Enhancement Plan is an updated group home program for children removed from their homes by DCF due to high-risk situations.

EFFECTIVE DATE: Upon passage

§ 251 — REENTRY SUCCESS PLAN

Requires OPM to (1) annually report to JJPOC on the reentry success plan for juveniles released from DOC and judicial branch facilities and programs and (2) coordinate policy development between OPM and CSSD

The act requires the OPM secretary to (1) annually report to JJPOC with an evaluation of the reentry success plan for juveniles released from DOC and judicial branch facilities and programs and (2) coordinate policy development between OPM and CSSD. It requires the evaluation to be done using a secure data enclave.

By law, the reentry success plan is developed by the CSSD executive director and the commissioners of correction, children and families, and education, or their designees, in consultation with JJPOC's incarceration, community expertise, and education subcommittees. It incorporates specific restorative and transformative justice principles covering things like academics, housing, mentoring, treatments, and training, and requires a quality assurance framework and information about federal and state funding.

EFFECTIVE DATE: Upon passage

§§ 252-259 — REAL ESTATE WHOLESALERS

Requires real estate wholesalers to be registered with DCP; requires real estate wholesale contracts to include a seller's right to cancel within three business days without penalty; requires real estate wholesalers to make certain disclosures and provide a DCP-developed wholesaler disclosure report; prohibits certain related filings on the town land records

The act requires a person (i.e. individual or business entity) to have a DCP registration before acting as a real estate wholesaler in Connecticut. It also requires each real estate wholesale contract to include a seller's right to cancel within three business days without penalty. It generally prohibits these contracts from having a closing date that is more than 90 days after the contract is executed.

Under the act, real estate wholesalers must make certain disclosures and give a prospective seller a DCP-developed wholesale disclosure report.

The act prohibits (1) anyone from recording on a town's land records any real estate wholesale contract documentation that claims to create any lien or encumbrance on the residential real property that is the subject of the wholesale contract and (2) a real estate wholesaler from filing a purchaser's lien related to a wholesale contract.

The act allows the DCP commissioner to adopt regulations to implement these provisions. It also makes a violation of these provisions a Connecticut Unfair Trade Practices Act (CUTPA) violation (see *Background — CUTPA*).

EFFECTIVE DATE: July 1, 2026

Real Estate Wholesaler Registration

The act requires a person to have a DCP registration before acting as a real estate wholesaler in Connecticut. The initial registration is valid for up to two years and may be renewed biennially. The person must submit a completed initial or renewal application, as applicable, to DCP in a way the commissioner sets, with a nonrefundable $285 application or renewal fee.

The act allows a person to simultaneously hold a real estate broker or real estate salesperson license and a real estate wholesaler registration.

Under the act, a "real estate wholesaler" is a person who enters into a real estate wholesale contract to facilitate or orchestrate the sale of a seller's residential real property to a third party without assuming title to the property.

A "real estate wholesale contract" is an agreement between a real estate wholesaler and the residential real property seller in which the wholesaler agrees, reasonably expects, or intends to facilitate or orchestrate the property sale to a third party, for compensation and without assuming title to the property. A "residential real property" is a one-to-four-family residential property, including (1) a cooperative or condominium with up to four units or (2) an individual unit in a multiunit (50 or more unit) development.

Real Estate Wholesale Contract

Under the act, each real estate wholesale contract must at least include a provision:

1. giving the seller a three-business-day period in which the seller may, at their expense, review the contract terms with an attorney or other advisor and
2. allowing the seller to cancel the contract during this period without giving any reason or incurring any penalty or obligation, except to return any deposit the wholesaler paid to the seller.

Closing Date. The act prohibits any real estate wholesale contract from having a closing date that is more than 90 days after all parties executed the contract. The parties may agree to extend this period if they do so in writing with all their signatures. If there is no extension, the contract automatically terminates at the end of the 90-day period.

Seller Disclosures. The act requires a seller, before entering into a real estate wholesale contract with a real estate wholesaler, to:

1. give the wholesaler a written residential condition report about the property that satisfies state law's requirements for the report and
2. satisfy all relevant federal reporting requirements.

Sale or Assignment to Third Party. Under the act, any real estate wholesaler seeking to sell or assign a real estate wholesale contract to a third party must, before the sale or assignment, give the third party:

1. a written notice (a) disclosing all the third party's rights, as described in the real estate wholesale contract with the seller, and (b) identifying the wholesaler as a real estate wholesaler who holds a future interest in the purchase of

the residential real property but does not hold title to it, and

2. the written residential condition report that the property's seller gave to the wholesaler as the act requires (see above).

Wholesale Disclosure Report

The act requires the DCP commissioner, by September 30, 2026, and within available appropriations, to develop and post on the department's website a written wholesale disclosure report. The report must:

1. be in a form and manner the DCP commissioner determines;
2. be published (a) on one or more numbered pages that are not larger than 8.5 by 11 inches and (b) in at least nine-point type, except checkboxes and section headings may be published in a smaller-point type; and
3. include (a) the residential real property address that is the subject of the report on each page; (b) section headings in bold type; and (c) space for the purchaser's and seller's initials on each page, except the report's signature page.

The act requires the report to also include the following language, in a form and manner set by the commissioner, in the order indicated:

"Notice to Sellers: What to Know About Wholesale Transactions

If you are considering selling your property through a wholesale transaction, please be aware of the following:

1. The real estate wholesaler may not be the person or entity purchasing your property, and you may be granting them the right to sell your property to another person or entity.
2. During the contract period, the real estate wholesaler may market your property for sale.
3. A real estate wholesaler may reasonably expect or intend to make a profit, or receive compensation through an assignment fee, from selling, assigning or transferring their interest in the real estate wholesale contract.
4. As the seller, the terms of your agreement with a real estate wholesaler may provide the real estate wholesaler with the ability to make decisions to reject or accept an offer to purchase your property without your knowledge or consent during the term of the real estate wholesale contract.
5. The assessed value of a property, as assessed by a town, is not the same as the fair market value of the property, and may be significantly less than the fair market value of the property.
6. You are advised and have the right to investigate the fair market value of your property before signing a real estate wholesale contract. The sale price of your property is negotiable.
7. You may, in your discretion and at your expense, have an attorney or other advisor review the terms of a real estate wholesale contract, or have an appraiser assess the value of your property.
8. You may cancel a real estate wholesale contract during the three-business-day period beginning when you enter into the contract without providing any reason or incurring any penalty or obligation, except to return any deposit the real estate wholesaler paid to you.
9. If the real estate wholesaler is a real estate broker or a real estate salesperson, the real estate wholesaler must disclose to you who he or she represents and what fiduciary duties, if any, are owed to you in the wholesale transaction.
10. As the seller, you are required to provide certain property condition and lead paint disclosures under state and federal law. These disclosures must be completed as part of the transaction.
11. A real estate wholesale contract may not have a closing date that is more than ninety days after all parties sign the contract. However, you may agree to extend the ninety-day period, provided the extension is in writing and signed by you and the real estate wholesaler. If you do not extend the contract, the contract will automatically terminate at the end of the ninety-day period.

Please read the terms in the real estate wholesale contract to understand all of your rights and obligations thereunder, including:

(A) How prospective purchasers of your property may have access to your property for showings, inspections or for other transactional details;

(B) What additional costs you may be charged at the time of closing, such as a seller's conveyance tax or other closing-related fees; and

(C) If you have any right to cancel the contract prior to closing in addition to your right to cancel the contract during the three-business-day period beginning when you enter into the contract.

All sellers in real estate transactions should consult with appropriate professionals to understand their rights and obligations and the various implications of a real estate transaction."

The act also requires an acknowledgment in the following form:

"I acknowledge that I have received and understand this disclosure notice.

Signature of Seller

Seller's street address, municipality, zip code
Date:
Signature of Wholesaler
Date:"

Starting on October 1, 2026, the act requires a real estate wholesaler, before executing a real estate wholesale contract with a prospective residential real property seller, to give the prospective seller the written wholesale disclosure report that the DCP commissioner developed. The act specifies that the wholesaler may deliver the report to the prospective seller by electronic means.

Certain Land Recordings Prohibited

The act prohibits anyone from recording, or causing to be recorded, on any town's land records (1) any real estate wholesale contract or (2) any notice or record of the contract or any documentation that claims to create any lien or encumbrance on, or other security interest in, the property that is the subject of the contract. The act also prohibits a real estate wholesaler from filing a purchaser's lien related to a real estate wholesale contract.

Under the act, if any such contract, notice, record, documentation, or lien is recorded on the land records of any town related to the property that is the subject of the contract, it is not deemed to provide actual or constructive notice to an otherwise bona fide purchaser or creditor of the property.

Regardless of the law on recording instruments, a town clerk may refuse to receive for recording any real estate wholesale contract, notice, record, or documentation described above.

Under the act, if a real estate wholesale contract, or any notice or record of one, is recorded related to any residential real property, the property's owner, or any person having knowledge of facts affecting the property, may effectuate a release of any rights claimed to be created by recording the contract, notice, or record. The person may do so by recording an affidavit of facts related to the recording of the contract, notice, or record. Upon recording the affidavit, any filing giving notice of the real estate wholesale contract is void and unenforceable.

Background — CUTPA

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the DCP commissioner, under specified procedures, to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than $10,000, impose civil penalties of up to $5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to $5,000 for willful violations and up to $25,000 for a restraining order violation.

§ 260 — PROPERTY UNDER FUNERAL SERVICE CONTRACTS

Replaces a requirement created by PA 25-81 with a similar one that requires property holders to obtain a list of all their properties held under a funeral service contract that generally meet any of three triggers for deeming the property payable or distributable

PA 25-81 establishes circumstances under which those holding property as part of a funeral service contract are subject to certain reporting requirements and the state's unclaimed property laws. Specifically, for funeral service contracts in effect on or after July 1, 2025, § 2, of that act requires that property held under the contract be deemed payable or distributable under the state's unclaimed property laws on the earliest of any of the following triggers:

1. when the property holder receives affirmative notice about the death of a beneficiary associated with the contract for which the holder maintains an escrow account,
2. the beneficiary's 110th birthday, or
3. 75 years after the contract's execution.

Relatedly, PA 25-81, § 2, also requires property holders to obtain a list of all their properties held as part of a funeral service contract that was executed at least 75 years ago for which the (1) funeral service establishment has received an affirmative death notification about the beneficiary or (2) beneficiary has reached 110 years old.

This act replaces that act's requirement and instead requires the property holder to obtain a list of all their properties held under a funeral services contract (1) that was executed at least 75 years ago, (2) for which the funeral service establishment has received an affirmative death notification about the beneficiary, or (3) for which the beneficiary has

reached 110 years old.

Under PA 25-81, § 2, unchanged by this act, property holders must obtain these lists annually, by March 1, from funeral service establishments. (By law, these establishments must maintain a copy of all funeral service contracts they enter into or that are assigned to them (CGS § 42-200(d)).)

EFFECTIVE DATE: July 1, 2025

§ 261 — UNLAWFUL DISSEMINATION OF AN INTIMATE SYNTHETIC IMAGE

Establishes a new crime of unlawful dissemination of an intimate synthetically created image that is generally similar to the existing crime of unlawful dissemination of an intimate image; penalties vary based on (1) how the person distributed the image (including the number of recipients and how it was sent) and (2) whether the person intended to harm the victim

The act establishes a new crime of unlawful dissemination of an intimate synthetically created image that is generally similar to the existing crime of unlawful dissemination of an intimate image.

As under the existing crime, the act's new crime applies to the intentional dissemination of images of someone else in certain degrees of nudity or engaged in sexual intercourse. It does not apply in certain circumstances, such as if the image resulted from voluntary exposure in public.

Under the act, a "synthetically created image" can be a photograph, film, videotape, or another type of image of someone. It must (1) not be wholly recorded by a camera or (2) be generated, at least in part, by a computer system. It must depict an identifiable person and be virtually indistinguishable from what a reasonable person would believe to be an actual depiction of that person.

The act's penalties vary based on (1) how the person distributed the image (including the number of recipients and how it was sent) and (2) whether the person intended to harm the victim (the person whose image is depicted) when acquiring or creating the image or having it created.

Also, as under the existing crime, the act specifies that it does not impose liability on certain service providers for content provided by someone else.

EFFECTIVE DATE: October 1, 2025

Elements of the Crime

Under the act, a person is guilty of this new crime when the:

1. person intentionally disseminates, by electronic or other means, an image of (a) certain body parts of another person (genitals, pubic area, or buttocks; or female breasts below the top of the nipple) without a fully opaque covering or (b) another person engaged in sexual intercourse;
2. person disseminate the image without the victim's consent;
3. person knows that the image is synthetically created but disseminates it intending for the viewer to be deceived into believing that it actually shows the victim; and
4. victim of the images suffers harm because of the dissemination.

"Harm" includes subjecting the other person (victim) to hatred, contempt, ridicule, physical or financial injury, psychological harm, or serious emotional distress.

The act includes enhanced penalties (see below) if the person, in taking these actions, acquired or created the image, or had it created, intending to harm the other person.

Exemptions

The act does not apply if the person depicted in the image:

1. voluntarily exposed himself or herself, or engaged in sexual intercourse, in a public place or commercial setting, or
2. is not clearly identifiable, unless there is other personally identifying information associated or included with the image.

Penalties

As shown in the table below, the act's penalties vary based on the offender's method of distribution and intent to harm the victim.

Penalties Under the Act

Method of Distribution	*Penalty (Based on Intent of Harm)*
The person gave or otherwise disseminated the image to someone by any means	The person intended to harm the victim when acquiring or creating the image or having it created: class A misdemeanor (see Table on Penalties) Otherwise: class D misdemeanor
The person gave or otherwise disseminated the image to multiple people using an interactive computer service (e.g., an internet access service), an information service (e.g., electronic publishing), or a telecommunications device	The person intended to harm the victim when acquiring or creating the image or having it created: class D felony Otherwise: class C misdemeanor

Service Providers' Protection From Liability

The act specifies that it does not impose liability on interactive computer services, information services, and telecommunications services for content provided by another.

§§ 262 & 263 — ROBERTA B. WILLIS SCHOLARSHIPS

Limits the Roberta B. Willis Scholarship Program to need-based grants and need and merit-based grants by eliminating the Charter Oak grant; requires OHE to annually notify institutions of their estimated funding for need-based awards by November 1

The act limits the Roberta B. Willis Scholarship Program to a need-based grant and a need and merit-based grant by eliminating the program's Charter Oak grant (a need-based award for Charter Oak State College students). By law, up to 80% of program funding is for need-based grants and 20% to 30% of program funding or $10 million, whichever is greater, is for need and merit-based awards.

By law, OHE allocates funds to institutions for need-based awards based on the number of their students with a student aid index at or below 200% of the maximum student aid index eligible for a federal Pell grant award. Awards are up to $4,500 for full-time students and prorated for part-time students. The act requires OHE to notify each institution annually by November 1 of the estimated amount of funds allocated to the institution for these awards in the following fiscal year.

The act also deletes obsolete language and makes other technical changes, including removing the definition of, and references to, family contribution when calculating the allocation of funds to institutions for the need-based award, which reflects recent changes to the Free Application for Federal Student Aid (FAFSA).

EFFECTIVE DATE: July 1, 2026, except the provision on notifying institutions of their funding for needs-based awards is effective July 1, 2025.

§ 264 — PLAN FOR DOC HEALTH CARE SERVICES

Specifically requires DOC's plan for health care services to ensure that various requirements are met, rather than to include guidelines for implementing them; adds certain components to the plan, including (1) interviewing incarcerated people at intake about their mental health history and (2) providing evidence-based mental health services by a mental health provider or therapist, as needed, within two business days after a determination of need upon intake

Existing law requires the DOC commissioner to develop and report on a plan for providing health care services to incarcerated people at DOC correctional institutions. (DOC reported on the plan in early 2023.) The act requires the commissioner to make certain updates to the plan by October 1, 2025, and to report on it by that date.

Prior law required the plan to include guidelines to implement requirements on a range of issues related to incarcerated peoples' health care. The act instead requires the plan to ensure that these requirements are met. As under prior law, the requirements cover topics such as initial health assessments, annual physical examinations when clinically indicated, mental

health provider staffing, discharge planning, vaccinations, dental services, drug and alcohol use treatment, and specific services for incarcerated women who are pregnant.

The act also adds to the plan's mental health-related components, including requiring a mental health interview at intake and setting a two-business-day deadline for incarcerated people to get mental health services after they are found to need them at intake.

The act also updates terminology and makes related minor and technical changes.

EFFECTIVE DATE: Upon passage

Mental Health Assessment and Treatment

Under existing law, the plan must require that a medical professional interviews each incarcerated person, at entry, on their drug and alcohol use history. The act expands this to include the person's mental health history.

Under existing law, if the incarcerated person shows drug or alcohol withdrawal symptoms at that time, a medical professional must do a physical assessment and communicate the results to a physician, PA, or APRN. The act also requires this if the person shows signs of mental distress. In either case (withdrawal or mental distress), it additionally requires the professional to (1) do a mental health assessment and (2) when applicable, communicate the results to a mental health care provider or therapist.

When an incarcerated person, at intake, is determined to need mental health services, the act requires that a mental health care provider or therapist, as needed, provide the person with evidence-based interventions. This must occur within a reasonable time after this determination, but no later than two business days after it. A mental health care provider or therapist must then periodically evaluate the person and provide services as needed.

As under existing law, "mental health care providers" for these purposes are psychiatrists or APRNs specializing in mental health. "Mental health therapists" are psychiatrists, psychologists, APRNs specializing in mental health, clinical or master social workers, or professional counselors.

Under existing law, the plan must include certain other requirements related to mental health care. For example, there must be enough mental health therapists at each correctional institution to provide mental health care services to incarcerated people. In addition, when an incarcerated person requests, or correctional staff refers the person to, these services, a therapist must do an assessment to determine whether the services are needed before providing them.

Reporting Requirement

The act requires the DOC commissioner, by October 1, 2025, to report to the Judiciary and Public Health committees on the updated plan along with recommendations for any legislation needed to implement it and an implementation timeline.

§ 265 — DOC PALATABLE MEALS AND BAN ON NUTRALOAF

Requires the DOC commissioner to provide palatable and nutritious meals to people in department custody; bans nutraloaf or other punitive diets as a form of discipline

The act requires the DOC commissioner to provide palatable and nutritious meals to everyone in the department's custody. It also bars him from allowing these people to be fed (1) nutraloaf as a form of discipline or (2) any other diet used for punishment purposes. Under the act, "nutraloaf" is a mixture of foods blended together and baked into a solid loaf.

EFFECTIVE DATE: October 1, 2025

§ 266 — MEDICAL RECORDS AUTHORIZATION FOR INCARCERATED INDIVIDUALS

Requires the DOC commissioner to ensure that everyone in the department's custody is given a form allowing them to authorize someone else to access their medical records that would otherwise be subject to nondisclosure under HIPAA

The act requires the DOC commissioner to ensure that everyone in DOC custody is given a form allowing them to authorize someone else to access their medical records that would otherwise be subject to nondisclosure under the federal HIPAA.

Generally, HIPAA's "Privacy Rule" limits the circumstances under which health care providers or other covered entities can use or disclose someone's individually identifiable health information without the written consent of the person or the person's representative.

EFFECTIVE DATE: October 1, 2025

§ 267 — CORRECTIONAL CENTER RELOCATION STUDY

Requires the DAS and DOC commissioners to study the feasibility of relocating correctional centers in Bridgeport and New Haven

The act requires the Department of Administrative Services (DAS) commissioner, in consultation with the Department of Correction (DOC) commissioner, to study the feasibility of relocating the Bridgeport and New Haven (Whalley Avenue) correctional centers to locations that would reduce the impact on neighborhoods. The study must (1) assess the practicality and potential impacts of the proposed relocations and (2) list potential relocation sites, including advantages and disadvantages compared to the current sites.

Under the act, the DAS commissioner must submit the study to the Judiciary Committee by January 1, 2027.

EFFECTIVE DATE: Upon passage

§ 268 — DOC STAFFING LEVELS AND RECRUITMENT

Requires the DOC commissioner to (1) ensure that the department's correctional facilities are sufficiently staffed to protect the safety of everyone at or visiting the facility and (2) develop and implement a program to recruit and retain correctional officers

The act requires the DOC commissioner to ensure that each correctional facility under his jurisdiction is staffed at a level to protect the safety of staff, visitors, contractors, and incarcerated people. It also requires him, by January 1, 2026, to develop and actively use a program for correctional officer recruitment and retention.

Starting by January 1, 2027, the commissioner must annually report to the Judiciary Committee on efforts to comply with these requirements, including any shortcomings in doing so. The report may include recommendations for additional resources needed to comply.

EFFECTIVE DATE: October 1, 2025

§ 269 — DOCUMENTING ASSAULTS AGAINST CORRECTIONAL STAFF

Requires the DOC commissioner to develop a protocol to fully document assaults by incarcerated people against correctional staff

The act requires the DOC commissioner to develop a protocol to fully document any assault by incarcerated people against correctional staff. Starting on October 1, 2025, DOC must fully document these assaults under the protocol.

EFFECTIVE DATE: Upon passage

§§ 270 & 271 — REPORTS ON STRIP AND CAVITY SEARCHES

Requires DOC to annually report on strip and cavity searches in correctional institutions and report on an evaluation of related directives and procedures

The act establishes an annual reporting requirement for the DOC commissioner on strip and cavity searches of incarcerated people in DOC facilities. The report must include (1) how many of these searches occurred in the prior year in each facility; (2) if there were any lawsuits filed about the searches in the year immediately before the report, with the status or outcome of each; and (3) a copy of the current policy for doing these searches, including any training requirements for correctional officers. The first report is due to the Government Oversight and Judiciary committees by January 1, 2027.

Additionally, the act requires the DOC commissioner, by February 15, 2027, to give these same committees a report that evaluates current directives and procedures for strip and cavity searches in the state's correctional institutions. The evaluation must compare the directives and procedures to those of other northeastern states and federal policies, based on institution type, and highlight any differences.

EFFECTIVE DATE: Upon passage

§ 272 — CORRECTION OMBUDS ACCESSING MEDICAL RECORDS

Requires the correction ombuds, before accessing an incarcerated person's medical record, to notify the person about the reasons for doing so

Under the act, if the correction ombuds intends to access an incarcerated person's medical record, the ombuds must first tell the person the reason why he is doing so.
EFFECTIVE DATE: Upon passage

§§ 273 & 274 — SOLAR PHOTOVOLTAIC FACILITY EMERGENCY PREPAREDNESS PROGRAM

Requires the DESPP commissioner to establish a solar photovoltaic facility emergency preparedness program, within available funds; establishes an account to fund this program and specifies it must contain any federal reimbursements or grants related to the preparedness program; money may only be spent according to an OPM-approved plan

The act requires the DESPP commissioner to establish and administer, within available funds, a solar photovoltaic facility emergency preparedness program (for facilities with a generating capacity of more than one megawatt) and creates an account to fund its activities.
EFFECTIVE DATE: October 1, 2025

General Fund Account

The act requires the Connecticut Siting Council to establish a solar photovoltaic facility emergency preparedness account, as a separate, nonlapsing account within the General Fund. Any federal reimbursements and grants received in support of DESPP's solar photovoltaic facility emergency preparedness program must be credited to the account. The State Treasurer must invest the funds based on established investment practices and return any earned interest to the account.

Emergency Preparedness Program

The act requires the DESPP commissioner to establish and administer, within available funds, a solar photovoltaic facility emergency preparedness program to (1) develop solar photovoltaic facility emergency response plans and (2) provide training and equipment to emergency response personnel with these plans. The program must:

1. develop a detailed solar photovoltaic facility emergency response plan for areas surrounding each facility;
2. provide annual training for state and local emergency response personnel for emergency responses to fires or other hazards located at or near these facilities;
3. develop accident scenarios and exercises for solar photovoltaic facility emergency response plans; and
4. provide specialized response equipment necessary to respond to these emergencies.

The act requires the DESPP commissioner, in conjunction with the Department of Energy and Environmental Protection (DEEP) commissioner, to use the money in the account for the program. They must do so according to an Office of Policy and Management (OPM) approved plan.

OPM Plan Approval

By May 1 annually, the DESPP commissioner, in consultation with the DEEP commissioner, must submit to the OPM secretary a plan for carrying out the purposes of the emergency preparedness program over the following fiscal year. The plan must include proposed itemized expenditures for the program.

The secretary must review the plan and, if it conforms to the act's requirements, approve it by June 1 annually.

§§ 275 & 276 — CERTIFICATE OF NEED FOR HEALTH CARE ENTITIES

Expressly allows OHS, when reviewing CON applications for certain hospital ownership transfers that require a cost and market impact review, to consider the review's preliminary and final reports and other specified related materials; modifies the definition of "termination of services" for CON purposes to include the termination of any services for a combined total of more than 180 days within a consecutive two-year period

The act modifies the state's certificate of need (CON) program for health care entities administered by the Office of Health Strategy's (OHS's) Health Systems Planning Unit (HSPU). Under the program, health care entities must generally receive CON approval when establishing new facilities or services, changing ownership, acquiring certain equipment, or terminating certain services.

Existing law requires the state to conduct a cost and market impact review (CMIR) of CON applications that propose to transfer a hospital's ownership if the purchaser is (1) an in- or out-of-state hospital or a hospital system that had net patient revenue exceeding $1.5 billion for FY 13 or (2) organized or operated for profit. An independent consultant retained by OHS conducts the review, at the applicant's expense.

The act expressly authorizes HSPU, when reviewing these CON applications, to consider the CMIR preliminary report and the response to it, the final report, and the parties' written comments on the reports. It prohibits HSPU from placing the preliminary report in the public record until the transacting parties have had an opportunity to respond to its findings.

Additionally, the act expands the definition of "termination of services" for CON purposes to include the termination of any services for a combined total of more than 180 days within a consecutive two-year period, instead of a period greater than 180 days as under prior law.

EFFECTIVE DATE: Upon passage for the provision changing the definition of "termination of services" and October 1, 2025, for the provision on CMIR reports.

§§ 277-287 — REPRODUCTIVE AND GENDER-AFFIRMING HEALTH CARE SERVICES

Subjects HIPAA-covered entities' business associates to the law's limits on disclosing protected information without consent; requires the entities and business associates to notify the attorney general when they get a subpoena for certain patient information; specifies that gender-affirming health care services do not include conversion therapy for anyone under age 18

The act makes several changes to state laws that generally protect health care providers and recipients who lawfully engage in reproductive or gender-affirming health care services in Connecticut from liability imposed by another state and certain actions related to it.

Specifically, the act:

1. subjects HIPAA-covered entities' business associates to existing law's limitations on disclosing communications or information without consent from a patient or patient's authorized legal representative;
2. requires these entities and associates to notify the attorney general when they get a subpoena for certain patient information on reproductive or gender-affirming health care services; and
3. specifies that gender-affirming health care services do not include any practice or treatment administered to someone under age 18 to change the person's sexual orientation or gender identity, including efforts to change gender expression or to eliminate or reduce sexual or romantic attraction or feelings towards people of the same gender ("conversion therapy").

Under the act, "gender-affirming health care services" means all supplies, care, and services of a medical, behavioral health, mental health, surgical, psychiatric, therapeutic, diagnostic, preventative, rehabilitative, or supportive nature, including medications that treat gender dysphoria and gender incongruence, rather than medical care set out in certain specified publications as under prior law.

Lastly, the act makes minor, technical, and conforming changes, including (1) explicitly including assisted reproduction in the nonexclusive list of covered reproductive health care services and (2) merging the state's separate laws that protect reproductive and gender-affirming health care services providers from this liability.

EFFECTIVE DATE: July 1, 2025

Subpoena for Patient Information

Business Associates. Existing law prohibits, with certain exceptions, HIPAA-covered entities (generally, health care plans or payors, clearinghouses, and providers) from disclosing specified information about these health care services in a

civil action (or a preliminary proceeding before it), or a probate, legislative, or administrative proceeding. Without explicit written consent from the patient or patient's authorized legal representative (e.g., conservator or guardian), communications made to a covered entity or obtained by it from the patient or representative cannot be disclosed.

The act extends this prohibition to covered entities' "business associates," which are generally those who perform functions or activities on behalf of, or provide services to, the covered entity that involve accessing or using protected health information.

Attorney General Notification. Under the act, within seven days after receiving a subpoena for patient information related to reproductive or gender-affirming health care services that is not exempt from disclosure and does not have written consent from the patient or patient's authorized legal representative, covered entities and their business associates must give the state attorney general a copy of it. The act requires him to post information about how they must do so.

§ 288 — TRANSFER STATION PERMITS AND LICENSES

Sets conditions under which certain transfer stations may continue to operate and accept municipal solid waste, including recyclables, while their commercial transfer station permit application is pending before DEEP; requires MIRA Dissolution Authority's transfer station permits and licenses to transfer to Essex and remain in effect when the transfer station's ownership or operation transfers from the MIRA Dissolution Authority to the town; requires the Torrington Transfer Station's permits or licenses to transfer to the Northwest Resource Recovery Authority, or its designee; requires the DEEP commissioner to grant the Wallingford Transfer Station a temporary operating permit

Authorization for a Specified Transfer Station to Continue Operating and Accepting Municipal Solid Waste

The act sets conditions under which the owner or operator of certain transfer stations may continue to operate and accept municipal solid waste, including recyclables, while their commercial transfer station permit application is pending before DEEP.

The act's provisions apply to the owner or operator of a transfer station that, on May 1, 2025, was:

1. owned or operated by the Materials Innovation and Recycling Authority (MIRA) Dissolution Authority;
2. registered under a general permit for a municipal transfer station; and
3. accepting municipal solid waste, including recyclables.

Under the act, this owner or operator may also accept and charge to accept municipal solid waste, including recyclables, generated in or outside municipalities that have contracts with the transfer station for municipal solid waste disposal until the later of (1) July 1, 2027, or (2) the DEEP commissioner issuing a final decision on an application for any permit needed to operate the transfer station as a commercial transfer station. But this authorization only applies if:

1. the municipal solid waste accepted by the transfer station was generated in a municipality that was a MIRA member, or part of a regional authority that was a member, on January 1, 2022;
2. the transfer station remains in compliance with all other applicable requirements of its general permit; and
3. the owner or operator, by July 1, 2026, submits a complete application to the DEEP commissioner for any permit necessary to operate the transfer station as a commercial transfer station.

Under the act, the DEEP commissioner must expedite any application filed under these provisions and cannot withhold a permit unreasonably. While the application is pending, the transfer station's owner or operator may continue to accept municipal solid waste, including recyclables.

Other Transfer Station Permits

The act also requires:

1. when the ownership or operation of a transfer station transfers from the MIRA Dissolution Authority to the town of Essex, the authority's permits or licenses to also transfer to Essex and remain in full force and effect;
2. the Torrington Transfer Station's permits or licenses to be deemed transferred to the Northwest Resource Recovery Authority, or its designee, and remain in full force and effect; and
3. the DEEP commissioner to grant the Wallingford Transfer Station's owner a temporary operating permit until the owner submits a complete application to the commissioner to resume its operations according to all applicable requirements.

Under the act, these requirements apply regardless of the existing laws on DEEP license transfers.

EFFECTIVE DATE: July 1, 2025

§§ 289-292 — ABSENTEE VOTING PROCEDURES FOR ELIGIBLE INCARCERATED INDIVIDUALS

Creates specific procedures for incarcerated individuals to apply for, receive, and cast absentee ballots

The act simplifies the process for people in state custody to vote by absentee ballot if they are still eligible to vote. Generally, a person convicted of a felony forfeits the right to vote for the duration of his or her incarceration. However, certain people may still be eligible to vote while in custody, such as those (1) serving a prison sentence for a misdemeanor or (2) confined in a community residence (such as a halfway house).

Under existing law, in order to apply for and cast an absentee ballot, a voter must be unable to appear at his or her designated polling place on election day due to, among other reasons, absence from their city or town during all voting hours. Prior law specified that an eligible voter being held in state custody at a community correctional center or a correctional institution is deemed absent from their town, even if the center or institution is in the voter's town. The act explicitly extends this to eligible voters in state custody being held in any DOC facility.

The act requires the secretary of the state to create absentee ballot application forms for use by eligible voters within DOC facilities and to give the forms to DOC. It creates procedures for distributing and processing these applications.

The act also makes technical and conforming changes.

EFFECTIVE DATE: January 1, 2026

Absentee Ballot Form Requirements

The act requires the ballot application the secretary creates to include spaces for:

1. the applicant's signature and printed or typed name;
2. the signature of any person who helped the applicant complete the application as well as their printed or typed name, residential address, and telephone number; and
3. a mailing address within a DOC facility.

The form must be signed by the applicant and, if applicable, anyone who helped them under the penalty of false statement in absentee balloting. By law, false statement in absentee balloting is a class D felony (see Table on Penalties) (CGS § 9-359a).

These forms must be consecutively numbered, clearly and conspicuously note the year the application is authorized for, and indicate they are only for the use of an applicant incarcerated in a DOC facility. Further, the act requires the applicant to provide a mailing address within a DOC facility in order to receive an absentee ballot.

The act's requirements for the DOC-specific form are similar to those for absentee ballots under existing law.

Processing Applications

Under existing law, absentee ballots and ballot applications must generally be submitted to the municipal clerk where the applicant is eligible to vote. Under the act, any DOC employee who distributes applications must promptly file completed absentee ballot applications he or she receives with the municipal clerk. The same filing requirement applies under existing law to others who distribute ballots and receive completed ones.

The clerk must maintain a log of applications received from incarcerated applicants, including, for each, (1) the applicant's name and address; (2) the date the application was received; and (3) as applicable, the date the clerk mailed the ballot or the reason for rejecting the application. The act requires municipal clerks to reject any application made on the DOC-specific form that indicates an address other than a DOC facility.

If an applicant included a DOC facility mailing address but is subsequently transferred to another DOC facility, the correction commissioner must ensure the absentee ballot's delivery to the applicant.

Correction Employee Exemptions

Under existing law, a person distributing absentee ballot applications generally must comply with certain requirements. The act exempts DOC employees from requirements to do the following when providing applications to incarcerated voters:

1. register with the municipal clerk before distributing at least five applications for an election, primary, or referendum to individuals other than their immediate family and
2. maintain and file with the municipal clerk a list of names and addresses of any individuals to which they distribute applications.

§ 293 — ADDITIONAL EARLY VOTING LOCATIONS ON CERTAIN COLLEGE CAMPUSES

Requires certain municipalities with 1,000 or more students living on a college campus or in college-affiliated housing to establish an additional early voting location on campus

By law, each municipality must have a location for voters to cast their votes in person during an election's or primary's early voting period. The act requires a municipality's registrars of voters to designate an additional on-campus early voting location if the municipality has (1) a campus of a constituent unit of higher education and (2) at least 1,000 students living in housing on the campus or in housing the constituent unit owns, operates, or is affiliated with.

Like existing early voting locations, the added location must be (1) able to connect to the Centralized Voter Registration System, (2) certified by the secretary of the state, and (3) accessible to voters with physical disabilities. By law, constituent units are (1) UConn and its campuses and (2) the Connecticut State Colleges and Universities (which includes the Connecticut State University System, the regional community-technical colleges, and Charter Oak State College).

EFFECTIVE DATE: July 1, 2025

§ 294 — SAME-DAY ELECTION REGISTRATION PROOF OF ADDRESS

Allows same-day election registration applicants to prove their residential address through the sworn testimony of an elector

State law allows a person to register to vote through same-day election registration by appearing in person at a designated site on election day before the polls close or during the early voting period, declaring under oath that they did not already vote in the election, and applying for admission as the law requires. As part of the application, an applicant must (1) give certain information such as their name, bona fide residence by street and number, and birthdate and (2) present a birth certificate, driver's license, or Social Security card, or a current college photo identification card if the applicant is an enrolled college student.

Under existing law, unchanged by the act, if the information the applicant provides does not prove their address, the applicant must submit other identification showing it, such as a learner's permit, a recent utility bill, or for college students, a registration or fee statement from the institution they attend. The act additionally allows an applicant to prove their address by the testimony under oath of an elector, as existing law already allows when an applicant fails to provide the required identification documentation during the regular elector application process.

EFFECTIVE DATE: July 1, 2025

§§ 295 & 296 — CURBSIDE VOTING

Requires the designation of a specific curbside voting area at polling locations; restricts certain election-related activities from occurring within or nearby this area; requires the secretary of the state to adopt related regulations

The act makes several changes to the curbside voting law, including adding several related prohibitions. It also makes conforming changes.

Under prior law, if a voter could not access his or her polling place due to a temporary incapacity, the registrars of voters or the assistant registrars of voters had to take a ballot out to the voter. After showing any required identification, the voter could mark their ballot and return it to the registrars to be cast. The act (1) eliminates the requirement that the voter's incapacity be temporary in order to use curbside voting and (2) requires the registrars of voters to designate a specific area for curbside voting to occur.

Separately, the act prohibits any person within a marked radius of 20 feet of the designated curbside voting area from (1) soliciting on behalf of or in opposition to any candidate or any question on the ballot or (2) loitering, peddling, or offering any advertising matter, ballot, or circular.

Additionally, no person may be in a vehicle being used by a person casting a ballot in the designated area unless they are casting a vote or driving the voter. Further, a candidate may never be in the vehicle unless he or she is casting his or her own vote.

The act requires the secretary of the state to adopt regulations to implement these provisions. She must include a model curbside voting plan that municipalities may adopt.

A violation of these provisions, including the removal or injury to any marker the act requires, is a class C misdemeanor (see Table on Penalties).

As with similar prohibitions under state law, these provisions do not prohibit (1) certain school-connected organizations

from holding bake sales or other fundraising activities on election day other than where the election booths are located in a school, (2) election officials from distributing "I Voted Today" stickers, or (3) registrars from jointly permitting nonpartisan activities in a room other than where the election booths are located.
EFFECTIVE DATE: January 1, 2026

§§ 297 & 298 — ELECTION-RELATED MATERIALS TRANSLATION

Establishes the Translation Advisory Committee to evaluate translated municipal election-related materials and sets membership and eligibility requirements; requires municipalities that must provide translated election materials under federal or state law to use professional translators and submit these translations to the committee

Translation Advisory Committee

The act creates a Translation Advisory Committee within the secretary of the state's office for (1) validating the translations of election-related materials for accuracy, (2) ensuring they meet the intended audience's needs in a culturally responsive and linguistically appropriate way, and (3) making recommendations to the secretary and municipal officials on related matters. It allows the secretary to adopt regulations to carry out these purposes.

The secretary must appoint the committee's initial members by August 1, 2025, from those who apply and submit a writing sample. The members must:

1. be current state residents,
2. have experience in municipalities served by translated election-related materials (see below),
3. be proficient in reading and writing in English and at least one other language dialect spoken in Connecticut that federal or state law requires election-related materials to be translated to, and
4. have experience in (a) election administration (such as serving as a poll worker) or (b) bilingual educational settings or community assistance programs.

Under the act, members serve (1) a four-year term, or until their successor is appointed and has qualified, and (2) without compensation or mileage reimbursement. The committee must meet at least quarterly, and as frequently as needed to timely approve translated election-related materials before elections, primaries, and referenda.

Starting by January 15, 2027, the committee must biennially submit a report on its proceedings to the secretary, including any recommendations for improving its performance.

Municipal Submission of Election-Related Materials

The act requires each municipality required by federal or state law to make election-related materials available in non-English languages to (1) use professional translators when translating these materials and (2) submit the translated materials to the Translation Advisory Committee for review as soon as practicable, but no later than 65 days before an election, primary, or referendum. Under the act, a "professional translator" is a person with (1) an academic certificate or degree in translation from an accredited higher education institution or (2) certification as a translator from a professional association or other accrediting organization.
EFFECTIVE DATE: January 1, 2026, except provisions creating the committee are effective July 1, 2025.

Background — Language Translation Under State and Federal Laws

The federal Voting Rights Act (VRA) generally requires certain municipalities to provide language assistance during elections for certain language minority groups based on specified English proficiency population thresholds. The state's VRA also requires municipalities to provide language-related assistance based on specified population metrics.

§ 299 — CHANGES TO ECS GRANT PHASE-IN SCHEDULE

Delays by two years the start of an ECS schedule to phase-in grant reductions for overfunded towns; holds these towns harmless for FYs 26 and 27

By law, the Education Cost Sharing (ECS) grant has a multi-year phase-in schedule of (1) incremental increases for towns that are underfunded and (2) incremental decreases, or years with no change in funding, for overfunded towns. The ECS grant is the state's single largest grant for municipalities.

The act delays by two years the start of an existing statutory ECS schedule to phase-in grant funding reductions for overfunded towns. It holds these towns "harmless" (i.e. maintaining the same funding level) for FYs 26 and 27, and starts the decrease in funding for overfunded towns in FY 28, rather than FY 26 as under prior law. Once the decreases begin it maintains the same schedule of decreases as under prior law for each year, with larger decreases in each following year until the overfunded towns are at their fully-funded level.

The act leaves unchanged the existing provision that begins to fully-fund the underfunded towns in FY 26. (PA 25-174, § 218, makes identical changes to the ECS schedule as this section.)

EFFECTIVE DATE: July 1, 2025

Determining Grant Increases and Decreases

When determining ECS grant increases or decreases, the formula uses a town's "grant adjustment," which is the absolute value of the difference between a town's ECS grant amount for the previous fiscal year and its fully funded grant amount. So, for underfunded towns, the grant adjustment is the amount needed to reach the fully funded level; for overfunded towns, it is the amount the town is funded in excess of its fully funded grant.

The grants are based on student enrollment and weighted for characteristics such as the number of students eligible for free or reduced priced school meals, and town wealth. Towns may be overfunded from one year to the next because hold-harmless provisions were in effect in previous years when a town would otherwise have seen a decrease in funding due to lower school enrollment, an increase in its town wealth, or some other change.

ECS Funding Changes for Overfunded Towns

The table below shows the act's changes for FYs 26-34.

ECS Funding Schedule Changes for Overfunded Towns, FYs 26-34

Fiscal Year	***Overfunded Towns***	
	Prior Law	Act
26	Previous FY amount minus 14.29% of its grant adjustment	Same amount as in FY 25
27	Previous FY amount minus 16.67% of its grant adjustment	Same amount as in FY 26
28	Previous FY amount minus 20% of its grant adjustment	Previous FY amount minus 14.29% of its grant adjustment
29	Previous FY amount minus 25% of its grant adjustment	Previous FY amount minus 16.67% of its grant adjustment
30	Previous FY amount minus 33.33% of its grant adjustment	Previous FY amount minus 20% of its grant adjustment
31	Previous FY amount minus 50% of its grant adjustment	Previous FY amount minus 25% of its grant adjustment
32	Fully funded	Previous FY amount minus 33.33% of its grant adjustment
33	Fully funded	Previous FY amount minus 50% of its grant adjustment
34 and all following years	Fully funded	Fully funded

§ 300 — LOCAL FOOD FOR SCHOOLS INCENTIVE PROGRAM

Makes various changes to LFSIP, including expanding the program to child care providers, making SDE the lead administering agency, and requiring SDE to use at least 20% of the program's annual appropriation to engage with external partners to provide supplemental services

The act makes several changes to the Local Food for Schools Incentive Program (LFSIP), which makes reimbursements for purchasing locally or regionally sourced food to be used for eligible meal programs (see *Background— Local Food for Schools Incentive Program*).

First, it expands the program to child care providers (i.e. licensed child care centers, group child care homes, and family child care homes) that have meal programs. Under prior law, only local or regional boards of education participating in the National School Lunch Program were eligible.

The act makes the State Department of Education (SDE), rather than the Department of Agriculture (DoAg), the lead agency responsible for administering the program; and DoAg, rather than SDE, the consulting agency. In practice, the program is implemented collaboratively between the two agencies, according to a memorandum of understanding outlining each agency's responsibilities.

Under the act, SDE must use at least 20% of LFSIP's annual appropriation to engage with external partners to provide supplemental services, including school nutrition or farm-to-school consultants, technical assistance, outreach, training, or evaluation related to the core elements of farm-to-school programs (e.g., procurement, processing, preparation, serving, and education of locally- and regionally-sourced food). The act eliminates a provision in prior law authorizing supplemental LFSIP grants that schools could use to pay for similar services. Prior law gave priority for these grants to alliance districts.

The act also (1) allows SDE to give preference to historically underserved farmers, rather than socially disadvantaged farmers as under prior law; (2) specifies that food must be used in an eligible meal program to be eligible for reimbursement; (3) specifically requires SDE to seek and maximize available federal funding to administer the program; and (4) makes numerous minor, technical, and conforming changes.

EFFECTIVE DATE: July 1, 2025

Preference for Certain Farmers

By law, LFSIP implementation guidelines must promote geographic, social, economic, and racial equity. To that end, prior law allowed the administering agency to include a preference for socially disadvantaged farmers. The act instead allows this preference to be given to historically underserved farmers.

Under federal law (and incorporated into prior state law), a "socially disadvantaged farmer" is one who is part of a group whose members have been subjected to racial or ethnic prejudice due to their identity as members of the group without regard to their individual qualities. Generally, the U.S. Department of Agriculture considers the following to be "historically underserved farmers": beginning farmers, limited resource farmers, socially disadvantaged farmers, and veteran farmers. Existing law, unchanged by the act, also allows the administering agency to give preference to small farm businesses.

Background — Local Food for Schools Incentive Program

LFSIP reimburses eligible entities that purchase locally or regionally sourced food (produce and other farm products) to be used in an eligible meal program. Locally sourced foods are eligible for 50% reimbursement, and regionally sourced foods are eligible for 33.3% reimbursement.

§ 301 — RETIRED TEACHERS' HEALTH INSURANCE

Reduces the state's share of TRB retired teacher health insurance costs for FY 26

By law, annual premiums for the basic Teachers' Retirement Board (TRB) health benefit plan are split equally among the (1) General Fund, (2) retired teacher, and (3) retired teachers' health insurance premium account. (The account is funded by active teachers who contribute 1.25% of their salaries to it.) For FY 26, the act reduces the state's share from one-third to 25%.

For retired teachers covered under local board health plans, the law requires the TRB to give the local boards a monthly subsidy to offset retired teachers' local plan premiums. By law, the state General Fund pays one-third of the subsidy and the retired teachers' health insurance premium account generally pays the remainder. For FY 26, the act reduces the state's

contribution to 25%.
EFFECTIVE DATE: Upon passage

§§ 302-306 — REQUIREMENT TO PROPORTIONATELY REDUCE SPECIFIED EDUCATION GRANTS

Extends the requirement that certain education grants be proportionately reduced if the amount appropriated for them does not fully fund them according to their statutory formulas

The act extends the requirement that certain education grants to school boards or regional education service centers (RESCs), as applicable, be proportionately reduced if the amount appropriated for the grants does not fully fund them according to their statutory formulas. Under prior law, this requirement generally applied through FY 25 (except for adult education grants, which were last subject to this requirement in FY 22). The table below lists the grants that must be reduced and the fiscal years in which the requirement applies.

Grants Subject to Reduction and Applicable FYs

Grant	*Applicable FYs*
Adult education programs (CGS § 10-71)	FY 26
Health services for private school students (CGS § 10-217a)	FY 26
School transportation (CGS § 10-266m)	Permanent
RESC operations (CGS § 10-66j)	FY 26 & 27
Bilingual education (CGS § 10-17g)	FY 26 & 27

EFFECTIVE DATE: July 1, 2025

§§ 307 & 308 — CHOICE PROGRAM GRANTS FOR MAGNET SCHOOLS AND VO-AG CENTERS

Makes permanent the choice program grants for interdistrict magnet schools and vo-ag centers; beginning with FY 25, adds a new method to determine grants for new magnet schools that begin operating on or after July 1, 2024

The act makes permanent the choice program grants for interdistrict magnet schools and regional agricultural science and technology centers (i.e. "vo-ag centers"), which were set to expire at the end of FY 25 under prior law.

The act also adds a method to determine grants for newly established magnet schools that begin operating on or after July 1, 2024. By law, the grant uses the per student amount that a magnet school operator received in FY 24 (as the law existed prior to the choice program grants) as a base amount to then determine the FY 25 grant.

For magnet schools that began on or after July 1, 2024, the per student amount for the choice grant calculation under the act will use the per student grant amount received by existing magnet school program operators under the choice grant in the same region of the state as determined by the education commissioner. The choice grant calculation also uses the FY 24 per student grant amount for a hold-harmless provision that ensures no magnet school will receive less under the choice program than it did under the old magnet school grants.

This applies to magnet schools operated by school boards or by entities that are not a board of education, such as an independent institution of higher education.

By law, an interdistrict magnet school must (1) enroll no more than 75% of its students from the same district with at least 25% coming from other districts; (2) maintain an enrollment that meets state standards for a reduced-isolation setting; and (3) support racial, ethnic, and economic diversity, among other requirements. The state's vo-ag centers serve high school students from multiple sending towns and provide an agricultural career education in addition to the comprehensive high school education.

It also makes conforming changes, including to certain definitions.
EFFECTIVE DATE: July 1, 2025

Background — Choice Program Grant Formula

The choice program grants use student need weightings that mirror the weighting for ECS grants and charter school grants. This gives additional weight to students eligible for free or reduced-priced meals or free milk or designated as

English language learners. By doing this, these grants give additional funding for students meeting those criteria. The choice program grants, first enacted for FY 25, marked the first time the state applied student need weightings to the magnet school and vo-ag grants.

§ 309 — ADVANCED AND DUAL CREDIT COURSES

Charges SDE with administering funds for two programs to support advanced and dual credit courses and programs within available appropriations

Starting in FY 27, the act charges SDE with administering funds for two programs to support advanced and dual credit courses and programs within available appropriations.

Specifically, the act requires SDE to create a fee-waiver grant program to expand opportunities for high-need high school students to access advanced courses or programs. School boards may apply to SDE, as the commissioner requires, to be reimbursed for any fees the board is charged for high-need students who enroll in advanced courses or programs (e.g., honors classes, advanced placement (AP) classes, dual enrollment, or dual credit).

The act also allows SDE to pay the State Education Resource Center (SERC) up to $500,000 per fiscal year for programming that directly supports school boards in articulating and expanding dual credit courses. SERC must prioritize alliance districts when spending any funds it receives.

EFFECTIVE DATE: July 1, 2025

§ 310 — REMOVAL OF GENERAL ADMINISTRATIVE PAYMENT FOR CERTAIN BIRTH-TO-THREE PROVIDERS

Eliminates the requirement for OEC to pay certain Birth-to-Three early intervention service providers a general administrative payment for each child with an IFSP

The act removes a requirement that the Office of Early Childhood (OEC) give Birth-to-Three early intervention providers a $200 general administrative payment for each child (1) with an individualized family service plan (IFSP) on the first day of the billing month and (2) whose plan accounts for less than nine service hours during the billing month, as long as the provider delivers at least one service.

EFFECTIVE DATE: July 1, 2026

§ 311 — ELIMINATION OF OEC BEING UNDER SDE

Eliminates the provision placing OEC under SDE, conforming to current practice

The act eliminates the provision placing the OEC under SDE for administrative purposes only, conforming to current practice.

EFFECTIVE DATE: July 1, 2025

§ 312 — MAGNET SCHOOL TRANSPORTATION GRANTS

Changes the (1) calculation for certain Sheff magnet school transportation grants by eliminating the per-pupil calculation and the supplemental grants structure for RESCs, instead basing the grants on actual costs of transportation services and (2) payment schedule for all magnet school transportation grants

The act changes the calculation for transportation grants to certain magnet schools that help the state meet its obligations under the *Sheff* v. *O'Neill* desegregation court decision (see *Background — Sheff* v. *O'Neill*). Under prior law, SDE awarded (1) Sheff magnet school transportation grants in an amount equal to $2,000 per pupil, and (2) supplemental Sheff magnet school transportation grants to RESCs within available appropriations. (Non-Sheff magnet school transportation grants are calculated based on $1,300 per pupil.)

Starting with FY 26, the act eliminates the supplemental grant and the per-pupil calculation for RESCs, instead requiring that their Sheff magnet transportation grant amounts equal the cost of reasonable transportation services. It subjects the grant to a comprehensive financial review, which must be done by an auditor the education commissioner selects and may be paid out of the grant funds. This is the same audit requirement that applied under prior law to the supplemental grants.

Starting with FY 26, the act also changes the payment schedule for these grants to RESCs. Under the act, up to 95% of the grant must be paid by June 30 of the fiscal year based on documentation provided before May 31, with up to 50% of the estimated transportation costs in October. The remainder must be paid in increments by March 1 of the next fiscal year upon the financial review's completion. (This was somewhat similar to the prior schedule for the supplemental grants.)

Separately, for transportation grants to the other magnet schools, the act allows for payments to be made earlier than previously required. Specifically, half of the estimated eligible transportation costs must be paid by October 31, with the remainder paid by May 31. Prior law required the payments to be made in October and May, respectively. (An identical provision also passed in PA 25-143, § 13.)

EFFECTIVE DATE: July 1, 2025

Background — Sheff v. *O'Neill*

In this 1996 decision, the Connecticut Supreme Court ruled that the state had a constitutional obligation to remedy the educational inequities in the Hartford schools caused by racial and ethnic isolation (238 Conn. 1 (1996)). The court ordered the state legislature and the governor to craft a solution, and legislation was passed to create voluntary desegregation in Hartford by creating interdistrict magnet schools and using programs such as Open Choice.

§ 313 — EARLY START AND OEC GRANTS FOR FACILITY REPAIRS

Modifies the eligible programs for which OEC can use bond funding for certain facility-related grants by adding Early Start CT and removing Even Start; increases the maximum grant amount from $75,000 to $100,000 per classroom

Prior law authorized bonding for an OEC-administered grant program for facility improvements and minor capital repairs under certain child care and related programs. The act modifies the list of eligible programs by adding Early Start CT (a state-funded early care and education program set to launch in FY 26) and removing Even Start (a family literacy program for parents and children). By law and unchanged by the act, these grants can also be issued for improvements under the Smart Start Competitive Grant program, programs administered by school boards, and to expand child care services where a demonstrated need exists (as determined by OEC).

The act increases the maximum grant amount from $75,000 to $100,000 per classroom.

It also makes two conforming changes by removing the school readiness program and state-funded day care centers under another program as qualifying grant recipients (PA 24-78 repealed these as individual programs on July 1, 2025, and merged them Early Start CT).

EFFECTIVE DATE: July 1, 2025

§ 314 — ALLIANCE DISTRICT PROGRAM AND ENFIELD BASE YEAR

Changes the base year used to determine how much of Enfield's ECS grant is withheld under the alliance district program

By law, once a town is designated an alliance district, the comptroller withholds part of the town's ECS grant and transfers it to the education commissioner who releases the funds to the town once the school district has an approved alliance district plan describing how the money will be used. The town must then pay the funds to the school board.

Under prior law, Enfield was in the group of alliance district towns that use FY 22 as the base year to compare current ECS funding to and determine the amount of ECS funds covered by the alliance district law (overall state funding for ECS has increased each year since FY 17). The act changes Enfield's base year to FY 12, making more of the town's ECS funding fall under the alliance district procedures (e.g., releasing the funds after approval of the alliance district plan).

By law, an alliance district is a school district for a town with one of the 33 lowest accountability index (AI) scores, plus any previously designated alliance districts (total of 36). AI determines school district performance by measures including student scores on standardized tests, academic growth from one year to the next, and graduation rates.

EFFECTIVE DATE: July 1, 2025

§ 315 — LEARNER ENGAGEMENT AND ATTENDANCE PROGRAM

Requires SDE, starting in FY 27, to administer LEAP and give school boards grants to implement a home visitation program to reduce chronic absenteeism in the school district

Beginning in FY 27, the act requires SDE, within available appropriations, to administer the learner engagement and

attendance program (LEAP) and give school boards grants to implement a home visitation program to reduce chronic absenteeism in the school district. In practice, SDE has operated LEAP since 2021. The act codifies the existing program into statute.

Under the act, school boards may apply for funds, as the commissioner requires. SDE must give grants to at least 10 school boards in any year it gives out grants, and it must give priority to school districts with the highest levels of chronic absenteeism.

Starting by December 31, 2028, SDE must biennially report on the program's implementation. The report must include an evaluation of the program's success for each grant recipient in either of the two prior fiscal years. SDE may consult with organizations with expertise in reducing absenteeism and increasing student engagement when developing the report.
EFFECTIVE DATE: July 1, 2026

§ 316 — HIGH-DOSAGE TUTORING MATCHING GRANT PROGRAM

Requires SDE to establish a competitive high-dosage tutoring matching grant program to award two-year grants to programs that provide high-dosage tutoring

Beginning FY 27, the act requires SDE, within available appropriations, to establish and annually administer a competitive high-dosage tutoring matching grant program for local and regional school boards to accelerate student learning. The grant must cover a two-year period and can be awarded to any program that provides high-dosage tutoring.

Under the act, SDE can use up to 3% of the funds appropriated for this program toward grant administration, technical assistance, and program evaluation. Additionally, SDE must develop (1) a grant application to be used by school boards and (2) criteria for reviewing and approving grant applications.

By January 31, 2029, SDE must give the Education Committee a report on the grant program's implementation and outcomes for the two-year period when grants were awarded.
EFFECTIVE DATE: July 1, 2026

High-Dosage Tutoring Defined

Under the act, "high-dosage tutoring" is tutoring with one or more of the following elements:

1. one tutor per group of four or fewer students;
2. is done for at least three sessions per week, and at least 30 minutes per session;
3. occurs during the regular school day, and is not a before or after school program nor an at-home, on-demand program;
4. supplements, rather than replaces, core academic instruction;
5. is done by an in-person tutor;
6. is done by high-quality tutors trained to provide tutoring services;
7. uses a high-quality curriculum and instructional materials aligned with state-approved academic standards and core classroom, grade-level content approved by the State Board of Education;
8. is data driven and, where applicable, includes state-provided interim assessment blocks and other materials aligned with the state's summative assessment;
9. gives tutors training and professional learning opportunities throughout the school year; and
10. requires collaboration between tutors and classroom educators to ensure tutoring aligns with classroom content.

§ 317 — SPECIAL EDUCATION GRANT PROPORTIONAL REDUCTION

Extends a requirement that grants be reduced proportionally to all fiscal years, rather than only for FY 26

Beginning with FY 26, PA 25-67 entitles each school board to a special education and expansion development grant through a formula the act creates. However, if the total amount of the grant calculation for FY 26 exceeds the amount appropriated in the budget, then it proportionately reduces the amounts payable to a school board. The act extends this proportional reduction to all fiscal years after FY 26.
EFFECTIVE DATE: July 1, 2025

§§ 318-320 — MAGNET SCHOOL TUITION CHARGES

Sets a new method for determining tuition rates for magnet school programs that began operating on or after July 1, 2024, based on average tuition charged in the same region

By law, for grades K to 12, magnet school operators may charge tuition to the school districts that send students to the magnet school. Beginning FY 25, they cannot charge for tuition more than 58% of the amount they charged in FY 24. The act adds a method to determine tuition for magnet schools that began operating on or after July 1, 2024. (Magnet school operators include a local or regional board of education, a regional educational service center, a higher education institution's board, or education commissioner-approved non-profit corporations.)

Under the act, a magnet program that began operating on or after July 1, 2024, and is authorized to charge tuition cannot exceed the per student average tuition that magnet school programs charge for serving similar grade ranges in the same region. The education commissioner determines this average tuition amount.

Existing law, unchanged by the act, has the same 58% tuition limit for magnet operators with preschool programs that charge tuition to parents or guardians (but they are prohibited from charging preschool tuition to any parent or guardian with a family income at or below 75% of the state median income). The act applies the same tuition setting method noted above for new preschool programs that began operating on or after July 1, 2024.

EFFECTIVE DATE: July 1, 2025

§§ 321-323 — SCHOOL AND PUBLIC LIBRARY POLICIES

Requires school boards and public library governing bodies to adopt policies on collection development and maintenance, displays and programs, and material review and reconsideration; specifies criteria the policies must meet

The act requires (1) school boards and (2) public library governing bodies to each adopt policies on (1) collection development and maintenance, (2) library display and programs, and (3) library material review and reconsideration. Under prior law, public libraries (but not school libraries) had to adopt collection development, collection management, and collection reconsideration policies to be eligible for state grants. Under the act, they must instead adopt policies meeting the act's requirements to be eligible.

The act requires the policies to, among other things, ensure that library materials are evaluated and made accessible to conform with applicable state non-discrimination laws, which generally prohibit discrimination based on race, color, sex, gender identity, religion, national origin, sexual orientation, or disability. It also specifically requires the policies adopted under the act to, among other things:

1. recognize that library and other materials should represent a wide range of varied and diverging viewpoints;
2. establish a process for receiving, considering, and making decisions on requests for reconsideration or removal of library material and a process for appealing decisions; and
3. prohibit removing library material (a) on the sole basis that someone finds a book offensive or (b) because of the origin, background, or viewpoints of the material's creator or as expressed in the material.

The act's policy requirements for school boards and public library governing bodies are largely the same in content and procedures, but there are some requirements specific to the different policies. For example, the school policy must (1) address student access to age-appropriate and grade-level-appropriate material and (2) require a superintendent who receives a reconsideration request to appoint a library material review committee to consider it.

Lastly, the act also grants employees immunity from liability when they perform their duties as described under the act.

EFFECTIVE DATE: Upon passage

Definitions

Under the act, "library and other educational material" is any material belonging to, on loan to, or in the custody of a school library media center or public library, including nonfiction and fiction books, magazines, reference books, supplementary titles, multimedia and digital material, and software. For school libraries, it also includes other material not required as part of classroom instruction.

An "individual with a vested interest" is (1) for school policies, a school staff member employed by a school board, a student enrolled when a reconsideration form is filed, or a parent or guardian of such a student and (2) for public libraries, a resident of the town where the public library is located or the town in which the contract library is located when the reconsideration form is filed.

General Requirements of Required Library Policies

The act requires school boards and public library governing bodies to each adopt for their respective libraries a (1) library collection development and maintenance policy, (2) library display and program policy, and (3) library material review and reconsideration policy. The act requires these policies to ensure that library materials are evaluated and made accessible, so they conform with applicable state laws prohibiting discrimination based on race, color, sex, gender identity, religion, national origin, sexual orientation, or disability.

Under the act, in developing each policy, the school boards and governing bodies have control over the content of the policy, as long as the policies conform with the act's provisions. Each school board and public library governing body must review, and update as necessary, each policy every five years.

Collection Development and Maintenance Policy

The act requires collection development and maintenance policies for both schools and public libraries to:

1. recognize that library and other materials should (a) be provided for students' or residents' (as applicable) interest, information, and enlightenment and (b) represent a wide range of varied and diverging viewpoints in the collection;
2. recognize the school library media center's or public library's importance as a place for voluntary inquiry, disseminating information and ideas, and promoting free expression and free access to ideas by students or residents (as applicable);
3. establish a procedure for certified school library media specialists or public librarians to continually review library and other material within a school library media center or public library (as applicable) using professionally accepted standards, including the material's relevance, physical condition, availability of duplicates or copies, availability of more recent age-appropriate or grade-level-appropriate material, and continued demand for the material; and
4. acknowledge that librarians and school library media specialists are professionally trained to curate and develop collections providing the widest array of library and other materials.

School Specific Requirements. For schools, the act includes an additional requirement. The policy must require giving students access to (1) age-appropriate and grade-level-appropriate material and (2) library and other educational materials that are relevant to students' research, independent reading interests, and educational needs based on a student's age, development, or grade level. School policies must acknowledge that school library media specialists are professionally trained to curate a collection providing age-appropriate and grade-level-appropriate library and other materials.

Library Display and Program Policy

The act requires the library display and program policy for both schools and public libraries to:

1. recognize that library displays should (a) be provided for students' and residents' (as applicable) interest, information, and enlightenment; (b) represent a wide range of varied and diverging viewpoints; and (c) provide access to content that is relevant to students' or residents' research, independent interests, and educational needs;
2. recognize the importance of displays and programs as resources for voluntary inquiry, disseminating information and ideas, and promoting free expression and free access to ideas; and
3. acknowledge that a school library media specialist or public librarian is professionally trained to curate and develop displays and programs.

Policy Differences. Additionally, the act requires the school policies to recognize that displays should give students access to age-appropriate and grade-level-appropriate content and acknowledge that library media specialists are trained to develop these age-appropriate displays and programs.

The display policy for public libraries must make a distinction between displays and programs created or curated by library staff and those that are created or curated by the public or community groups and exhibited at the public library.

Library Material Review and Reconsideration Policy

Under the act, the library material review and reconsideration policies must include (1) a process for requesting that library materials be removed; (2) a reconsideration request form; (3) the request process details, including a 60-day deadline for the library material review committee or the library director to issue a decision on removal; and (4) an appeals process.

Under the act, to "remove" is to deliberately take library material out of a library's collection but does not include the process of clearing no longer useful materials out of the collection.

The act requires the reconsideration policy for both schools and public libraries to:

1. establish a process for individuals with a vested interest to challenge any library and other educational material, display, or program;
2. prohibit removing library material, displays, or programs (or, in the case of programs, cancelling them) because of the origin, background, or viewpoints (a) expressed in the material, display, or program, or (b) of the material's creator;
3. require that library materials, displays, and programs can only be excluded for legitimate educational purposes or for professionally accepted standards of collection maintenance practices adopted under the collection development and maintenance policy or the display and program policy;
4. require that any process for petitioners to challenge any library material, display, or program cannot favor nor disfavor any group based on protected characteristics;
5. require the individual submitting the request for reconsideration to include his or her full legal name, address, and telephone number;
6. require that any library material being challenged remain available in the library media center or public library according to its catalog record and be available for students or residents to reserve, check out, or access until the review committee or library director makes a final decision;
7. permit a school district or library director, as applicable, to consolidate any requests for review and reconsideration of the same challenged library material; and
8. prohibit the removal, exclusion, or censoring of any book on the sole basis that someone finds the book offensive.

Reconsideration Request and Appeals Process Policy Differences

While the act's policies required for school libraries and public libraries are broadly similar, there are some differences in the reconsideration request process and appeals process.

School Library Policy, Decisions, and Appeals. Under the act, the school library policy must create a request for reconsideration form that may be submitted to the principal of the school where the library and other educational material is being challenged to start the material review. The form must (1) require the individual to specify which part of the material he or she objects to and provide an explanation for the objection and (2) provide an opportunity for a request submission by individuals with a vested interest (students, parents, and staff members, as described above). However, the act also requires the policy to limit consideration of requests to reconsider and remove material, displays, or student programs to the parents and guardians of students and eligible students currently enrolled in the school.

Regarding the school's process, the policy must require the principal or a designee to promptly forward the request for reconsideration to the school district superintendent. The superintendent or designee must appoint a review committee consisting of (1) the superintendent or designee; (2) the principal of the library's school or the principal's designee; (3) the curriculum director, or the equivalent school board position; (4) a school board representative; (5) at least one grade-level-appropriate teacher familiar with the library material; (6) a parent or guardian of a student age 13 or younger enrolled in the school district; (7) a parent or guardian of a student age 14 or older enrolled in the school district; and (8) a certified school librarian working for the school board or employed by another school board in the state. The individual who submitted the request for reconsideration cannot be a member of the review board.

If a high school student submits the form, and if the superintendent deems it appropriate, a different high school student may serve on the review committee, but the superintendent must consult with the school principal of the library in question before deciding whether to include the student on the review committee.

The policy adopted under the act must require the review committee to:

1. evaluate the request for reconsideration form;
2. read the challenged material in its entirety;
3. evaluate the challenged material against the school district's collection development and maintenance policy; and
4. make a written decision, within 60 school days after receiving the request, on whether to remove the challenged material.

The committee must give a copy of the committee's decision and report to the individual who submitted the form and to the school principal.

The act requires that the policy allow the individual who made the reconsideration request to appeal the review committee's decision to the school board. The board must determine whether the reconsideration process was followed and publish the decision on the school district's website. Under the act, once the review committee decides, the material in question cannot be subject to a new reconsideration request for three years.

Public Library Policy, Decisions, and Appeals. The public library policy must only allow individuals residing in the town in which the library or contract library is located to submit requests to reconsider and remove material, displays, or programs.

The policy must create a request for reconsideration form that an individual can submit to the library director to start the material review. The form must require the individual to specify which part of the material he or she objects to and explain the objection. The policy must also state that reconsideration requests are not confidential patron records under state law.

The policy must require the library director to:

1. evaluate the request for reconsideration form;
2. read the challenged material in its entirety;
3. evaluate the challenged material against the library's collection development and maintenance policy; and
4. make a written decision, within 60 days after receiving the request, on whether to remove the challenged material.

The library director must give a copy of the decision and report to the individual who submitted the form.

The policy must also permit the individual who made the reconsideration request to appeal the library director's decision in writing to the library's governing body.

The act requires the policy to include several steps the board must take. First, after evaluating the challenged material under the collection development and maintenance policy, the board must consult with (1) the library director; (2) the state librarian or his designee; (3) a representative of the cooperating library service unit, as defined in state law; (4) the Connecticut Library Association president or her designee; and (5) the Association of Connecticut Library Boards president or her designee. Then, it must deliberate on the reconsideration request. Finally, it must prepare a written statement on the reasons for reconsidering (or refusing to reconsider) the library material and include any final decision that is contrary to the library director's decision.

Under the act, once the library director or governing board decides, the material in question cannot be subject to a new reconsideration request for three years.

Requirement to Post Policies

Under the act, each school board and governing body must make available on the board's or governing body's website the (1) collection development and maintenance policy, (2) library display and program policy, and (3) library material review and reconsideration policy adopted under the act. If there is no website, it must be made available inside the school or public library or included in the school or public library's policy manual.

Library Grants (§ 323)

By law, a public library must adopt and adhere to collection development, collection management, and collection reconsideration policies to be eligible for state library grants. The act modifies this to require public libraries (not including school libraries) to adopt and adhere to the policies the act requires to be eligible for state library grants. Existing law and the act require the reconsideration policy to offer residents a clear process to request a reconsideration of library materials.

§ 324 — STATE SUPPLEMENT PROGRAM (SSP)

Freezes SSP payment standards for FYs 26 and 27

The State Supplement Program (SSP) gives cash assistance to people who are aged, blind, or living with a disability. These benefits are meant to supplement other income (e.g., federal Supplemental Security Income).

The law generally requires the DSS commissioner to annually increase SSP payment standards based on the consumer price index within certain parameters. The act freezes SSP payment standards for FYs 26 and 27.

EFFECTIVE DATE: July 1, 2025

§§ 325 & 326 — CASH ASSISTANCE ELIGIBILITY FOR DOMESTIC VIOLENCE VICTIMS

Eliminates separate eligibility requirements for domestic violence victims to receive TFA diversion assistance or similar payments under SAGA

Temporary Family Assistance (TFA) gives temporary cash assistance to families. Existing law requires the Department of Social Services (DSS) to offer immediate diversion assistance designed to keep TFA applicants from needing TFA if (1) DSS finds them eligible after an initial assessment, (2) the family demonstrates a short-term need that cannot be met with current or anticipated family resources, and (3) the family would not need monthly TFA if they get a service or short-term benefit.

Prior law established a separate, shorter process for domestic violence victims to get diversion assistance. Under prior law and within DSS's available resources, domestic violence victims who requested diversion assistance only needed to be found eligible for TFA in an initial assessment and DSS had to exclude any household member the victim credibly accused of domestic violence for eligibility and benefit calculation purposes (e.g., income and asset determinations). The act eliminates this separate process for domestic violence victims, applying the same process to them as other applicants for diversion assistance.

The act correspondingly eliminates a related payment under a different program. State Administered General Assistance (SAGA) gives cash assistance to people with disabilities who cannot work. Under prior law, domestic violence victims who are not eligible for diversion assistance were eligible for a one-time SAGA payment, within DSS's available resources, equal to the TFA diversion assistance payment they would have received if they were eligible. The act eliminates this SAGA payment.

EFFECTIVE DATE: July 1, 2025

§ 327 — OBESITY TREATMENT UNDER MEDICAID AND CHIP

Allows, rather than requires, DSS to cover certain obesity treatments in Medicaid and CHIP; requires prior authorization, and step therapy in some circumstances, for Medicaid coverage of prescription drug obesity treatment

Under federal law, states may elect to provide coverage for certain treatments for obesity under Medicaid and the Children's Health Insurance Program (CHIP). Prior state law required DSS to provide this coverage in Connecticut for treatments such as prescription drugs and (for severe obesity) bariatric surgery. The act instead allows, but does not require, DSS to amend the state Medicaid plan and the state CHIP plan to provide this coverage. If a state plan amendment is federally approved, DSS must provide this coverage.

Under prior law, the treatments that had to be covered included, among other things, federal FDA-approved prescription drugs for outpatient obesity treatment. The act's drug coverage more narrowly applies to those for people with (1) type 2 diabetes or (2) obesity and a comorbid condition. Additionally, under the act, if obesity drug treatment is covered under Medicaid and CHIP, the DSS commissioner must require prior authorization and, under certain conditions, step therapy when clinically appropriate before covering these drugs.

The act limits the amount of time the commissioner can require step therapy for these drugs to up to 180 days. It also prohibits the commissioner from requiring step therapy for a person with a body mass index of 40 or higher if a licensed health care provider certifies in writing that the person is scheduled to undergo surgery requiring anesthesia within the next six months.

EFFECTIVE DATE: July 1, 2025

§§ 328 & 329 — GLP-1 DATA COLLECTION

Requires the DSS commissioner and comptroller to collect data on the use of GLP-1 drugs in the Medicaid program and state employee health plan, respectively, and report to the legislature

The act requires the DSS commissioner to collect data on Medicaid beneficiaries' use of glucagon-like peptide (GLP-1) drugs and related costs and benefits to the state. The commissioner must report annually, beginning by January 15, 2026, to the Appropriations, Human Services, and Public Health committees on the:

1. number of Medicaid recipients who received GLP-1 drug treatment in the last calendar year and how many recipients were prescribed this treatment primarily for (a) type 2 diabetes or (b) cardiovascular concerns,
2. total cost to the state to provide Medicaid coverage for GLP-1 drugs, and
3. total amount of rebates or discounts the state received from pharmaceutical companies for including GLP-1 drugs in the Medicaid program to the extent permissible.

The act also requires the comptroller to collect corresponding data, and additionally on the number of enrollees prescribed GLP-1 drug treatment primarily for weight loss, for state employees and retirees in the state employee health plan. He must report on it annually, beginning by January 15, 2026, to the Appropriations, Human Services, Insurance and Real Estate, and Public Health committees.

EFFECTIVE DATE: Upon passage

§§ 330-335 — NURSING HOME MEDICAID RATES

Prohibits DSS from rebasing nursing home costs in FY 26; eliminates inflation adjustments for nursing homes in FYs 26 and 27; requires DSS to (1) amend the Medicaid state plan to extend the case mix neutrality limit as needed to remain within available appropriations; (2) increase nursing home reimbursement rates to support wage increases for employees, within available appropriations, in FYs 25-27; and (3) distribute supplemental funding in FYs 27 and 28 appropriated to promote workforce retention and high employee health and retirement security standards in long-term care facilities

Existing law requires DSS to implement an acuity-based Medicaid reimbursement rate for nursing homes effective July 1, 2022. Acuity-based rates generally reimburse nursing homes based on the level of care needed for patients. In practice, DSS is currently transitioning from a cost-based system to the acuity-based system over a period of years.

The act makes various changes to these Medicaid nursing homes' rates that affect cost rebasing, inflationary adjustments, and wage increases for nursing home employees.

EFFECTIVE DATE: July 1, 2025

Rebasing Costs (§ 330)

Existing law requires DSS to rebase nursing homes' costs for calculating Medicaid reimbursement rates at least every four years, but no more frequently than every two years. It also prohibits inflationary adjustments in any year in which a facility's rates are rebased. The act prohibits DSS from rebasing nursing home costs in FY 26.

Inflationary Adjustments (§ 331)

For FYs 26 and 27, regardless of department regulations on nursing home reimbursement, the act prohibits any inflationary increases to the rates beyond those already factored into the model DSS is using to transition to the acuity-based methodology. For subsequent years, existing law establishes a methodology to calculate inflationary increases that requires any increase to allowable operating costs (excluding fair rent) to be inflated by the gross domestic product (GDP) deflator when funding is specifically appropriated in the enacted budget for this purpose.

State Plan Amendment (§ 331)

The act requires the DSS commissioner to amend the Medicaid state plan to extend the case mix neutrality limit as needed to remain within available appropriations. She may do so as she deems necessary so long as the neutrality limit does not fall below the FY 25 limit.

Wage Increases for Nursing Home Employees (§ 332)

Regardless of the state's nursing home Medicaid reimbursement law, the act requires the DSS commissioner, within available appropriations, to increase nursing home reimbursement rates to support wage increases for employees (i.e. nurses; nurse's aides; and dietary, housekeeping, laundry, maintenance, and plant operation personnel) as follows: (1) 3% effective July 1, 2025; (2) 3% effective July 1, 2026; and (3) 4% effective January 1, 2027.

If a facility receives a rate adjustment for these wage increases and does not provide them, the act authorizes DSS to decrease the facility's rate by the same amount.

Supplemental Funding for Workforce Retention (§§ 333-335)

For FY 27, the act requires the DSS commissioner to distribute up to $10 million to nursing homes eligible for supplemental funding to promote workforce retention for nursing home providers that offer high employee health and retirement security standards. It also requires the commissioner to distribute up to $55 million in supplemental funding to nursing homes in FY 28, and allows her to proportionally distribute the funds to support wage increases as follows:

1. a 2.5% increase on July 1, 2027, for nurses; nurse's aides; and dietary, housekeeping, laundry, maintenance, and plant operation personnel and
2. a $26 hourly rate for registered nurse's aides by January 1, 2028.

(PA 25-174 (§ 220) requires, rather than allows, the commissioner to proportionally distribute the funds in FY 28 to stay within the allocated amount. It also specifies that (1) the hourly rate for registered nurse's aides must be at least $26

and (2) any remaining funds must be used for other wage increases and minimum increases for nurses; nurse's aides; and dietary, housekeeping, laundry, maintenance, and plant operation personnel.)

Under the act, the commissioner must determine which homes are eligible for this supplemental funding and may recoup any amount given to facilities to provide wage increases who do not do so.

As under existing law, the act permits DSS to assess a civil penalty on a nursing home that receives a rate increase to enhance its employees' wages but fails to use it for that purpose. The civil penalty is limited to half the total dollar amount of the rate increase the nursing home received but did not use to enhance employee wages. DSS, at its discretion, may enter into a recoupment schedule with a nursing home so as not to negatively impact patient care. Nursing homes subject to a civil penalty may request a rehearing under provisions in existing law.

§ 336 — ICF-IDS RATES

Requires DSS to increase reimbursement rates for ICF-IDs for FYs 26-28; allows certain facilities to receive fair rent increases and rate increases for specified capital improvements in FYs 26 and 27; requires DSS to amend its regulations to remove current inflation cost limits on facility rates starting July 1, 2027

Rate Increases for FYs 26-28

For FYs 26-28, the act requires DSS to increase reimbursement rates for intermediate care facilities for people with intellectual disabilities (ICF-IDs) as follows:

1. for FY 26, 1.4% greater than the facility's calculated rate (existing law requires DSS to calculate FY 26 rates based on 2024 cost report filings adjusted to reflect any increases provided after that cost report year);
2. for FY 27, 2.8% greater than the facility's FY 26 rate;
3. for FY 28, a 3% increase from the facility's FY 27 rate; and
4. effective January 1, 2028, a 3% increase from the facility's rate on December 31, 2027.

Under the act, a facility is ineligible for the above rate increases if it would have received a lower rate effective during these time periods due to interim rate status or an agreement with DSS. In these cases, the facility must receive the lower rate. (Generally, DSS may authorize an interim rate to a facility in specified situations, such as an ownership change, financial distress, or a significant change in licensed bed capacity.)

Capital Improvements and Fair Rent Increases

Additionally, for FYs 26 and 27, the act allows facilities to receive a rate increase for capital improvements the Department of Developmental Services approves, in consultation with DSS, for resident health or safety, within available appropriations. For these fiscal years, the act also extends a provision allowing DSS to provide fair rent increases to facilities with a DSS-approved certificate of need that have undergone a material change in circumstances related to fair rent.

Inflation Adjustments

The act also requires DSS to amend its regulations to allow the department to waive inflation cost limits on direct care costs when rebasing facility rates after July 1, 2027. (Existing law prohibits rate increases for FYs 24-26 based on any inflationary factors.)

EFFECTIVE DATE: July 1, 2025

§ 337 — RESIDENTIAL CARE HOME RATES

Allows DSS to give RCHs a rate increase in FYs 26 and 27, within available appropriations, for certain capital costs; allows pro rata fair rent increases in these years at the department's discretion and within available appropriations

For FYs 26 and 27, the act allows DSS to give residential care homes (RCH) a rate increase for a DSS-approved capital improvement for the residents' health or safety, to the extent the increases are within available appropriations.

The act also allows the DSS commissioner, in her discretion and within available appropriations, to give prorated fair rent increases to facilities for (1) FY 26, for documented fair rent additions placed in service in the 2024 cost report year and (2) FY 27, for these additions placed in service in the 2025 cost report year. For both years, the increases must not be otherwise included in issued rates.

EFFECTIVE DATE: July 1, 2025

§ 338 — HEALTH SYSTEMS PLANNING UNIT STUDY

Specifies that the Health Systems Planning Unit must conduct its biennial health care facility utilization study within available appropriations

By law, the Office of Health Strategy's (OHS) Health Systems Planning Unit must biennially study statewide health care facility utilization. The act specifies that it must do this within available appropriations.
EFFECTIVE DATE: July 1, 2025

§ 339 — DRIVER TRAINING AND EVALUATION FOR PEOPLE WITH DISABILITIES

Transfers, from ADS to DMV, a unit responsible for people with disabilities' driver training and evaluation

The act transfers, from the Department of Aging and Disability Services (ADS) to the Department of Motor Vehicles (DMV), a unit responsible for people with disabilities' driver training and evaluation. It correspondingly eliminates (1) prior law's process for ADS to certify with DMV a person with disabilities' driver training completion and recommend any license restrictions or limitations and (2) certain related provisions (including the requirement that DMV issue a driver's license with the recommended restrictions if the person has met all other requirements for a license).

Additionally, under existing law, staff working in the unit, while engaged in driver instruction or evaluation, have the same authority and immunity with respect to these activities as motor vehicle inspectors. The act extends this authority and immunity to unit staff while examining people with disabilities' driving ability.

Under the act, as under existing law, this unit serves state residents with serious disabilities who can drive using special equipment but who cannot get instruction through other driver education programs.
EFFECTIVE DATE: July 1, 2025

Background — Related Act

PA 25-148, § 8, has identical provisions.

§ 340 — MAPOC CHAIRPERSONS

Designates the Human Services and Public Health committees' chairpersons as MAPOC's chairpersons

The act designates the Human Services and Public Health committees' chairpersons as the Council on Medical Assistance Program Oversight's (MAPOC) chairpersons. Under prior law, MAPOC selected a chairperson from among its members.

By law, this council must advise DSS on various aspects of the Medicaid program (CGS § 17b-28). MAPOC includes legislators, consumers, advocates, health care providers, administrative service organization representatives, and state agency personnel.
EFFECTIVE DATE: July 1, 2025

§ 341 — MEDICAID COVERAGE FOR BREAST PROSTHESES

Requires the DSS commissioner to distribute information on Medicaid coverage for certain breast prostheses

The act requires the DSS commissioner to distribute information about Medicaid coverage for a custom-made, noninvasive breast prosthesis, which is an exterior form to fit a mastectomy patient's individual physical profile to restore symmetrical appearance after surgery.

Under the act, she must (1) include the information in a DSS-developed Medicaid-enrolled providers' bulletin and in Medicaid enrollees' communication materials and (2) disseminate it through existing programs in collaboration with the Department of Public Health (DPH) commissioner.
EFFECTIVE DATE: Upon passage

§§ 342 & 343 — ASSISTANCE PROGRAM ELIGIBILITY INCOME DISREGARDS

Requires the DSS commissioner to disregard income (1) a person receives from participating in certain DSS-approved pilot programs and job training programs when determining TFA eligibility and (2) from rental assistance pilot programs when determining eligibility for DSS-administered assistance programs

The act requires the DSS commissioner, when determining TFA eligibility, to disregard any financial assistance a family member gets from participating in a DSS-approved pilot program with a developed plan to study and evaluate the impact of direct cash transfers. Under the act, this disregard applies for as long as the family member participates in the pilot program, up to 36 months. The act sets the conditions under which DSS may approve these pilot programs.

The act also requires the DSS commissioner, when determining TFA eligibility, to disregard from income any stipend a family member gets from participating in a DSS-approved job training program, such as those offered by the Office of Workforce Strategy, Department of Aging and Disability Services' Bureau of Rehabilitative Services, or a tax-exempt nonprofit. Under the act, this disregard applies for as long as the family member participates in the training program, up to 36 months.

Lastly, to the extent state and federal law allows, the act requires the DSS commissioner, when determining income eligibility for any DSS-administered state or federal assistance program, to disregard any direct rental assistance a person gets from participating in a pilot program. The act allows the commissioner to amend the Medicaid state plan or seek any federal waiver necessary to do so.

EFFECTIVE DATE: July 1, 2025

Income Disregard for DSS-Approved Pilot Programs

The act limits the pilot programs DSS may approve for the income disregard to those for which it can receive required waivers authorizing the disregard for federal and state benefits programs. Under the act, DSS must request these waivers from all necessary federal, state, and local agencies and keep a publicly available list of approved programs.

DSS must also require approved pilot programs to (1) inform potential participants in writing about how participating may impact their federal and state benefit eligibility now and in the future and (2) include contact information for participants to get more information or guidance on those impacts.

§ 344 — SCHOOL-BASED BEHAVIORAL HEALTH SERVICES BILLING

Requires the Transforming Children's Behavioral Health Policy and Planning Committee to develop and report on a framework and operational guidelines to streamline municipal Medicaid billing for Medicaid-eligible school-based behavioral health services

By September 1, 2026, the act requires the Transforming Children's Behavioral Health Policy and Planning Committee to develop a framework and operational guidelines to streamline municipal Medicaid billing for Medicaid-eligible school-based behavioral health services. The committee must (1) do this in collaboration with SDE and DSS and (2) submit a report on the framework and guidelines to the Appropriations, Education, and Human Services committees by October 1, 2026.

EFFECTIVE DATE: Upon passage

§§ 345-347 — IDENTIFIED PRESCRIPTION DRUGS

Caps the sales price for identified prescription drugs in the state; generally imposes a civil penalty on pharmaceutical manufacturers and wholesale distributors who violate the cap and requires the DRS commissioner to impose and collect it; and creates a process for penalty disputes

The act generally sets a (1) cap on the prices for which pharmaceutical manufacturers and wholesale distributors can sell an identified prescription drug in the state and (2) civil penalty for violators. However, the penalty does not apply to those that made less than $250,000 in total annual sales in the state in the calendar year for which the penalty would have been imposed. The act also creates a process for an aggrieved person to request a hearing to dispute the penalty.

Under the act, an "identified prescription drug" is a (1) brand-name drug or biological product for which all exclusive marketing rights granted under federal patent laws and other federal laws have expired for at least 24 months, including any

drug-device combination product to deliver a brand-name drug or biological product, or (2) generic drug or interchangeable biological product.
EFFECTIVE DATE: July 1, 2025

Price Cap on Identified Prescription Drugs

Starting January 1, 2026, regardless of state statute, the act prohibits pharmaceutical manufacturers and wholesale distributors from selling an identified prescription drug in the state for more than its reference price, adjusted for any increase in the consumer price index.

Under the act, a "pharmaceutical manufacturer" is a person or entity that manufactures a prescription drug and sells it, directly or through another person, for distribution in the state. A "wholesale distributor" is a person or entity engaged in the wholesale distribution of prescription drugs. This includes a repacker, own-label distributor, private-label distributor, or independent wholesale drug trader.

A "reference price" is the drug or biological product's wholesale acquisition price. For brand-name drugs or biological products, the reference price is the wholesale acquisition cost on January 1, 2025, or the date the patent expires, whichever is later. For generic drugs or interchangeable biological products, the reference price is the wholesale acquisition cost on January 1, 2025, or the date the drug or product is first commercially marketed in the United States, whichever is later.

Drug Shortage Exemption. The act makes one exception by allowing manufacturers and distributors to exceed this price, starting January 1, 2026, if the federal Health and Human Services secretary determines that there is a shortage of the drug in the United States and includes it on the drug shortage list.

Civil Penalty for Violating Price Cap

The act imposes a civil penalty on pharmaceutical manufacturers and wholesale distributors that violate the price cap. The Department of Revenue Services (DRS) commissioner must impose, calculate, and collect the civil penalty on a calendar year basis.

Penalty Calculation. The civil penalty amount for a calendar year must equal 80% of the difference between the revenue that the pharmaceutical manufacturer or wholesale distributor (1) earned from all sales of the identified prescription drug in the state during the calendar year and (2) would have earned from these sales if the manufacturer or distributor had not sold the drug for more than the price cap.

Penalty Exception. The act exempts from liability for the above civil penalty, pharmaceutical manufacturers or wholesale distributors of an identified prescription drug that made less than $250,000 in total annual sales in the state for the calendar year for which the civil penalty would have been imposed.

Penalty Payment and Statement Filing

For calendar years starting January 1, 2026, each pharmaceutical manufacturer or wholesale distributor that violates the identified prescription drug price cap during any calendar year must, by March 1 immediately following the end of the calendar year, (1) pay the DRS commissioner the civil penalty for that calendar year and (2) file a statement for that calendar year with him.

The commissioner must set the statement's form, manner, and content. The manufacturer and distributor must file the statement electronically and pay the penalty by electronic funds transfer in the same way as filing and paying tax returns, regardless of whether they would have otherwise been required to do so under the law. If no statement is filed as required above, the act allows the DRS commissioner to make the statement at any time according to the best obtainable information and the prescribed form.

Record Examination and Retention

The act allows the commissioner, as he deems necessary, to examine the records of any pharmaceutical manufacturer or wholesale distributor subject to the civil penalty imposed for an identified prescription drug price cap violation described above. After the examination, if the commissioner determines that the pharmaceutical manufacturer or wholesale distributor failed to pay the full amount of the civil penalty, he must bill the pharmaceutical manufacturer or wholesale distributor for the full amount of the civil penalty.

Under the act, to provide or secure information about the civil penalty enforcement and collection, the DRS commissioner may require each pharmaceutical manufacturer or wholesale distributor subject to penalty to (1) keep records as the commissioner may prescribe and (2) produce books, papers, documents, and other data. And to verify the accuracy

of any statement made or, to determine the amount of the civil penalty due if a statement was not made, the commissioner or his authorized representative may (1) examine the books, papers, records, and equipment of anyone subject to the identified prescription drug price cap provisions and (2) investigate the character of their business.

Hearings

Hearings by Application. Under the act, any pharmaceutical manufacturer or wholesale distributor subject to the civil penalty and aggrieved by the DRS commissioner's actions above (i.e. making a statement, billing, records examination, and investigation) may apply to the commissioner for a hearing. This must be done in writing within 60 days after the notice of the action is delivered or mailed to the manufacturer or distributor.

The aggrieved pharmaceutical manufacturer or wholesale distributor must state in the application (1) why the hearing should be granted and (2) if they believe they are not liable for the civil penalty or its full amount, the (a) grounds for the belief and (b) amount by which they believe the civil penalty should be reduced. The DRS commissioner must promptly consider each application and notify the pharmaceutical manufacturer or wholesale distributor (1) immediately of a hearing denial or (2) about the date, time, and place for a hearing that is granted.

After the hearing, the commissioner may make orders as appear just and lawful to him and must give a copy to the pharmaceutical manufacturer or wholesale distributor.

Hearings on the DRS Commissioner's Initiative. By notice and in writing, the commissioner may also order a hearing on his own initiative and require a pharmaceutical manufacturer or wholesale distributor, or any other person the commissioner believes has relevant information, to appear before him, or his authorized agent, with any specified books of account, papers, or other documents for examination under oath.

Aggrieved Company's Appeal to Superior Court

Under the act, within 30 days after the aggrieved pharmaceutical manufacturer or wholesale distributor is served notice of the DRS commissioner's order, decision, determination, or disallowance, it may appeal to the Superior Court for the New Britain judicial district. The appeal must be accompanied by a citation to the DRS commissioner to appear before the court. The citation must be signed by the same authority and the appeal must be returnable at the same time and served and returned in the same way as required for a summons in a civil action.

The authority issuing the citation must take from the appellant a bond or recognizance to the state, with surety, to prosecute the appeal to effect and to comply with the court's orders and decrees.

Unless there is a reason otherwise, the appeals must be preferred cases and heard at the first session by the court or by a committee it appoints. The court may grant equitable relief and, if the civil penalty was paid before the relief was granted, order the state treasurer to pay the amount of the relief. If the appeal was made without probable cause, the court may tax double or triple costs, as appropriate. For appeals that are denied, costs may be taxed against the pharmaceutical manufacturer or wholesale distributor, but not against the state, at the court's discretion.

DRS Commissioner's Authority

Oaths, Witnesses, and Record Production. The act allows the commissioner to administer oaths and take testimony under oath for any inquiry or investigation. It also gives these powers to the commissioner's agent duly authorized to conduct any inquiry, investigation, or hearing under the provisions above.

At any hearing the commissioner ordered, he may subpoena witnesses and require the production of books, papers, and documents relevant to the inquiry or investigation. The commissioner's agent authorized to conduct the hearing and having authority by law to issue the process also has these powers.

Under the act, a witness under a subpoena authorized under these provisions must not be excused from testifying or from producing books, papers, or documentary evidence on the ground that the testimony or the production would tend to incriminate the witness, but the books, papers, or documentary evidence produced must not be used in any criminal proceeding against the witness.

Commitment to Community Correctional Center. If anyone disobeys the process, appears but refuses to answer the commissioner's or his agent's questions, or does not produce related books, papers, or other documentary evidence, the commissioner or the agent may apply to the Superior Court of the judicial district where the pharmaceutical manufacturer or wholesale distributor resides or where the business was conducted, or to any judge of the court if it is not in session, stating the disobedience to process or refusal to answer.

The court or judge must cite the person to appear to answer the question or produce the books, papers, or other documentary evidence and, if they refuse to do so, must commit the person to a community correctional center until they

testify, but not for more than 60 days.

Regardless of the person serving the term of commitment, the DRS commissioner may continue the inquiry and examination as if the witness had not previously been called to testify.

Fees and Compensation. Under the act, officers who serve these subpoenas and witnesses attending these hearings must receive fees and compensation at the same rates as officers and witnesses in the state courts. This must be paid on DRS vouchers on order of the state comptroller from the proper appropriation.

State Collection and Attorney General's Lien Foreclosure

State Collection Agency Process. The act allows the amount of any unpaid civil penalty under the price cap violation-related provisions to be collected using the same process the state collection agency (i.e. the state treasurer; DRS commissioner; any other state official, board, or commission authorized to collect taxes payable to the state; and their duly authorized agents) uses under existing law. Under the act, the warrant issued under the collection process must be signed by the DRS commissioner or his authorized agent.

Lien on Real Property. The amount of the civil penalty must be a lien on the pharmaceutical manufacturer's or wholesale distributor's real property from the last day of the month next preceding the civil penalty's due date until it is paid. The DRS commissioner may record the lien in the records of the town in which the real property is located, but the lien is not enforceable against a bona fide purchaser or qualified encumbrancer of the real property.

When the civil penalty for which a lien was recorded is satisfied, the DRS commissioner must, upon request of any interested party, issue a certificate discharging the lien. The discharge certificate must be recorded in the same office in which the lien was recorded.

Foreclosure of the Lien. Any action to foreclose the lien must be brought by the attorney general in the Superior Court for the judicial district in which the real property subject to the lien is located. If the real property is in two or more judicial districts, the action must be brought in the Superior Court for any one of the judicial districts.

The court may limit the time for redemption or order the sale of the real property or make any other decree as it judges equitable.

Under the act, the civil penalties may generally be used to reduce any amount payable by the state to the person, as under existing law on penalties due from taxpayers.

Officer's and Employee's Liability

Willful Failure to Perform. In addition to any other penalty provided by law, the act imposes a fine of up to $1,000, imprisonment up to one year, or both on an officer or employee of a pharmaceutical manufacturer or wholesale distributor, who (1) owes a duty, on the manufacturer's or distributor's behalf, to pay the civil penalty, file the required statement with the commissioner, keep records, or supply information to the commissioner and (2) willfully fails to do so.

Regardless of existing limitations on prosecuting certain violations or offenses, the act sets a three-year statute of limitations for prosecuting officers or employees for these violations committed on or after January 1, 2026.

Willful Delivery or Disclosure of Fraudulent or False Material. Under the act, any officer or employee of a pharmaceutical manufacturer or wholesale distributor who owes a duty, on the manufacturer's or distributor's behalf, to deliver or disclose to the commissioner, or his authorized agent, any list, statement, return, account statement, or other document and willfully delivers or discloses one the officer or employee knows is fraudulent or false in any material matter is guilty of a class D felony (see Table on Penalties), in addition to any other penalty provided by law.

Under the act, an officer or employee may not be charged with an offense under both provisions above in relation to the same civil penalty but may be charged and prosecuted for both offenses based on the same information.

Waiver and Tax Credit Prohibited

The act's civil penalty for violating the identified prescription drug price cap:

1. is excluded from Medicaid provider tax calculations,
2. cannot be waived by the Penalty Review Committee under existing law or any other applicable law, and
3. cannot be reduced by applying a tax credit.

List of Violators and Implementing Regulations

Starting by July 1, 2027, the act requires the DRS commissioner to (1) annually prepare a list of the pharmaceutical manufacturers or wholesale distributors that violated the identified prescription drug price cap-related provisions during the

preceding calendar year and (2) make each annual list publicly available.

The act authorizes the commissioner to adopt regulations to implement its provisions on identified prescription drug pricing and sales.

Withdrawal of Identified Prescription Drug

Under the act, if a pharmaceutical manufacturer or wholesale distributor intends to withdraw an identified prescription drug from sale in the state, it must send written notice to OHS disclosing that intention at least 180 days before the withdrawal. The act prohibits a pharmaceutical manufacturer or wholesale distributor of an identified prescription drug from withdrawing the identified prescription drug from sale in the state to avoid the act's civil penalty. Any pharmaceutical manufacturer or wholesale distributor that violates these withdrawal provisions is liable to the state for a $500,000 civil penalty.

§§ 348 & 349 — APPEALS PROCESS FOR DSS RATES AND AUDITS

Allows parties to appeal any items not resolved at a rehearing to the Superior Court, as authorized under the UAPA, rather than requiring binding arbitration

Existing law sets a process for certain institutions and agencies to request a rehearing if they are aggrieved by (1) DSS's final report on a long-term care facility audit or (2) a decision DSS makes on their payment rates. For audit final reports, this process applies to hospitals, nursing homes, residential care homes, and intermediate care facilities for people with intellectual disabilities. For payment rate decisions, the process applies to additional providers, including home health care agencies, group homes, federally qualified health centers, and home care service providers (e.g., homemaker services, respite care, and meals-on-wheels), among others.

Under prior law, any items that were not resolved at the rehearing had to be submitted for binding arbitration to an arbitration board, with one member appointed by the intuition or agency, one member appointed by the DSS commissioner, and one member appointed by the chief court administrator. Prior law required the board's proceedings to follow federal Medicaid laws and the state's Uniform Administrative Procedures Act (UAPA).

The act instead allows parties to appeal any items not resolved at a rehearing to the Superior Court, as authorized under the UAPA. The act makes these appeals privileged cases to be heard by the court as soon after the return date as is practicable.

EFFECTIVE DATE: January 1, 2027

§§ 350-352 — FEDERALLY QUALIFIED HEALTH CENTERS (FQHC)

Requires DSS to provide an alternative, updated prospective payment methodology and changes procedures for approving changes to an FQHC's scope of service

Alternative Prospective Payment System

Federal law sets a formula for calculating Medicaid rates for FQHCs based on their costs to provide services. It also allows states to establish alternative payment methodologies that (1) provide payments at least equal to those under the standard formula and (2) are agreed to by the state and the FQHC.

State law requires DSS to reimburse FQHCs through an all-inclusive encounter rate per client encounter based on a prospective payment system. The act requires DSS to provide an alternative, updated prospective payment methodology by October 1, 2025, that is (1) equal to rates set in federal law except that the base year to determine costs of providing services is the average of the reasonable costs incurred in an FQHC's FY 23, adjusted for any change in scope adjustments approved since that year and for inflation as measured by the Centers for Medicare and Medicaid Services' (CMS) Medicaid Economic Index, and (2) subject to available appropriations.

The act requires any rebasing established under this alternative, updated prospective payment methodology to be phased in over three years, from FY 26 to FY 28. DSS must allocate the following amounts in the aggregate from state appropriations during each year of the phase-in:

1. $5 million in FY 26,
2. an additional $ 7 million in FY 27 ($12 million total), and
3. an additional $14.4 million in FY 28 ($26.4 million total).

The act requires cumulative increases in state appropriations for these amounts.

Under the act, each FQHC must have the option to be reimbursed under the alternative, updated prospective payment system or the federal rates.

The act requires any alternative payment methodology DSS adopts for FQHC payments to be consistent with federal law. Any alternative payment methodology DSS develops must be an additional option and not replace the alternative, updated payment methodology required under the act. The act requires DSS to consult with FQHCs before implementing any additional alternative payment methodology.

Scope of Services

The act changes the procedures for adjusting an FQHC's encounter rate due to changes in its scope of services. The act extends the time FQHCs have to report changes to DSS from 30 days after the change occurs to 60 calendar days after the end of the FQHC's fiscal year in which the change occurs. It also specifies that the timeframe for FQHCs to give DSS information after DSS requests it is 30 calendar days, rather than 30 days.

Under prior law, DSS could adjust an FQHC's encounter rate after an FQHC issued this notice or based on the department's review of documents the FQHC had previously filed. The act additionally requires a demonstration that the FQHC's costs to provide services have changed due to a change in the type, intensity, duration, or amount of services provided in a patient encounter. Under the act, and regardless of existing state laws and regulations on FQHC rates, the following changes do not change an FQHC's scope of service or result in a rate adjustment:

1. a change in service volume due to an expansion or reduction of an existing clinic,
2. adding or discontinuing a satellite or new site,
3. a change in the operational costs attributable to capital expenditures (e.g., new service facilities or regulatory compliance), or
4. an increase in utilization of current services.

The act specifies that its provisions excluding these changes from scope of service changes do not preclude an FQHC from requesting a change in scope based on a change in the type, intensity, duration, or amount of services provided in a patient encounter, even if those changes may have resulted from expanding or reducing an existing clinic or addition or discontinuing a satellite or new site.

Under the act, the new encounter rate for approved requests is effective on the date DSS approves it or the next calendar day after the FQHC's fiscal year ends, whichever is sooner, so long as the FQHC complies with notice requirements.

Regulations and Penalties

Existing law, unchanged by the act, allows DSS to impose up to a $500 civil penalty per day for an FQHC that fails to provide information DSS requires for rate and scope of services requests within 30 days after the information is due.

The law allows DSS to implement policies and procedures on FQHC rates while adopting regulations. The act specifies that this also applies while DSS amends existing regulations. The act requires DSS to post notice of its intent to adopt regulations on the eRegulations System, rather than in the Connecticut Law Journal, conforming to current practice.

EFFECTIVE DATE: July 1, 2025

§ 353 — NET OPERATING LOSS DEDUCTION FOR CERTAIN COMBINED GROUPS

Eliminates an alternative NOL rule that previously applied to certain combined groups that had more than $6 billion in NOLs from pre-2013 tax years, which subjects them to the standard NOL carry forward limitation applicable to other corporations

The combined unitary reporting law established an alternative net operating loss (NOL) rule that allowed combined groups with over $6 billion in NOLs from pre-2013 tax years to make a special election during the 2015 income year. This election allowed the groups to give up 50% of their pre-2015 losses in exchange for using the remaining loss carry over to reduce their tax by up to $2.5 million in any income year (before applying the corporation business tax surcharge and any tax credits) beginning in 2015. Eligible combined groups had to make this election on their 2015 income year returns.

Under prior law, combined groups that made this election were only subject to the standard NOL limitation once they applied all of their pre-2015 operating losses in this way. (The law's standard NOL limitation limits a corporation's NOL deduction to the lesser of (1) 50% of its pre-NOL net income or (2) the difference between the amount of NOL in the current income year and the amount carried forward from prior years.) The act sunsets this alternative NOL rule and instead requires these groups to recalculate their remaining loss carry over on their 2025 income year return as if they had not been required to give up 50% of their pre-2015 losses to make this election.

The act allows the groups to use these recalculated operating losses beginning with the 2025 income year, subject to the corporation business tax law's provisions, including the standard NOL limitation and carry forward period, based on when the losses were incurred. By law, corporations may carry forward NOLs until they are used, for up to a maximum of 20 years (for losses incurred during the 2000 to 2024 income years) or 30 years (for losses incurred during the 2025 income year or after).

EFFECTIVE DATE: Upon passage, and applicable to income years beginning on or after January 1, 2025.

§ 354 — CAP ON A COMBINED GROUP'S TAX LIABILITY ON A UNITARY BASIS

Eliminates the $2.5 million cap on the amount by which a combined group's tax, calculated on a combined unitary basis, can exceed the tax it would have paid on a separate basis

Starting with the 2025 income year, the act eliminates the $2.5 million cap on the amount by which a combined group's tax, calculated on a combined unitary basis, can exceed the tax it would have paid on a separate basis (i.e. its nexus combined base tax).

EFFECTIVE DATE: Upon passage

§ 355 — RELIEF FROM INTEREST ON ESTIMATED TAX UNDERPAYMENTS

Exempts corporation business taxpayers from interest on estimated tax because of specified tax changes under the act

The act exempts corporation business taxpayers from interest on underpayments of estimated tax for income years starting on or after January 1, 2025, but before the act's passage (June 30, 2025), for any additional tax due as a result of the following corporation business tax changes made by the act:

1. eliminating the alternative NOL rule for certain combined groups (§ 353); and
2. eliminating 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 (§ 354).

EFFECTIVE DATE: Upon passage

§§ 356 & 357 — CORPORATION BUSINESS TAX SURCHARGE

Extends the 10% corporation business tax surcharge for three additional years, to the 2026 through 2028 income years

The act extends the 10% corporation business tax surcharge for three additional years, to the 2026 through 2028 income years. Under prior law, the surcharge expired after the 2025 income year.

As under existing law for the prior surcharge, the surcharge for 2026-2028 applies to companies that have more than $250 in corporation tax liability and either (1) have at least $100 million in annual gross income in those years or (2) are taxable members of a combined group that files a combined unitary return, regardless of the amount of annual gross income. The companies must calculate their surcharges based on their tax liability, excluding any credits.

Under the act, the surcharge that applies to the capital base tax component of the corporation business tax applies only for the 2026 and 2027 income years because the law eliminates the tax starting in 2028.

EFFECTIVE DATE: Upon passage

§ 358 — REFUND VALUE OF R&D AND R&E CREDITS FOR QUALIFYING SMALL BIOTECHNOLOGY COMPANIES

Increases, from 65% to 90%, the cash refund a qualifying small biotechnology company may receive for its unused R&D and R&E tax credits

The act 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.

By law, this refund is available to qualified small businesses that earn R&D and R&E tax credits for R&D expenditures but cannot use them because they have no corporation business tax liability. A qualified small business is a company whose gross income for the prior year is $70 million or less, including income from transactions with related entities. The refund is capped at $1.5 million per company for each income year, and a qualified small business may carry its unused credits forward instead of applying for a cash refund. As under existing law, qualifying small businesses that are not biotechnology

companies may receive a refund of 65% of the credit amount.

Under the act, a "biotechnology company" is one that applies certain technologies (e.g., biochemistry or genetics) to produce or modify products, improve plants or animals, identify targets for small molecule pharmaceutical development, transform biological systems into useful processes and products, or develop microorganisms for specific uses.

EFFECTIVE DATE: July 1, 2025, and applicable to income years beginning on or after January 1, 2025.

§§ 359, 361, 363 & 364 — TAX ON NURSING HOMES AND INTERMEDIATE CARE FACILITIES

Terminates the quarterly user fee on nursing homes and ICFs as of July 1, 2026, and instead imposes a quarterly 6% tax on their revenue; requires the tax to cease and the user fees to be reimposed if CMS determines that the tax is impermissible

Rate and Basis

Prior law imposed a quarterly user fee on nursing homes and intermediate care facilities for individuals with intellectual disabilities (ICFs) equal to (1) $16.13 for municipally owned nursing homes and facilities with more than 230 beds and $21.02 for all other nursing homes and (2) $27.76 for ICFs. The amount due from each facility was determined by multiplying the user fee by the facility's resident days for the calendar quarter.

For calendar quarters beginning on or after July 1, 2026, the act instead imposes a 6% tax on "nursing facility service revenue" and "ICF service revenue" that applies unless CMS determines that the tax is impermissible, as described below. Under the act and in accordance with federal law, "nursing facility service revenue" and "ICF service revenue" is revenue for which a nursing home or ICF, as applicable, provides services that are covered under the state's Medicaid program, regardless of whether they were provided to Medicaid recipients. It excludes Medicare payments. Under the act, the tax does not apply to ICFs operated exclusively by the state, other than those it operates as a receiver.

The act also makes a conforming change by requiring these facilities to include the amount of their nursing facility and ICF service revenue on their quarterly returns to DRS. It eliminates provisions allowing these facilities to request a payment extension under certain circumstances, as described below for hospitals subject to the hospital provider tax.

Exemption and Reduced Tax Rate for Certain Nursing Homes

The act requires the DSS commissioner, before January 1, 2026, to seek federal approval from CMS to exempt certain continuing care retirement communities licensed on or before July 1, 2017, from the nursing home tax. It also requires the commissioner to seek federal approval from CMS to impose a reduced tax rate of 4.6% on nursing facility service revenue received by municipally owned nursing homes and those homes licensed for more than 230 beds. Existing law similarly requires the DSS commissioner to seek these approvals for the nursing home user fee. As under existing law for the user fee, the tax exemption and reduced rate apply only if CMS grants approval.

As under existing law, these waivers are exempt from the law requiring the DSS commissioner to submit notice of proposed Medicaid state plan amendments to the Appropriations and Human Services committees before submitting them to the federal government.

Reinstatement of the Nursing Home and ICF User Fees

The act provides that the tax on nursing homes and ICFs will cease to apply if CMS determines that the tax is an impermissible tax under federal law. If CMS issues such a determination, the nursing home and ICF user fees the act eliminates are reinstated and apply starting with the calendar quarter during which the determination was made. If the state successfully appeals the determination, the user fees cease to apply and the tax is reinstated and applies starting with the calendar quarter immediately after the appeal's final decision date.

EFFECTIVE DATE: July 1, 2026, and the provisions concerning the facilities' quarterly returns and payment extensions apply to calendar quarters starting on or after July 1, 2026.

§§ 360 & 361 — HOSPITAL PROVIDER TAX

Beginning in FY 27, requires the base year on which the hospital provider tax is calculated to be tied to an applicable federal fiscal year, rather than FY 16, and makes various corresponding changes; increases, by $375 million, the total revenue on which the tax on outpatient hospital services is calculated and requires the starting amount used to calculate the tax in later years to be increased by $25 million over the prior fiscal year; requires the DSS commissioner to seek approval from CMS to remove the exemption for children's general hospitals; makes other administrative changes to the tax

Tax Rate and Base

Inpatient Hospital Services. Under prior law, the tax rate for inpatient hospital services was 6% of each hospital's FY 16 audited net revenue attributable to these services. Beginning July 1, 2026, the act instead sets the rate at 6% of each hospital's audited net revenue for the applicable federal fiscal year (FFY), as described below, attributable to these services (i.e. the amount of revenue a hospital reports to the DRS commissioner that it received for providing inpatient hospital services during the applicable FFY, subject to adjustments as described below).

The following table indicates the applicable FFY used to calculate the tax base for both the inpatient and outpatient services components of the tax. (The FFY runs from October 1 to September 30 of the following year.)

Applicable FFY Under the Act

State FY (July 1 – June 30)	*Applicable FFY (October 1 – September 30)*
FYs 27-29	FFY 24
FYs 30-33	FFY 27
FY 34 and every four years after	FFY that ended in the calendar year two years before the four-year period started

Outpatient Hospital Services. Under prior law, the effective tax rate on outpatient hospital services was 10.4858% for FY 26 and after. The rate calculation was $820 million minus the total tax imposed on all hospitals for providing inpatient services, divided by the total FY 16 audited net revenue for outpatient services.

For FY 27, the act instead sets the rate at $1.195 billion, minus the total tax imposed on all hospitals for providing inpatient services, divided by the total audited net revenue for the applicable FFY attributable to outpatient hospital services of all hospitals required to pay the tax (i.e. the amount of revenue a hospital reports to the DRS commissioner that it received for providing outpatient hospital services during the applicable FFY, subject to adjustments as described below).

Beginning with FY 28, the act requires the starting amount used to calculate the tax ($1.195 billion) to be increased by $25 million over the prior fiscal year (e.g., $1.220 billion for FY 28 and $1.245 billion for FY 29).

Total Audited Net Revenue. Under the act, the tax base for both inpatient and outpatient hospital services is calculated based on the total audited net revenue attributable to these services reported to the DRS commissioner for the applicable FFY by all hospitals subject to the tax, subject to any (1) adjustments by the commissioner and (2) hospital dissolutions, cessation of operations, or disallowed exemptions, as described below.

If an audited financial statement for the applicable FFY does not report revenue for the entire fiscal year, its revenue must be calculated by projecting the amount it would have received for the entire year based proportionally on the amount reported. The same provision applied under prior law when calculating FY 16 audited net revenue.

Exemption for Children's Hospitals

The act requires the social services commissioner to seek approval from CMS to remove the hospital provider tax exemption for children's general hospitals. If CMS approves doing so, children's general hospitals that were exempt from the tax before July 1, 2026, must pay the tax on inpatient and outpatient hospital services at the same effective rates imposed on other hospitals.

By law, and under the act, "children's general hospitals" are health care facilities licensed by DPH as short-term children's hospitals. They exclude specialty hospitals.

Hospital Dissolutions or Cessation of Operations

Under the act, as under existing law, the amount of hospital tax due from each hospital must be recalculated if any hospital dissolves or ceases to be subject to the hospital tax.

By law, if a hospital dissolves (i.e. ceases to operate for any reason other than a merger, consolidation, acquisition, or reorganization) or ceases for any reason to be subject to the hospital tax, the amount due from each other hospital is recalculated for the following fiscal year and each year after. The act requires these recalculations to be based on the total audited net revenue for the applicable federal fiscal year, rather than FY 16, as follows:

1. the total audited net revenue for the applicable FFY must be adjusted to exclude the audited net revenue of the hospital that dissolved or ceased to operate and
2. the effective tax rate must be adjusted so that the total tax amount to collect is proportionately redistributed among the surviving hospitals.

Under the act, "audited net revenue for the applicable FFY" is net revenue reported in each hospital's audited financial statements, minus the amount of revenue a hospital receives from anything other than providing inpatient or outpatient hospital services. Total audited net revenue is the sum of all of these amounts for all hospitals required to pay the tax.

By law, unchanged by the act, if a hospital or hospitals subject to the tax merge, consolidate, are acquired, or otherwise reorganize, then the surviving hospital is liable for the total tax imposed on the merging, consolidating, acquired, or reorganizing hospitals. The surviving hospital must also assume any outstanding liabilities from periods before the merger, consolidation, acquisition, or reorganization.

Information Reporting Requirements

Under the act, each hospital required to pay the hospital provider tax must submit to the DRS commissioner the information he requires to calculate the audited net inpatient and outpatient revenue and net revenue for all of the hospitals for the applicable fiscal year. Each hospital must do so by January 1, 2026; January 1, 2029; and every four years after.

The amounts reported are deemed accepted on the first day of the state fiscal year, as long as the commissioner has not started an audit of the hospital before then. If he has started an audit, the hospital must comply with the commissioner's requests for additional information within 14 days after his request.

Under the act, hospitals that do not provide the requested information by these specified dates, or fail to comply with a request for additional information, are subject to a penalty of $1,000 for each day the failure continues. (The same penalty applies by law to information submissions and requests related to FY 16 audited net revenue.) And as under existing law, the commissioner may engage an independent auditor to help him with these duties and responsibilities.

Administrative Protests

The act allows hospitals to file an administrative protest under the hospital provider tax to contest the DRS commissioner's determination of additional audited net revenue.

Under the act, the commissioner must mail the taxpayer a notice by the first day of the state fiscal year if he determines there is additional audited net revenue. The amount becomes final 14 days after he mails the notice unless the taxpayer files a written protest. If the taxpayer files a protest, the commissioner must reconsider the additional audited net revenue. The commissioner may hold a hearing if the taxpayer or its authorized representative requests one. The commissioner must mail the taxpayer a notice about his determination, which must briefly state his findings of fact and the basis for his decision that goes against the taxpayer. The commissioner's action on the taxpayer's protest becomes final one month after the notice is mailed unless the taxpayer appeals to the courts within this timeframe.

If the protest or appeal is pending on the first day of the next succeeding state fiscal year, the protesting or appealing taxpayer must use the amounts it reported to tentatively calculate the tax due until the matter is resolved. If any of these amounts is later revised under the protest or appeal, the commissioner must recalculate the amounts due for each hospital and issue assessments or refunds, as applicable, for any affected quarter.

Quarterly Reports to OPM and DSS

The act requires the DRS commissioner to report quarterly, starting by November 15, 2026, to the DSS commissioner and the OPM secretary on the amount of (1) tax paid by each hospital for the most recently completed calendar quarter and (2) any delinquent hospital provider taxes, penalties, and interest owed by a hospital. However, by law, the hospital provider tax provisions do not affect the DRS commissioner's statutory obligations to keep confidential tax returns and return information, except under certain narrow conditions.

Payment Extensions Disallowed

The act eliminates provisions allowing taxpayers subject to the hospital provider tax to request a payment extension under certain circumstances.

Specifically, prior law allowed taxpayers to file, on or before the date a tax or fee payment was due, a request for a reasonable extension of time to pay the tax or fee due to undue hardship. The taxpayer had to demonstrate undue hardship by a showing that it was at substantial risk of defaulting on a bond covenant or similar obligation if it were to pay the amount due on the due date. The DRS commissioner could grant an extension only if he determined that an undue hardship existed (and not for a general statement of hardship or for the taxpayer's convenience).

EFFECTIVE DATE: July 1, 2026, and applicable to calendar quarters beginning on or after July 1, 2026.

§ 362 — HOSPITAL MEDICAID SUPPLEMENTAL PAYMENTS

Increases Medicaid supplemental payments to hospitals by $140 million for FY 27 and requires this total to be increased in subsequent years by $25 million over the preceding year if the total amount of hospital provider tax collected for that year increased by $25 million over the preceding year

By law, and to the extent required by the settlement agreement for *The Connecticut Hospital Association et al.* v. *Connecticut Department of Social Services et al.* (No. HHB-CV16-6035321-S) approved by the General Assembly on December 18, 2019, and related court orders, DSS must pay specified amounts in supplemental Medicaid payments to hospitals in the state.

For FY 27 and subsequent years, prior law required DSS to pay out the amount paid in FY 26 ($568.3 million) unless it was changed by state law. The act increases, by $140 million, these required payments for FY 27 to $708.3 million. For FY 28 and after, it requires the total payments to be increased by an additional $25 million over the preceding year if the total amount of hospital provider tax collected for that year, across all hospitals subject to the tax, increased by at least $25 million over the preceding year.

The act explicitly prohibits DSS from making these payments in a way that does not comply with applicable federal requirements and required federal approvals. This includes making payments that cause the total hospital payments in an applicable category to exceed the upper payment limit.

EFFECTIVE DATE: July 1, 2026

§§ 365 & 366 — TAX REVENUE ACCRUAL

Authorizes the state comptroller to record revenue from the tobacco products and controlling interest transfer taxes received within five business days after July 31 as revenue for the preceding fiscal year

Beginning in FY 26, the act authorizes the state comptroller to record revenue from the tobacco products and controlling interest transfer taxes received within five business days after July 31 as revenue for the preceding fiscal year. By law, the same revenue accrual rules apply to payments from other state taxes.

EFFECTIVE DATE: July 1, 2025

§ 367 — CONNECTICUT ITINERANT VENDORS GUARANTY FUND

Transfers the Connecticut Itinerant Vendors Guaranty Fund's remaining balance to the General Fund

The act requires the state comptroller to transfer the Connecticut Itinerant Vendors Guaranty Fund's remaining balance to the General Fund by June 30, 2026. The legislature eliminated this fund in 2017.

EFFECTIVE DATE: Upon passage

§ 368 — SALES AND USE TAX EXEMPTION FOR AMBULANCES

Exempts certain ambulances and ambulance-type vehicles from sales and use tax

The act exempts from sales and use tax:

1. ambulance-type vehicles used exclusively to transport medically incapacitated people, except those used to transport these individuals for payment, and

2. ambulances operating under a license or certificate issued by DPH.

By law, DPH issues licenses or certificates, as applicable, to commercial, municipal, volunteer, nonprofit, and state agency ambulance services. Existing law already exempts sales of goods and services to municipalities, state agencies, and charitable nonprofits from sales and use tax (CGS § 12-412(1) & (8)).

EFFECTIVE DATE: July 1, 2025, and applicable to sales occurring on or after that date.

§ 369 — SALES TAX EXEMPTION FOR CERTAIN AIRCRAFT INDUSTRY JOINT VENTURES

Extends, from 40 to 50 consecutive years, the duration of the sales and use tax exemption for qualifying aircraft industry joint ventures

The act extends, from 40 to 50 consecutive years, the duration of the sales tax exemption for specified business services rendered between participants in certain kinds of joint ventures in the aircraft industry that existed before January 1, 1986. By law, the length of this exemption for all other qualifying joint ventures is for 20 consecutive years from the date the joint venture is formed, incorporated, or organized.

The exemption applies to personnel; commercial or industrial marketing, development, testing, and research; and business analysis and management services rendered under a joint venture agreement. An aircraft industry joint venture qualifies for the exemption if each participant's ownership interest is equal to the aggregate ownership interest percentage of each related member participating in the venture. Other joint ventures qualify if the company providing the service owns at least 25% of the joint venture.

In either case, to qualify for the exemption, (1) a joint venture's purpose must relate directly to producing or developing new or experimental products or systems and supporting and marketing them; (2) one of its corporate participants must have been actively engaged in business in Connecticut for at least 10 years; and (3) the entity receiving services must be either a corporation, partnership, or limited liability company and the one giving services must be its corporate shareholder, partner, or member.

EFFECTIVE DATE: July 1, 2025

§ 370 — DUES TAX EXEMPTION

Increases the threshold for annual dues and initiation fees that are exempt from the state's 10% dues tax from $100 to $250

The act increases the threshold for the amount of annual dues and initiation fees that are exempt from the state's dues tax from a maximum of $100 to a maximum of $250. The 10% dues tax applies to amounts paid as dues or initiation fees to any social, athletic, or sporting club (organizations owned, operated, or owned and operated, by members). The tax is imposed on the club, but then reimbursed by its members.

By law, the following are also exempt from the tax:

1. clubs sponsored or controlled by a charitable or religious organization, government agency, or nonprofit educational institution;
2. any society, order, or association operating under the lodge system or any local fraternal organization among college or university students; and
3. lawn bowling clubs.

EFFECTIVE DATE: July 1, 2025

§ 371 — EARNED INCOME TAX CREDIT (EITC) INCREASE

Increases the state EITC by $250 for taxpayers with at least one qualifying child

By law, Connecticut residents who qualify for, and claim, the federal EITC may claim a refundable state EITC equal to 40% of the federal credit for the same tax year. The act increases the credit's amount by $250 for eligible taxpayers with at least one qualifying child for federal income tax purposes.

Under federal law, people who work and earn incomes below certain levels qualify for the EITC. Credit amounts vary according to a taxpayer's income and the number of children he or she has. If the state credit exceeds the taxpayer's state income tax liability, he or she receives the difference as an income tax refund.

EFFECTIVE DATE: Upon passage, and applicable to tax years beginning on or after January 1, 2025.

§ 372 — INCOME TAX CREDIT FOR FAMILY CHILD CARE HOME OWNERS

Establishes a refundable income tax credit for taxpayers who own a state-licensed family child care home

The act establishes a refundable income tax credit for taxpayers who own a state-licensed family child care home. The credit equals $500 and applies against the personal income tax, but not the withholding tax.

If the taxpayer is an S corporation or treated as a partnership for federal income tax purposes, the taxpayer's shareholders and partners may claim the credit. If the taxpayer is a single member limited liability company (LLC) that is disregarded for federal tax purposes, the LLC's owner may claim the credit as long as the owner is subject to the personal income tax.

If the credit exceeds the taxpayer's liability, the act requires the DRS commissioner to treat the excess as an overpayment and refund it without interest. By law, and under the act, the DRS commissioner may withhold tax refunds to pay outstanding liabilities for other taxes and to reimburse the state for certain debts.

EFFECTIVE DATE: January 1, 2026, and applicable to tax years starting on or after that date.

Background — Family Child Care Homes

Family child care homes are state-licensed, private family homes generally caring for up to six children (or nine children, if the provider employs an approved staff member), including the provider's own children, who are not in school full-time. These homes generally provide between 3 and 12 hours of care per day (with specified exceptions for extended care or intermittent short-term overnight care) (CGS § 19a-77(a)(3)).

§ 373 — FARM INVESTMENT TAX CREDIT

Creates a refundable business tax credit for farmers' investments in eligible machinery, equipment, and buildings equal to 20% of the amount spent or incurred on the eligible property

Eligible Farmers

The act creates a refundable corporate and income tax credit for farmers' investments in eligible machinery, equipment, and buildings. Under the act, a farmer is eligible for the credit if he or she is a Connecticut taxpayer whose federal gross income from farming for the income or tax year is at least two-thirds of their federal gross income from all sources over $30,000 (i.e. "excess federal gross income"). Taxpayers may use a three-year average when determining their income eligibility, calculated using their federal gross income from farming for the respective income or tax year and the two previous consecutive years.

Eligible Property and Agricultural Production

Under the act, the credit is 20% of the amount eligible farmers paid or incurred for eligible property in the applicable income or tax year. Eligible property includes:

1. machinery and equipment purchased by an eligible farmer on or after January 1, 2026, and
2. buildings and structural components an eligible farmer acquired, constructed, reconstructed, or erected and placed in service on or after that date.

In either case, the property must (1) be located in the state; (2) have a class life of more than four years, as determined under specified IRS rules; and (3) be held and used in the state by an eligible farmer in the course of "agricultural production" for at least five years after being acquired or placed in service. Property is not eligible if it is (1) acquired from a related person (such as other business entities controlled by the farmer) or (2) leased or acquired to be leased to another person during the first 12 months after being acquired or placed into service.

Under the act, "agricultural production" is engaging in any of the following as a trade or business: (1) raising or harvesting any agricultural or horticultural commodity; (2) dairy farming; (3) forestry; (4) raising, feeding, caring for, shearing, training, or managing livestock; or (5) raising and harvesting fish, oysters, clams, mussels, or other molluscan shellfish.

Credit Claims and Refunds

Farmers may claim the tax credit against the corporation business tax or the personal income tax (but not the

withholding tax). Taxpayers who do so may not claim any other state tax credit for the same investment.

If the taxpayer is an S corporation or treated as a partnership for federal income tax purposes, the taxpayer's shareholders and partners may claim the credit. If the taxpayer is a single member LLC that is disregarded for federal tax purposes, the LLC's owner may claim the credit as long as the owner is subject to corporation business or personal income tax.

If a farmer's credit amount exceeds his or her tax liability, the DRS commissioner must treat the excess as an overpayment and refund the excess amount to the farmer without interest. By law, and under the act, the DRS commissioner may withhold tax refunds to pay outstanding liabilities for other taxes and to reimburse the state for certain debts.

Credit Recapture

The act imposes a credit recapture requirement that applies for five years after the property is acquired. Specifically, the farmer must repay (1) 100% of the credit if the property is no longer held or used in the state for agricultural production within the first three years after it was acquired or (2) 50% of the credit if this occurs within the fourth or fifth year. The farmer must repay the recaptured amount on his or her tax return for the income or tax year immediately after the year in which the three- or five-year period expires, as applicable.

Recapture payments that are not paid within three months after the income or tax year ends are subject to interest at the rate of 1% per month or partial month. Under the act, the recapture requirements do not apply to property for which the farmer received a credit and subsequently replaced and this replacement property is not eligible for the credit.

EFFECTIVE DATE: January 1, 2026, and applicable to income and tax years beginning on or after that date.

Background — Related Act

PA 25-152, § 5, creates a similar farm investment tax credit that applies to a broader range of agricultural production.

§ 374 — CHET CONTRIBUTION TAX CREDIT

Establishes a new business tax credit for employer contributions to a qualifying employee's CHET account

The act establishes a new business tax credit for contributions employers make to a qualifying employee's Connecticut Higher Education Trust (CHET) account. The credit equals 25% of the employer's contribution and is capped at $500 per employee per income or tax year. Taxpayers may apply the credit against the corporation business, insurance premiums, or personal income taxes (but not the withholding tax).

Under the act, employers may receive a tax credit for contributions they make to their employees' CHET accounts as long as the employees are not the employer's owners, members, partners, or family members. If the taxpayer is an S corporation or treated as a partnership for federal income tax purposes, the taxpayer's shareholders and partners may claim the credit. If the taxpayer is a single member limited LLC that is disregarded for federal tax purposes, the LLC's owner may claim the credit as long as the owner is subject to insurance premiums, corporation business, or personal income tax.

EFFECTIVE DATE: July 1, 2025, and applicable to income and tax years starting on or after January 1, 2025.

§§ 375-383 — CHET PROGRAM CHANGES

Makes various changes to the CHET program statutes, primarily to (1) align the program's statutes with federal law and current practice, (2) explicitly allow CHET account owners to make federally tax-exempt rollover distributions from their CHET accounts, (3) explicitly authorize the treasurer to retain investment advisors to make CHET trust fund investments on his behalf, (4) eliminate the statutory framework for the CHET Baby Scholars Fund program and its related account, and (5) eliminate the ability for taxpayers to contribute any portion of their state income tax refund to the Baby Scholars Fund and instead allow them to contribute their refunds to the Connecticut Baby Bonds Trust

Overview

The act makes various changes to the CHET program statutes, primarily to:

1. align the program's statutes with federal law and current practice;
2. explicitly authorize the treasurer to retain investment advisors to make CHET trust fund investments on his behalf;
3. eliminate the statutory framework for the CHET Baby Scholars Fund program and its related account;
4. eliminate the ability for taxpayers to contribute any portion of their state income tax refund to the Baby Scholars

Fund and instead allow them to contribute their refunds to the Connecticut Baby Bonds Trust; and

5. make other minor, technical, and conforming changes.

EFFECTIVE DATE: July 1, 2025

Definitions

The act replaces references to "depositors" (anyone making a deposit or payment to CHET under a participation agreement) with references to "account owners" (owners or successor owners of an account in CHET that was established under a participation agreement and into which contributions are made for the account's designated beneficiary's qualified higher education expenses). It also replaces the prior definitions of "designated beneficiary" and "eligible educational institution" with the substantively similar definitions in the federal law applicable to programs like CHET.

It also incorporates the federal definition of "qualified higher education expenses." Under prior law, these expenses included tuition, fees, books, supplies, and equipment required for attending an eligible educational institution and any other higher education expenses that federal law may allow in the future. Under federal law, they also include specified (1) expenses for special needs services connected with enrolling in or attending the school; (2) computer, software, and internet access expenses; (3) tuition expenses for elementary and secondary public, private, or religious schools; (4) expenses associated with registered apprenticeship programs; and (5) qualifying student loan repayments.

Investment Advisors

The law requires the state treasurer to invest the trust in a reasonable way to achieve its objectives; exercise a prudent person's care and discretion; and consider such things as rate of return, risk, maturity, and portfolio diversification, among other things. The act authorizes him to retain investment advisors to make these investments. Under the act, he may delegate to these advisors the authority to act in his place to (1) invest or reinvest the trust's deposits and (2) hold, buy, sell, assign, transfer, or dispose of the securities and investments in which the deposits have been invested and their proceeds. These investment advisors must be registered with the Securities and Exchange Commission unless they are exempt from doing so under federal law.

The act requires the investment advisors to make these investments (1) solely in the interest of account owners and designated beneficiaries and (2) only to provide benefits to designated beneficiaries for qualified higher education expenses and defray the trust's and CHET accounts' reasonable expenses.

Income Disregard

Prior law required CHET investments to be disregarded as assets in determining a person's eligibility for the (1) Temporary Family Assistance program, (2) Low Income Home Energy Assistance Program, and (3) federally funded weatherization assistance program. The act instead requires that any CHET account contributions and federally tax-exempt distributions (including those for qualified higher education expenses) be disregarded when determining a person's eligibility for any means-tested public assistance program administered by the state or its political subdivisions.

As under existing law, CHET investments must also be disregarded in determining a person's eligibility for need-based institutional grants offered at the state's public colleges and universities.

Rollover Distribution

The act explicitly allows account owners to transfer money from a CHET account via any federally tax-exempt rollover distribution allowed under the federal 529 program law. Under this law, amounts distributed from a 529 plan are generally tax-exempt if they are rolled over (or transferred) to (1) another 529 account (for the beneficiary or a family member); (2) an Achieving a Better Life Experience (ABLE) account (for the beneficiary or a family member); or (3) a Roth IRA, subject to certain conditions and limitations.

CHET Baby Scholars Fund and Program

Incentive Payments. The act eliminates the statutory authorization for the CHET Baby Scholars program, which provides state incentive payments for people who establish CHET plans. Under prior law, a plan qualified for these payments if the child was born or legally adopted on or after January 1, 2014, and lived in Connecticut when the state made the payments. The act similarly eliminates the dedicated account (CHET Baby Scholars Fund) to fund these payments. The state treasurer's office currently offers these incentive payments through its contract with the CHET program administrator.

Prior law required the treasurer to make up to two incentive payments to the savings plan of a participating child: (1) an initial $100 payment for accounts opened by a child's first birthday or within one year after the child's legal adoption and (2) a subsequent $150 payment if the plan received at least $150 in deposits (excluding the treasurer's initial $100 contribution) before the child's fourth birthday or within four years after his or her legal adoption. In practice, the CHET program currently offers only the initial $100 contribution.

Income Tax Refunds. The act eliminates provisions allowing taxpayers to contribute any portion of their state income tax refund to the CHET Baby Scholars Fund and instead allows them to contribute to the Connecticut Baby Bond Trust. (The Connecticut Baby Bonds Trust funds the Baby Bonds program, which invests up to $3,200 for certain individuals at birth that they can claim between the ages of 18 and 30 for expenses such as education, buying a home, investing in a business in Connecticut, or personal financial investments. The trust is designated as a 501(c)(3) charitable trust.)

The act also eliminates provisions that require the revenue services commissioner to modify tax return forms to include specified information on the CHET program and CHET Baby Scholars Fund, including spaces for taxpayers to indicate (1) their intentions to contribute a portion of their returns to a designated plan beneficiary or the CHET Baby Scholars Fund and, (2) if applicable, the beneficiary's name and Social Security number.

§§ 384 & 385 — UCONN TAX CREDIT INCENTIVE PROGRAM

Authorizes UConn to set up and administer a tax credit incentive program to promote and publicly recognize the university and its programs, services, and mission; creates a 50% tax credit for payments made to UConn according to qualified agreements under this program; caps the total credits allowed for each calendar year at $5 million and for each taxpayer at $500,000 per tax or income year

The act authorizes UConn to set up and administer a tax credit incentive program to promote and publicly recognize the university and its programs, services, and mission. It requires UConn to adopt, update, and implement any policies and procedures needed to implement this program. The act creates a tax credit for amounts people, businesses, or entities paid to UConn according to a written agreement with the university under this program ("qualified agreement"). The credit applies to payments made under agreements executed on or after (1) July 1, 2025, or (2) an earlier date on which the university adopts or updates its policies and procedures.

The credit equals 50% of the payments made for the tax or income year, as applicable, and is capped at $500,000 per taxpayer for each tax or income year. The act caps the total credits allowed for each calendar year at $5 million.

EFFECTIVE DATE: Upon passage and applicable to tax and income years beginning on or after January 1, 2025.

Credit Claims

The act allows taxpayers (people, businesses, and entities, whether or not they are subject to any state taxes) to apply the credit against the personal income tax (but not the withholding tax) and specified business taxes (corporation business, insurance premiums, pass-through entity, air carriers', railroad companies', cable and satellite TV companies', and utility companies' taxes). It allows corporation business taxpayers to use the credit to reduce up to 100% of their tax liability by exempting the credit from the law that generally limits total credits to 50.01% of a company's tax liability (or 70% for certain credits).

If the taxpayer is an S corporation or treated as a partnership for federal income tax purposes, the taxpayer's shareholders and partners may claim the credit. If the taxpayer is a single member LLC that is disregarded for federal tax purposes, the LLC's owner may claim the credit as long as the owner is subject to any of the taxes specified above.

Under the act, taxpayers may carry forward unused credits for 15 years until they are fully taken.

Applications to Reserve Credits

Under the act, taxpayers that are subject to one of the specified taxes may apply to UConn to reserve a credit allocation. UConn must set the application, which must include the information it needs to administer the tax credit program. The university must reserve credit allocations for taxpayers that meet the act's requirements on a first-come, first-served basis.

Credit Vouchers

Taxpayers must request a credit voucher from UConn to claim the credit on their tax returns. In doing so, they must give UConn any documentation it requires to verify the payments made under a qualified agreement. Once verified, UConn must issue the taxpayer a voucher for 50% of the payments made, subject to the credit limits described above. The taxpayer

must file this voucher with its state tax return for the tax or income year in which the payments were made and the DRS commissioner must grant it a credit for the amount specified in the voucher.

If a taxpayer requests a voucher for an amount that exceeds the amount UConn previously reserved for the taxpayer, UConn may issue a voucher for the amount requested only if (1) there is room under the aggregate cap for that year and (2) the taxpayer provides documentation satisfactory to UConn to verify that the taxpayer paid the amount requested under a qualified agreement.

The act similarly allows UConn to issue a credit voucher to a taxpayer that did not reserve a credit allocation if (1) there is room under the aggregate cap for that year and (2) the taxpayer provides the documentation satisfactory to UConn to verify that the taxpayer paid the amount requested under a qualified agreement. However, UConn must give taxpayers with reserved credit allocations priority for the credits over taxpayers that did not reserve a credit.

Reporting Requirement

The act requires UConn to annually report as follows:

1. starting by January 31, 2026, it must give DRS a list of the vouchers issued for the preceding calendar year and their amounts and
2. starting by March 31, 2026, it must give the Finance, Revenue and Bonding and Higher Education and Employment Advancement committees a report summarizing, for the preceding calendar year, (a) the number and amounts of credits reserved and vouchers issued and (b) any other information it deems informative to monitor the program.

§ 386 — VOLATILITY CAP THRESHOLD

Sets the volatility cap threshold at $4,079.3 million for FY 25 and $4,728.6 million for FY 26; requires the cap to be adjusted for inflation for FY 27 and after

The act sets the volatility cap threshold at $4,079.3 million for FY 25 and $4,728.6 million for FY 26. For FY 27 and after, it requires the $4,728.6 million threshold to be annually adjusted for inflation as under existing law (i.e. based on the compound annual growth rate of state personal income over the preceding five calendar years, using U.S. Bureau of Economic Analysis data).

The "volatility cap" is a mechanism for diverting volatile tax revenue to the Budget Reserve Fund (BRF). It requires the state treasurer to transfer to the BRF any revenue the state receives each fiscal year in excess of the applicable threshold amount from (1) personal income tax estimated and final payments (generated from taxpayers who make estimated income tax payments on a quarterly basis) and (2) the pass-through entity tax. Prior law set the threshold at $3,150 million and required that it be annually adjusted for personal income growth, as described above. The threshold was previously set at $3,929.3 million for FY 25.

By law, the legislature may amend the threshold amount, by a vote of three-fifths of the members of each house, due to changes in state or federal tax law or policy or significant adjustments to economic growth or tax collections.
EFFECTIVE DATE: June 30, 2025

§ 387 — DRS TAX GAP REPORT

Extends the deadline for DRS to submit its next tax gap report by one year and requires the agency to submit future reports every two years rather than annually

Prior law required DRS to annually estimate and analyze the state's "tax gap," develop a strategy to address it, and report certain information to the legislature. The act delays the next required tax gap report by one year, from December 15, 2025, to December 15, 2026, and requires DRS to submit subsequent reports every two years, rather than annually.

By law, the "tax gap" is the difference between (1) state taxes and fees owed under full compliance with all state tax laws and (2) the state taxes and fees voluntarily paid, which may be caused by failing to file taxes, underreporting tax liability, or not paying all taxes and fees owed.

By law, DRS must, by July 1, 2025, publish a plan on its website that includes the department's measurable goals for closing the tax gap, specific strategies for achieving the goals, and a timetable to measure progress toward closing the gap. Prior law required DRS to update this plan annually. The act instead requires it to update the plan as part of its biennial update of the tax gap report.
EFFECTIVE DATE: Upon passage

§ 388 — DRS TAX INCIDENCE REPORT

Limits, from every two years to every four years, the frequency with which DRS's tax incidence report must include incidence projections for the property tax and any other tax that generated $100 million or more in the fiscal year before the report's submission

Existing law requires DRS's biennial tax incidence report to provide, for the 10 most recent years for which complete data are available, the overall incidence of specified taxes. Starting with the report due in 2025, the act limits, from every two years to every four years, the frequency with which the report must include incidence projections for the property tax and any other tax that generated $100 million or more in the fiscal year before the report's submission. As under existing law, each biennial report must continue to include projections of the income tax, pass-through entity tax, sales and excise taxes, and corporation business tax. It also makes technical and conforming changes.
EFFECTIVE DATE: Upon passage

§§ 389 & 390 — PAYING DOWN SPECIAL TRANSPORTATION FUND-SUPPORTED DEBT

Extends and makes permanent a change made in 2024 requiring that a portion of the STF's remaining balance at the end of the fiscal year be deemed appropriated to pay off STF-supported debt

The act extends and makes permanent a change made in 2024 requiring that a portion of the Special Transportation Fund's (STF) remaining balance at the end of the fiscal year be deemed appropriated to pay off STF-supported debt. PA 24-151, § 124, authorized a similar one-year appropriation only for FY 24.

Under the act, beginning with FY 25, if the remaining balance in the STF after the accounts have been closed for the fiscal year and any required transfers have been made exceeds 18% of the fund's net appropriations for the current fiscal year, the state treasurer must use the excess to pay down certain STF-supported debt, as he determines is in the state's best interest. Specifically, he may use this excess amount for any one or a combination of the following:

1. to redeem any outstanding STF-supported debt (special tax obligation indebtedness of the state) before its maturity;
2. to buy outstanding STF-supported debt in the open market, at prices and under terms and conditions the treasurer determines, to pay off or defease (zero out) the debt; or
3. to defease outstanding STF-supported debt by irrevocably placing funds in escrow that are dedicated to, and sufficient to satisfy, scheduled principal and interest payments on the debt.

The act requires that any method the treasurer selects reduces the projected debt service for the current fiscal year and each of the following nine fiscal years. For the second fiscal year after the fiscal year in which the balance was used, and each of the following seven fiscal years, the projected debt service reduction must not vary by more than (1) $1 million or (2) 10% of the smallest projected debt service reduction for the following seven fiscal years, whichever is greater.

The act requires the treasurer to report on his use of these excess funds in his annual report to the governor. Specifically, for any fiscal year in which the treasurer used a portion of the STF's remaining funds as described above, he must report the amount and method used and the projected debt service savings for the specified fiscal years. He must also include a statement that these savings do not exceed the act's maximum allowable variance.
EFFECTIVE DATE: Upon passage

§ 391 — SOURCING REVENUE TO MUNICIPALITIES

Requires the DRS commissioner to track and record the source of state sales and use, personal income, and corporation business tax revenue to accurately and fairly attribute the revenue from each of these taxes to municipalities

Starting with FY 26, the act requires the DRS commissioner to track and record the source of state sales and use, personal income, and corporation business tax revenue to accurately and fairly attribute the revenue from each of these taxes to municipalities. The commissioner must determine the sourcing method for attributing this revenue to each municipality, but, in doing so, he must source (1) sales and use and corporation business tax revenue to each municipality in which the taxpayer has an office or facility in Connecticut and (2) personal income tax revenue from earned income, to the extent possible, to the municipality in which the employer's office or facility is located for any employees who primarily work at these locations.

The act requires taxpayers paying these taxes to provide disaggregated information and any other data the commissioner requests to carry out these requirements. Annually, starting by October 31, 2026, the commissioner must post on DRS's website a list of all municipalities and the amount of revenue from each of these taxes attributed to each one for the

applicable fiscal year.
EFFECTIVE DATE: Upon passage

§ 392 — ADDITIONAL DEDUCTION FOR CERTAIN COMBINED GROUPS AFFECTED BY COMBINED REPORTING

Modifies the income year used to calculate a specific corporation business tax deduction for certain combined groups

Existing law allows certain combined groups, beginning with the 2026 income year, to take a corporation business tax deduction to offset certain balance sheet adjustments that resulted from the state's shift to combined reporting. The deduction is for 30 years and equals 1/30th of the amount necessary to offset the increase in their "valuation allowance" against net operating losses and tax credits in Connecticut. (A "valuation allowance" is the portion of a deferred tax asset for which it is likely that a tax benefit will not be realized, as determined under generally accepted accounting principles.)

The act requires the increase in valuation allowance to be calculated based on the change reported in the combined group's financial statements for the 2015 income year, rather than 2016 income year as prior law required.
EFFECTIVE DATE: Upon passage

§ 393 — LOCAL OPTION HOMESTEAD PROPERTY TAX EXEMPTION

Allows municipalities that adopt a local option homestead exemption to limit its eligibility by (1) capping the assessed value of qualifying dwellings, (2) requiring owners to have lived in the property for a specified period of time to qualify, or (3) implementing both

The act allows municipalities that adopt a local option homestead exemption to limit its eligibility by (1) capping the assessed value of qualifying dwellings, (2) requiring owners to have lived in the property for a specified period of time to qualify, or (3) implementing both.

A 2024 law authorized municipalities to exempt between 5% and 35% of the assessed value of owner-occupied single-family homes and duplexes, including condominiums and common interest community units (PA 24-151, § 71). Municipalities that choose to adopt this exemption must do so by vote of their legislative bodies (or board of selectmen if the legislative body is a town meeting).
EFFECTIVE DATE: Upon passage

§ 394 — CIGARETTES

Modifies the definition of "cigarettes" under the state's cigarette tax and other laws to, among other things, explicitly include any roll, stick, or capsule of tobacco intended to be heated under ordinary use

Definition

The act modifies the definition of "cigarette" under the cigarette tax law to generally align it with the definition in the tobacco master settlement agreement (MSA) law (the 1998 agreement between Connecticut and leading tobacco companies).

The prior cigarette tax law broadly defined a cigarette as a roll for smoking made wholly or in part of tobacco, irrespective of size or shape and whether the tobacco was flavored, adulterated, or mixed with any other ingredient. The roll had to have a wrapper or cover made of paper or any other material, and a roll with a wrapper made of homogenized tobacco or natural leaf tobacco and that was a cigarette size of three pounds or less per thousand was also considered a cigarette and subject to the tax.

Under the act, as under the MSA law, a "cigarette" is any product that contains nicotine, is intended to be burned or heated under ordinary use, and consists of or contains the following:

1. a paper-wrapped roll of tobacco or roll of tobacco wrapped in any substance not containing tobacco;
2. tobacco in any form that is functional in the product and is likely to be offered to or purchased by a customer as a cigarette because of its appearance, the type of tobacco in the filler, or its packaging or label; or
3. a roll of tobacco wrapped in any substance containing tobacco and likely to be offered to or purchased as a cigarette as described above.

As under existing law, a roll that weighs over three pounds per thousand and has a wrapper made entirely or mostly of tobacco is excluded.

The act explicitly includes a roll, stick, or capsule of tobacco, regardless of its shape or size, that is intended to be heated under ordinary use. As under existing law, a roll is also considered a cigarette if it has a wrapper made of homogenized tobacco or natural leaf tobacco and is a cigarette size that weighs three pounds or less per thousand.

Related Laws

By modifying the definition of cigarette for the cigarette tax, the act potentially expands the products subject to this tax and the existing restrictions on selling, giving, or delivering cigarettes to people under 21. It also potentially expands the distributors, retailers, and manufacturers subject to the existing laws and restrictions on selling cigarettes in Connecticut. This includes laws requiring:

1. anyone whose business includes selling cigarettes in Connecticut to have either a cigarette dealer's or cigarette distributor's license from DRS,
2. those that intend to distribute cigarettes in Connecticut to have a cigarette distributor's license, and
3. tobacco product manufacturers to get and maintain a cigarette manufacturer's license and either (a) enter into and perform financial obligations under the tobacco settlement agreement or (b) pay into a qualified escrow account for each cigarette they sell in the state.

It also potentially expands the products that factor into the qualifying criteria for firefighter cancer relief benefits. By law, to qualify for the benefits, among other things, a firefighter must not have used cigarettes, as defined under the cigarette tax law, during the 15 years before the cancer diagnosis.

EFFECTIVE DATE: July 1, 2025

§§ 395 & 396 — E-CIGARETTES

Imposes restrictions and penalties on e-cigarettes similar to those that apply to cigarettes under existing law; specifically requires e-cigarette sellers to ask prospective buyers to present a driver's license, passport, or ID card to verify that they are at least age 21 and allows them to use electronic scanners to check a passport's validity, just as existing law allows for driver's licenses and ID cards; increases the maximum fines that may be imposed on anyone who sells, gives, or delivers an e-cigarette to a minor

Shipping and Transporting Restrictions

The act places restrictions on in-state shipping and transporting of e-cigarettes that are similar to those in law for cigarettes. (PA 25-166, § 45, repeals these provisions effective October 1, 2025, and § 6 of the same act instead imposes similar provisions that subject violators to civil penalties and makes violations a Connecticut Unfair Trade Practices Act violation.)

Authorized Recipients. Specifically, businesses may only ship or transport e-cigarettes to a (1) Department of Consumer Protection- (DCP-) registered e-cigarette dealer or manufacturer or (2) government employee, officer, or agent acting within his or her official duties. The act relatedly requires the DCP commissioner to publish on the department's website a list of each person that holds a dealer or manufacturer registration. It prohibits common or contract carriers or anyone else from knowingly delivering e-cigarettes to a residence or to someone in Connecticut they reasonably believe is not one of these authorized recipients.

Packaging Requirement. The act requires e-cigarette sellers shipping or transporting e-cigarettes to these authorized recipients to plainly and visibly mark the packages when they do not ship them in their original container or wrapping. Specifically, the packages must state the following: "CONTAINS AN ELECTRONIC NICOTINE DELIVERY SYSTEM OR VAPOR PRODUCT – SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY." It also requires these sellers to make the deliveries conditional on the customer signing an acknowledgement of receipt and presenting proper proof of age.

The act eliminates similar packaging and age verification requirements that previously applied to e-cigarette dealers selling and shipping e-cigarettes to in-state consumers.

Seizure. Under the act, e-cigarettes shipped or transported in violation of these provisions are contraband and subject to confiscation, storage, and destruction. The shipper or transporter is liable for all confiscation, storage, and destruction costs.

Penalties. The act makes a first violation of these provisions a class B misdemeanor and subsequent violations a class A misdemeanor (see Table on Penalties). The DRS commissioner may also impose a maximum civil penalty of $10,000 for each violation, with each shipment or transport treated as a separate offense.

Age Verification Requirements

The act explicitly requires e-cigarette sellers to ask prospective buyers to present a driver's license, passport, or ID card to verify that they are at least age 21 and allows them to use electronic scanners to check a passport's validity, just as existing law allows them to for driver's licenses and ID cards. It also (1) increases the maximum fines that may be imposed on anyone who sells, gives, or delivers an e-cigarette to a minor and (2) authorizes the DCP commissioner to suspend or revoke an e-cigarette dealer's registration for violating any provision of these age verification laws. (PA 25-166, § 44, contains identical provisions.)

Proof of Age. Connecticut law makes it illegal to sell, give, or deliver e-cigarettes to a minor (under age 21) and requires sellers and their agents or employees to ask a prospective buyer who appears to be under age 30 for proper proof of age, in the form of a driver's license, valid passport, or ID card. Sellers are prohibited from selling an e-cigarette to someone who does not provide this proof.

The act additionally requires sellers and their agents or employees to ask all prospective buyers to present a driver's license, passport, or ID card to prove that they are 21 or older. A similar requirement applies under existing law to cigarette and tobacco product purchases.

Electronic Scanners. Existing law allows sellers to verify a prospective buyer's age by using an electronic scanner to check the validity of the buyer's driver's license or ID card. The act additionally allows them to use these scanners to check a passport's validity. It makes various conforming changes to the electronic scanner laws, including:

1. barring the sale if the scan fails to match the information on the passport,
2. limiting the information that can be recorded and kept from a scan to the passport holder's name and birthdate and the passport's expiration date and identification number, and
3. allowing an affirmative defense in prosecutions for selling e-cigarettes to minors where the seller relied on a scan indicating a valid passport.

The same provisions apply to driver's licenses and ID cards under existing law. The act also eliminates a provision allowing sellers to use an electronic scanner to check the validity of documents other than driver's licenses and ID cards if they have a scannable bar code or magnetic strip.

By law, violators of these provisions are subject to a civil penalty of up to $1,000.

Fines for Underage Sales. The act increases the maximum fines that may be imposed on anyone who sells, gives, or delivers an e-cigarette to a minor to $1,000 for each offense, rather than the prior maximum fines of:

1. $300 for a first offense;
2. $750 for a second offense committed within 24 months of the first offense; and
3. $1,000 for each subsequent offense committed within those same 24 months.

By law, the fines do not apply to anyone who sells, gives, or delivers e-cigarettes to, or receives them from, a minor who receives or delivers them (1) as an employee or (2) as part of a qualifying scientific study.

EFFECTIVE DATE: July 1, 2025

§ 397 — PILOT PROGRAM TO COLLECT CERTAIN DELINQUENT STATE TAXES

Requires the OPM secretary and DRS commissioner to set up a pilot program to collect unpaid state taxes, penalties, and interest due from anyone receiving payments from a state agency

The act requires the OPM secretary and DRS commissioner to set up a pilot program to facilitate the collection of unpaid state taxes, penalties, and interest due from anyone receiving payments from a state agency (i.e. any state department, board, council, commission, institution, or other state executive branch agency). They must (1) design the program to minimize the administrative burdens on DRS and other state agencies and (2) present it to the Finance, Revenue and Bonding Committee by January 1, 2026.

EFFECTIVE DATE: Upon passage

§ 398 — HOUSING TAX CREDIT CONTRIBUTION PROGRAM PROCEDURES

Eliminates the requirement that the DRS commissioner approve CHFA's written procedures to implement the Housing Tax Credit Contribution program

The act eliminates the requirement that the DRS commissioner approve the Connecticut Housing Finance Authority's (CHFA) written procedures to implement the Housing Tax Credit Contribution program. By law, CHFA administers this program, which gives tax credits to businesses making cash contributions of at least $250 to nonprofits that develop,

sponsor, or manage housing programs benefitting low- and moderate-income households. The law requires CHFA to adopt written procedures to implement the program, including a ranking system for awarding the tax credits.
EFFECTIVE DATE: Upon passage

§§ 399 & 400 — ANNUAL ASSESSMENTS ON THE TRIBES

Shifts, from DRS to DCP, the responsibility for issuing annual assessments to the Mashantucket Pequot and Mohegan tribes

The act shifts, from DRS to DCP, the responsibility for issuing annual assessments to the Mashantucket Pequot and Mohegan tribes for regulatory costs incurred by state agencies that are reimbursable under the compacts the state entered into with the tribes.
EFFECTIVE DATE: Upon passage

§ 401 — INCOME TAX WITHHOLDING FOR CERTAIN RETIREMENT INCOME DISTRIBUTIONS

Temporarily suspends the income tax withholding requirement on lump sum distributions from pensions, annuities, and other specified sources

The act suspends the income tax withholding requirement on lump sum distributions from pensions, annuities, and other specified sources from July 1, 2025, through December 31, 2026. But it requires payers (e.g., retirement plan servicers) to withhold taxes from these distributions if the payee has requested it.

By law, a "lump sum distribution" is a payment greater than $5,000 or more than 50% of the payee's entire account balance, whichever is less, excluding any other tax withholding and any administrative charges and fees. Under prior law, withholding was required for these distributions, unless (1) any portion of it was previously taxed, (2) it was a rollover trustee-to-trustee transfer, or (3) it was a direct rollover by a check made payable to another qualified account.

By law, as of January 1, 2025, income tax withholding is required for other (non-lump sum) distributions from pensions, annuities, and other specified sources only if the payee requests it.
EFFECTIVE DATE: July 1, 2025

§§ 402 & 403 — CONCENTRATED POVERTY CENSUS TRACTS

Expands the list of agencies and entities involved in developing a 10-year plan to reduce the levels of concentrated poverty in a designated concentrated poverty census tract; requires the DECD commissioner, by September 1, 2025, to submit an additional progress report to the legislature on the plan's development; eliminates a related working group

The act expands the agencies and entities involved in developing a 10-year plan to reduce the levels of concentrated poverty in a designated "concentrated poverty census tract" participating in a Department of Economic and Community Development (DECD) pilot program.

Existing law requires DECD's Office of Neighborhood Investment and Community Engagement to develop this plan in consultation with DECD's Office of Community Economic Development Assistance, OPM, the Office of Workforce Strategy, Office of Early Childhood, state Department of Education, applicable community development corporations serving the participating tract or tracts, applicable municipal chief elected officials, and any other public or private entity the DECD commissioner finds relevant or necessary to achieve these purposes. The act additionally requires the office to consult with DECD, the Department of Housing, and the regional workforce development board that serves the participating area.

The act also requires the DECD commissioner, by September 1, 2025, to submit an additional progress report to the Finance, Revenue and Bonding Committee on the 10-year plan's development. By law, he also had to report on this progress to the committee by June 1, 2025, and must submit the finished plan to the General Assembly by January 1, 2026.

Lastly, the act eliminates provisions establishing a seven-member working group of legislators to develop a guidance document, by April 1, 2025, setting a framework for (1) best practices and any initiatives or actions it believes will mitigate the effects of concentrated poverty and (2) specific metrics to include in the 10-year plan. (The working group has not met.)
EFFECTIVE DATE: Upon passage

§ 404 — BOTTLE BILL OVER-REDEMPTION REIMBURSEMENT GRANTS AND ENFORCEMENT FUNDING

Establishes the bottle bill escheats enforcement and assistance account to fund (1) State Police enforcement of the ban on illegal bottle redemption and (2) reimbursement grants for financial losses from over-redemption; transfers $2 million to the account for those purposes

The act establishes the "bottle bill escheats enforcement and assistance account" as a separate, nonlapsing account, for the OPM secretary to (1) fund State Police enforcement of the ban on illegal bottle redemption (i.e. over-redemption) and (2) give reimbursement grants to certain taxpayers with financial losses from over-redemption. (Existing law prohibits knowingly tendering an empty beverage container that was originally sold out-of-state or previously returned to redeem its refund value (i.e. deposit) or get a handling fee (CGS §§ 22a-243 to 22a-246).)

Under the act, the treasurer must transfer $2 million from the General Fund to the new account for FY 26. The OPM secretary must distribute $250,000 from the account to the State Police for the enforcement efforts and use the remainder ($1.75 million) for the reimbursement grants.

Taxpayers (i.e. deposit initiators, who are the first distributors to collect a deposit) are eligible to apply to OPM for reimbursement grants if they filed bottle bill returns with DRS for FY 25 and the returns show two consecutive quarters with financial losses due to beverage container over-redemption. (By law, deposit initiators must quarterly file a report with DRS on their beverage container deposits.) If the total amount of the reimbursement grants requested exceeds the account's designated funds, the act requires a proportional reduction to the awarded grants.

EFFECTIVE DATE: Upon passage

§ 405 — ATTORNEY GENERAL ENFORCEMENT OF THE BOTTLE BILL

Authorizes the attorney general to enforce certain bottle bill provisions

The act authorizes the attorney general, either independently or after receiving a complaint from either the DEEP or DRS commissioners, to investigate alleged violations of the bottle bill's provisions on:

1. redemption center registration, record retention, and reporting;
2. reverse vending machine operator record retention;
3. dealer, distributor, and redemption center acceptance of redeemable beverage containers;
4. handling fee payments;
5. violations of relevant DEEP regulations;
6. improper transfer or removal of beverage containers; and
7. illegal bottle redemption and associated required signage (PA 25-174, § 191, added several of the above requirements).

The act gives the attorney general the same authority for issuing subpoenas and written interrogatories with his investigation as already permitted under the Connecticut Antitrust Act (e.g., for material relevant to the scope of the alleged violation), but it prohibits him from using any information he obtains in a criminal proceeding.

Under the act, if the attorney general finds that there was a violation, he may bring a civil action against the violator in the Superior Court of the judicial district in which it occurred.

EFFECTIVE DATE: Upon passage

§ 406 — NOISE MITIGATION AT TWEED-NEW HAVEN AIRPORT

Earmarks $1 million of the Connecticut airport and aviation account's funds each fiscal year for noise mitigation at Tweed-New Haven Airport

The act earmarks $1 million of the Connecticut airport and aviation account's funds each fiscal year for noise mitigation at Tweed-New Haven Airport, according to federal aviation regulations.

By law, the Connecticut airport and aviation account is a nonlapsing account within the Grants and Restricted Accounts Fund. Account funds are spent by the Connecticut Airport Authority, with the OPM secretary's approval, for airport and aviation purposes. Starting July 1, 2025, the account is funded by revenue from the aviation fuel tax.

EFFECTIVE DATE: July 1, 2025

§ 407 — TELEPHONE AND TELECOMMUNICATION SUBSCRIBER FEE

Generally requires telephone and telecommunications companies to charge subscribers a five cent per month per service line fee to be deposited into the firefighters cancer relief account

Starting January 1, 2026, the act requires each telephone and telecommunications company providing local telephone service and each provider of (1) commercial mobile radio services (generally, mobile services that are provided for profit, are interconnected services, and are available to the public) and (2) voice over Internet protocol (VOIP) services (generally, phone calls over broadband internet) to charge each subscriber a fee of five cents per month per service line unless the subscriber opts out. The act exempts prepaid wireless telecommunications services from charging the fee. The collected funds must be sent to the state treasurer by the 15th day of each month for deposit into the firefighters cancer relief account. (By law, this account provides wage replacement benefits for eligible paid and volunteer firefighters diagnosed with cancer.)

The act requires providers to give a subscriber written notice at least 60 days before the provider begins assessing the fee. The notice must disclose (1) the fee's amount and frequency; (2) that the subscriber may opt out before the first assessment or a subsequent assessment of the fee, and the process to do so; (3) that if the subscriber does not opt out, they will be charged the fee; and (4) the date of the first assessment. The act also specifies that no part of the fee can be refunded.
EFFECTIVE DATE: Upon passage

§§ 408-410 — BENEFITS FOR FIREFIGHTERS WITH CANCER

Explicitly allows firefighters employed by the Connecticut Airport Authority, Tweed-New Haven Airport, or entities contracting with the Tweed-New Haven Airport Authority to participate in a program that provides certain benefits to firefighters with cancer; makes conforming changes to align with changes made by PA 25-4

PA 25-4 makes various changes to a program that provides workers' compensation-like benefits to firefighters who have certain cancers and meet other criteria, including changes clarifying the process for state-employed firefighters to apply for program benefits.

This act further specifies that state-employed firefighters covered by the program include firefighters employed by (1) the Connecticut Airport Authority or Tweed-New Haven Airport and (2) any entity that contracts with the Tweed-New Haven Airport Authority. It also makes related conforming changes.

Generally, existing law requires an eligible firefighter's employer to pay the program benefits and then be reimbursed from the state's firefighters cancer relief account. Under the law, the firefighters' cancer relief account must reimburse any costs for an eligible firefighter's cancer treatments not covered by his or her personal or group health insurance. The act further specifies that the reimbursement must be to the municipal or state employer that applied for reimbursement (which conforms to current practice).

Lastly, the act makes additional changes in the law governing the firefighters cancer relief account in order to conform with changes made by PA 25-4 (to standardize terminology and allow the account to be used to reimburse state employers).
EFFECTIVE DATE: October 1, 2025

§§ 411-414 — CHANGES TO THE COMMUNITY INVESTMENT ACCOUNT

Renames the CIA the "Donald E. Williams, Jr. community investment account" and modifies the fee amounts and the allocation of the collected funds

The act increases the land record recording fee that funds the community investment account (CIA) and increases the amounts the designated recipients receive from the account. It also renames the account the "Donald E. Williams, Jr. community investment account."

The act also makes technical changes, including eliminating obsolete provisions.
EFFECTIVE DATE: July 1, 2025

Distribution of Funds

By law, the CIA provides funding for milk producers and projects related to open space, farmland preservation, historic preservation, affordable housing, and agriculture promotion. Money is distributed quarterly to the state's agriculture sustainability account and DoAg, DECD, DEEP, and the Department of Housing (DOH).

In most cases, the act increases the annual amount distributed to its subrecipients by 25%, but does not change the

overall distribution between the four departments (see below).

Distribution of CIA Under Prior Law and the Act

Recipient	*Prior Law Distribution*	*The Act's Distribution*
Agriculture Sustainability Account	First $10 per fee credited to the CIA	First $12 per fee credited to the CIA (now renamed)
DECD	25%	25%
Supplement technical assistance and preservation activities of the CT Trust for Historic Preservation	$380,000	$475,000
Supplement activities of the Historic Preservation Council and related DECD activities (e.g., grants in aid for historic structures and placing plaques and markers)	Remainder	Remainder
DOH to supplement new or existing affordable housing programs	25%	25%
DEEP for municipal open space grants	25%	25%
DoAg	25%	25%
Agricultural Viability Grant Program	$500,000	$625,000
Farm Transition Program	$500,000	$625,000
Encourage the sale of CT-grown food to schools, restaurants, retailers, and other institutions and businesses in the state	$100,000	$125,000
CT Farm Link Program	$75,000	$93,750
Seafood Advisory Council	$47,500	$59,375
CT Farm Wine Development Council	$47,500	$59,375
CT Food Policy Council	$25,000	$31,250
Farmland preservation programs	Remainder	Remainder

Fee Increases

As shown in the table below, the act increases the fee charged by the town clerk for recording certain land or real estate records, increases the portion the clerk may retain, and increases the amount of the fee that clerks must remit to the state treasurer for deposit in the CIA. Not shown in the table, the remaining amounts of the fee, unchanged by the act, go to the General Fund or to other municipal purposes as specified by law.

Fee Increases for Certain Filings With Town Clerk

Fee Purpose	**Fee Amount** *Prior Law/This Act*	**Remitted to CIA (Now renamed)** *Prior Law/This Act*	**Retained by Clerk** *Prior Law/This Act*
Recording most land records	$40 / $50	$36 / $45	$1 / $2
Recording most documents by mortgagee nominees, other than the documents below	$116 / $116 (plus additional surcharges)	$36 / $45	$49/ $50, distributed as follows: $10 / $11 (for deposit in town clerk fund) $39/ $39 (as general municipal revenue)

Fee Purpose	Fee Amount *Prior Law/This Act*	Remitted to CIA (Now renamed) *Prior Law/This Act*	Retained by Clerk *Prior Law/This Act*
Assignments to or releases by mortgage nominees	$159 / $160	$36 / $45	$ 32 / $33 (as general municipal revenue)

§§ 415-433 — OCCUPATIONAL LICENSE OR CERTIFICATION FEES

Eliminates numerous occupational license or certification fees for health care professionals and educators

The act eliminates the occupational license or certification fees listed in the following table. It generally retains any applicable license renewal fees.

Occupational License Fees Eliminated Under the Act

§	*Citation*	*Occupational License or Certification*	*Prior Fee*
415	20-12b	Physician assistant (PA) license	$190
415	20-12b	PA temporary permit	150
416	20-86c	Nurse-midwife license	100
417	20-93	Registered nurse (RN) license examination	180
418	20-94	RN, license by endorsement	180
418	20-94	RN temporary permit	180
419	20-94a	Advanced practice registered nurse (APRN) license	200
419	20-94a	APRN, license by endorsement	200
420	20-96	Licensed practical nurse (LPN) license examination	150
421	20-97	LPN, license by endorsement	150
421	20-97	LPN temporary permit	150
422	20-126i	Dental hygienist license	150
423	20-126k	Dental hygienist, license by endorsement	150
424	20-260ll	Paramedic license*	150
424	20-260ll	Paramedic license renewal*	155
425	20-70	Physical therapist license examination	285
425	20-70	Physical therapist assistant license examination	190
426	20-71	Physical therapist, license by endorsement	225
426	20-71	Physical therapist assistant, license by endorsement	150
427	20-74d	Occupational therapist temporary permit	50
428	20-74f	Occupational therapist license	200
429	20-195c	Marital and family therapist license	200
429	20-195c	Marital and family therapist associate license	125
429	20-195c	Marital and family therapist, license by endorsement	200
429	20-195c	Marital and family therapist associate, license by endorsement	125
430	20-195o	Clinical social worker license	200
430	20-195o	Master social worker license	125
431	20-195t	Master social worker license temporary permit	50
432	20-195cc	Professional counselor license	200

§	Citation	Occupational License or Certification	Prior Fee
432	20-195cc	Professional counselor associate license	125
433	10-145b	Initial educator certificate	200

*PA 25-174, §§ 187 & 188, replaces this provision with a new one that eliminates the paramedic license application fee but retains the renewal fee.

EFFECTIVE DATE: October 1, 2025

§ 434 — TAX EXEMPTION FOR PROPERTY LOCATED ON CERTAIN RESERVATION LANDS

Establishes a tax exemption for property located on reservation land that is held in trust for a federally recognized Indian tribe

The act establishes a property tax exemption for real and tangible personal property located on reservation land that is held in trust for a federally recognized Indian tribe. The exemption applies regardless of the property's ownership.

With exceptions, federal law precludes taxing federally recognized tribes for real or personal property they own, and in some cases lease, on their reservations (see *Background — Related Case Law*). Additionally, existing state law specifically exempts from property tax (1) reservation land held in trust by the state and (2) motor vehicles owned by tribal members or their spouses and garaged on the tribe's reservation (CGS § 12-81(2) & (71)).

EFFECTIVE DATE: October 1, 2025, and applicable to assessment years starting on or after that date (PA 25-174, § 204, delays the effective date to October 1, 2026, and makes it applicable to assessment years starting on or after that date.)

Background — Related Case Law

The U.S. Supreme Court has ruled that, under the U.S. Constitution, states may not tax federally recognized Indian reservations and the Indians on them without clear congressional authorization to do so (*Oklahoma Tax Commission* v. *Chickasaw Nation*, 515 U.S. 450 (1995)). Local governments, as political subdivisions of the states, are generally subject to the same limitation.

However, federal law does not necessarily preempt taxing non-Indian owned businesses or non-Indian owned property on reservations. In *Mashantucket Pequot Tribe* v. *Town of Ledyard*, 722 F.3d 457 (2d Cir. 2013), the Second Circuit Court of Appeals held that the town could levy personal property taxes on slot machines owned by a non-Indian lessor and leased to the tribe for its exclusive use for on-reservation gaming. In doing so, it overturned a decision by the district court that found the property tax was preempted by federal law.

§§ 435-442 & 456 — SOUTH MEADOWS SITE, MDA, AND CRDA

Makes various changes related to the South Meadows site, which contains closed resource recovery and jet turbine facilities, to, among other things, (1) transfer MDA-related property and powers to CRDA rather than DAS, (2) subject the work CRDA performs on the site (e.g., development, redevelopment, and remediation) to different regulatory processes, (3) require state tax revenue generated within the site to be retained and reinvested by CRDA there, (4) create a property tax exemption, and (5) terminate MDA a year earlier than scheduled

PA 25-174, §§ 228-232, and this act make several changes related to two Hartford properties located at 300 Maxim Road and 100 Reserve Road that the act designates collectively as the "South Meadows site." (The site contains closed resource recovery and jet turbine facilities.)

Primarily, this act:

1. transfers the ownership, functions, powers, and duties related to the South Meadows site, along with certain associated property, from MIRA and the MIRA Dissolution Authority (MDA) to the Capital Region Development Authority (CRDA) instead of DAS;
2. subjects the work CRDA performs on the site (e.g., development, redevelopment, and remediation) to licensing, permitting, and other regulatory processes that differ from those in existing law;
3. requires CRDA to retain and reinvest in the site any state tax revenue generated by completed projects there;
4. exempts the site and any personal property located there from property tax until a development or redevelopment project is started there; and
5. terminates MDA on July 1 of 2025, instead of 2026.

Additionally, the act creates a South Meadows development district and delineates the district's geographic boundaries (§ 442). It also specifies that none of its provisions concerning the South Meadows site and development district apply to the Hartford Brainard Airport (§ 456), but PA 25-174, §§ 229 & 230, repeals this provision and instead specifies that the district's powers and actions do not supersede federal law or any federal aviation regulation concerning control of Hartford Brainard Airport. (Neither this act nor PA 25-174 prescribe the development district's powers or actions.)

Lastly, the act makes technical and conforming changes.

EFFECTIVE DATE: June 30, 2025

South Meadows Site Property and Monetary Transfers (§§ 435-437 & 439)

The act makes CRDA the successor authority to MIRA with respect to MIRA's ownership, functions, powers, and duties for the South Meadows site.

On June 30, 2025, the act requires $5 million of MDA's resources to be transferred and deposited into an existing nonlapsing account OPM administers. It changes the account's purpose from, generally, winding down MIRA, to operating, maintaining, remediating, or taking any other action associated with MDA's former activities or properties other than the South Meadows site and activities associated with it.

The act also requires, on June 30, 2025, the (1) site and any tangible or intangible personal property associated with it to be transferred from MDA to CRDA and (2) balance of MDA's resources, after the $5 million transfer, to be transferred to CRDA. (PA 25-174 (1) specifies that these requirements must be done after the close of business for CRDA and limits the balance transfer to MDA's resources that are related to the site (§ 231) and (2) requires the transferred property to be included in MDA's (not CRDA's) FY 25 financial reports and treated as having been transferred on July 1, 2025, with current carrying values (§ 232).) The balance transfer must be deposited in a bank account or accounts separate from all other CRDA funds and used for maintaining, remediating, developing, redeveloping, or taking any other action associated with the South Meadows site that CRDA deems necessary.

This act authorizes CRDA to (1) enter into MOUs with any state agency to facilitate its functions, powers, and duties with respect to the South Meadows site and (2) hire former MDA employees to do anything CRDA must or may do for the site. (PA 25-174, § 231, changes the second provision to specifically authorize CRDA to hire former MDA managers with expertise in engineering, construction, power assets, and environmental compliance. Regardless of this authorization, existing law generally allows CRDA to hire any employees it needs or wants (CGS § 32-602(b)).)

Under the act, when MDA's ownership or oversight of a permitted facility transfers to CRDA, the permits or licenses it holds correspondingly transfer to CRDA and remain in full force and effect.

South Meadows Site Project Procedures (§§ 438(a), (b) & (c))

The act sets procedures and requirements for CRDA's work at the South Meadows site, including any development, redevelopment, or remediation (i.e. "projects"). It exempts South Meadows site projects from any ordinances, regulations, or authority of any municipality or other Connecticut political subdivision. The act also prohibits municipalities from conditioning funding under state or federal programs they administer on any requirements beyond those the act allows them to directly impose, except as otherwise required by federal law.

If a state agency is supervising any work for a South Meadows site project, the act requires it to issue licenses, permits, and approvals (collectively referred to as "agency authorizations" below for the purposes of this public act summary) and take administrative actions following the act's procedures even if doing so conflicts with other state laws. But the agency must only follow these procedures to the extent they are not inconsistent with the state's delegated authority under federal law or the state law governing liabilities and conveyances related to MDA (see § 439 below).

Similarly, any agreement or memorandum of understanding (MOU) CRDA enters with a state agency or a Connecticut political subdivision (e.g., a municipality) to do work for any part of a project, including licensing, permitting, receiving governmental approvals, and the construction of sewer, water, steam, or other utility connections, must be done according to the act's provisions, but only to the extent they are not inconsistent with the state's delegated authority under federal law or any contract by which the agency or political subdivision is bound.

South Meadows Site Project Agency Authorizations and Administrative Actions (§§ 438(a), (c) & (d))

Under the act, any requirement for a permit from or an inspection by the state building inspector or state fire marshal is satisfied if CRDA has certification from an engineer or other appropriate professional duly certified or licensed in Connecticut that the work complies with state building codes or fire laws and regulations, as applicable.

The act otherwise gives commissioners sole jurisdiction over any agency authorizations and administrative actions

concerning South Meadows site projects. Under the act, a "commissioner" is the commissioner or commissioners, or their designees, who have subject matter jurisdiction. Upon application to the commissioners, the act requires that they issue each agency authorization or take each administrative action required or allowed under state statutes.

Applications to Commissioners and Commissioners' Records (§ 438(c) & (d))

Each commissioner with jurisdiction over any agency authorization or administrative action for a South Meadows site project must adopt a master process to consider multiple agency authorizations and administrative actions, to the extent practicable. The act specifies, though, that it does not require that applications for agency authorizations or administrative actions for all aspects of a project be submitted or acted on at the same time if not otherwise required by law.

Generally, the act requires all agency authorizations and administrative actions under the act to be issued or taken within 10 business days after applications for them are submitted to the appropriate commissioner. (The act sets a different process for DEEP-related agency authorizations and administrative actions, described below.) If the commissioner does not issue an agency authorization or take an administrative action by the close of business on the 10th business day, the act deems it approved unless the application has been denied, been conditionally issued, or had a hearing before that time.

Under the act, all records (including applications and supporting documents) submitted to a commissioner for an agency authorization or administrative action, together with all related proceeding records, must be publicly available as the Freedom of Information Act requires.

Commissioner Hearings and Decisions (§§ 438(c), (e) & (f))

The act requires that hearings on a project be conducted by the commissioner who has jurisdiction over an applicable agency authorization or administrative action. The commissioner must publish notice about the hearing 5 to 10 days in advance in a newspaper with a general circulation in Hartford.

When deciding on a project under the act, the commissioner must weigh all competent material and substantial evidence the applicant and the public presents and do so according to procedures the commissioner specifies. The commissioner must also issue written findings and determinations to support the decision. These must contain the evidence presented, including matters the commissioner deems appropriate and that are related to any major adverse health effects or environmental impacts of the project, if applicable. The commissioner may reverse or modify his or her order or action at any time, in the same manner as the original proceeding.

Under the act, notice about any tentative or final determination on a project agency authorization or administrative action is not required unless the act expressly requires it.

Environmental Impact Evaluations of South Meadows Site Projects (§ 438(h))

The act makes CRDA the state agency responsible for preparing any written evaluation of a project's environmental impact that the Connecticut Environmental Policy Act (CEPA) requires.

The act specifies that these written evaluations do not need to be completed before (1) contracts are awarded, (2) obligations are incurred or funds are spent for planning and engineering studies for site preparation, or (3) preliminary site preparation work not requiring agency authorizations not yet obtained.

Under the act, CRDA must hold a public hearing on the evaluation. Between five and 10 days before the hearing, CRDA must publish notice about it, and that the evaluation is available, in a newspaper with general circulation in Hartford. The act allows any person to comment at the public hearing or in writing within two days after the hearing's closing. All public comments CRDA receives must be forwarded to the DEEP commissioner and the OPM secretary promptly and made publicly available.

The act requires the OPM secretary to review the evaluation and public comments and determine, in writing, whether the evaluation satisfies CEPA's requirements. His determination must be made public and forwarded to CRDA within 10 days after CRDA forwarded public comments to him. The OPM secretary may require the evaluation to be revised if, after considering all public and state agency comments, he finds that it does not satisfy CEPA's requirements.

Processes for DEEP Agency Authorizations and Administrative Actions (§ 438(i))

When DEEP exercises jurisdiction over any agency authorizations for a South Meadows site project, the act requires the DEEP commissioner to consider all available public comments submitted as part of the environmental impact evaluation. She must also make written findings for any comments relevant to issuing or denying the agency authorization. The act specifies that the deadlines that apply to other commissioners' agency authorizations and administrative actions,

described above, do not apply to DEEP's agency authorizations and actions.

The act requires the DEEP commissioner to adopt a master administrative process with a single public hearing on all pending applications that require one. Under the act, the process is not subject to the UAPA but must allow public comments on all applications that will be heard. The public hearing must be limited to considering issues or factors not included in the related environmental evaluation.

Additionally, the commissioner and CRDA must enter into an MOU on the master administrative process with the goal of expediting the agency authorization or administrative action process as soon as is reasonably practicable. The MOU must identify the proposed use after the project's development, redevelopment, or remediation and the agency authorization or administrative action needed. The MOU must also have timelines for (1) the commissioner to issue a notice of sufficiency concerning an application's completeness, DEEP's review, holding a public hearing and receiving public comments, and issuing a decision or (2) issuing a decision or taking administrative action on applications that do not require a public hearing.

Appeals of Commissioners' Administrative Actions (§ 438(g))

Under the act, any party aggrieved by a commissioner's administrative action for a South Meadows site project may appeal to the Hartford Superior Court according to the UAPA's process. Regardless of any state statute, the act specifies that an appeal does not stay (suspend) a project's development.

The appeal must state the reasons upon which it is based and the commissioner who rendered the final decision must appear as the respondent. It must be brought within 10 days after the notice of the action was sent by certified mail, return receipt requested, to the parties to the proceeding. The appellant must serve a copy of the appeal on each party listed in the final decision at the address shown in it. Failure to make the service within the specified period on these parties, other than the commissioner who rendered the final decision, will not deprive the court of jurisdiction over the appeal.

Within 10 days after the service of the appeal, or a later time if the court allows it, the commissioner who rendered the decision must submit to the court an original or a certified copy of the entire record, including a transcription, of the proceeding being appealed. This record must include the commissioner's findings of fact and conclusions of law, separately stated. If more than one commissioner has jurisdiction over the matter, the commissioners must jointly issue the record.

Under the act, appeals to the Superior Court must be treated as privileged matters and heard as soon after the return date as practicable. A court must issue its decision within 21 days after the commissioner files the record.

The act prohibits the court from substituting its judgment for that of the commissioner on questions of fact in the evidence. The court must affirm the commissioner's decision unless it finds that substantial rights of the appealing party have been materially prejudiced because the commissioner's findings, inferences, conclusions, or decisions are:

1. in violation of constitutional or statutory provisions;
2. in excess of the commissioner's statutory authority;
3. made on unlawful procedure;
4. affected by an error of law;
5. clearly erroneous in view of the reliable, probative, and substantial evidence on the whole record; or
6. arbitrary, capricious, or characterized by abuse of discretion or clearly unwarranted exercise of discretion.

Under the act, if the court finds material prejudice, it can sustain the appeal and issue a judgment that modifies the commissioner's decision or order the commissioner to take specific actions. Following these court actions, an applicant may file an amended application, and the commissioner may consider it for approval.

Municipal Corporation Cooperation (§ 438(j))

The act requires certain municipal corporations, including the Metropolitan District of Hartford County, to cooperate with CRDA in carrying out the act's provisions, including by expediting agency authorizations and administrative actions. This requirement applies to municipal corporations with jurisdiction over planning, environmental testing and assessment, permitting, engineering, site preparation, and private and public infrastructure improvements related to a project.

Tax Treatment (§ 435)

The act requires that any state tax revenue generated by a completed project within the South Meadows site be retained by CRDA to be reinvested in the site.

The act also exempts the site and any personal property located on it from property taxes until a development or redevelopment project has begun. (PA 25-174, § 228, includes the site as a basis for state payment in lieu of tax (PILOT) payments to Hartford until the site is redeveloped.)

Liabilities and Effect of Conveyances (§§ 438(k) & 439)

The act requires Connecticut to hold harmless and indemnify CRDA and its employees and directors from any liability, financial loss, and expenses (including legal fees and costs) arising from certain title defects and environmental conditions at the South Meadows site that were in existence on June 30, 2025. For title defects, this includes any claim, demand, order, penalty, lien, assessment, suit, or judgment related to them. For environmental conditions, this includes any pollution, contamination, hazardous waste, hazardous substances, hazardous building materials (e.g., asbestos, asbestos-containing materials, lead, lead-containing materials, polychlorinated biphenyls (PCB), polyfluoroalkyl substances (PFAS), mold, fluorescent and high-intensity discharge (HID) lamps, mercury, PCB ballasts, lead-acid battery electrolytes, fluorocarbons, equipment coolant, hydraulic fluids, radioactive materials, explosives, military ordinance, and gasoline and petroleum products), and any other environmental condition existing at, originating, or emanating from or relating to, the real property, facilities, and other improvements at the South Meadows site. (Under the act, applicable public health and environmental federal, state, and local laws define several of these terms.) The act specifically prohibits Connecticut from holding harmless or indemnifying CRDA for title defects or environmental issues that were not pre-existing.

The act requires CRDA to use the MDA funds transferred in a separate bank account under the act before seeking indemnification (see *South Meadows Site Property and Monetary Transfers* above). It authorizes CRDA and its employees and directors to bring a Superior Court action against Connecticut to enforce the above provisions.

Additionally, the act specifies that the assumption of MDA's authority by CRDA does not alter the liability of a person who (1) established a resources recovery facility, (2) created a condition or is maintaining a resources recovery facility or condition that may reasonably be expected to create a pollution source to the waters of the state, or (3) is the certifying party to a facility's transfer. Under the act, any conveyance of real property or business operations from MDA to CRDA under the act's provisions is not considered a transfer of an establishment under the state's Transfer Act (i.e. the property remediation law for locations involving hazardous waste or certain business operations).

MDA Termination (§§ 439-441)

The act terminates MDA a year earlier than scheduled under prior law (i.e. on July 1, 2025, instead of July 1, 2026). By law, upon its termination, all of MDA's rights and properties pass to and vest in the state. Under existing law, DAS is scheduled to become the successor agency to MDA. The act carries this provision forward but limits it by excluding the ownership, functions, powers, and duties of MDA that the act assigns or transfers to CRDA.

§ 443 — CONNECTICUT PRECIOUS METALS WORKING GROUP

Creates a Connecticut Precious Metals Working Group to monitor the precious metals markets and related legislation in other states; requires the group to annually report its findings and recommendations to the General Assembly

The act creates a Connecticut Precious Metals Working Group to monitor (1) economic conditions; (2) inflation expectations; (3) precious metals prices and activities, including the market activities of leading commodities exchanges and bullion market associations; and (4) other states' proposed and enacted precious metals legislation.

Under the act, the working group's members are (1) General Assembly members designated by the Banking; Commerce; and Finance, Revenue and Bonding committee chairs; (2) the treasurer (or his designee); and (3) anyone the committee chairs find relevant and necessary to carry out the group's duties, including economists, bankers, and residents who are precious metals investors. The Finance, Revenue and Bonding Committee's administrative staff must serve as the group's administrative staff.

Beginning in 2026, the working group must annually submit a report to the Banking; Commerce; and Finance, Revenue and Bonding committees summarizing its findings from its monitoring activities and include any recommendations to improve the precious metals market in Connecticut.

EFFECTIVE DATE: Upon passage

§ 444 — SALES AND USE TAX EXEMPTION FOR PRECIOUS METALS AND RARE OR ANTIQUE COINS

Modifies the sales and use tax exemption on certain sales of rare or antique coins, gold or silver bullion, and gold or silver legal tender

The act modifies the sales and use tax exemption on certain sales of rare or antique coins, gold or silver bullion, and gold or silver legal tender of any nation, traded according to their value as precious metals by (1) applying it to all sales,

instead of just those valued at $1,000 or more; (2) extending it to sales of palladium bullion and platinum; and (3) limiting the gold and silver bullion exemption to those with a purity level of at least 90%.
EFFECTIVE DATE: July 1, 2027, and applicable to sales occurring on or after that date.

§ 445 — MUNICIPAL VIDEO COMPETITION TRUST ACCOUNT

Repeals annual offsetting $5 million transfers between the municipal video competition trust account and the General Fund

The act repeals the Municipal Video Competition Trust Account law. In doing so, the act also repeals offsetting $5 million transfers (1) to the municipal video competition trust account from the General Fund (CGS § 16-331bb), and (2) from the municipal video competition trust account to the General Fund (CGS § 16-331hh).

Under prior law, this nonlapsing General Fund account was funded by up to $5 million annually in earnings from a tax on competitive video services, for the purpose of giving property tax relief to municipalities, based on their share of the number of competitive video services subscribers in the state. But another law, which the act repeals, required $5 million to be annually transferred from the municipal video competition trust account to the General Fund.
EFFECTIVE DATE: July 1, 2025

§§ 446-448 — MUNICIPAL TAX LIEN ASSIGNMENT

Prohibits assignees of municipal tax liens for unpaid taxes from charging post-charge-off charges or fees for collection costs; treats these assignees as consumer collection agencies and explicitly subjects them to banking department requirements for these agencies; no longer prohibits these agencies from receiving assignments as a third party of claims for certain purposes

By law, an assignee of a municipal tax lien for unpaid taxes generally has the same powers and rights as the municipality in terms of the lien's priority, interest accrual, and the fees and expenses of collection and to prepare and record the assignment.

The act, however, prohibits the assignee from charging the subject property owner any post-charge-off (after being written off by the municipality) charge or fee for collection cost, excluding a court cost. And it requires the assignee to be treated as a consumer collection agency, meaning that it is explicitly subject to banking department requirements for these agencies (e.g., licensure) and prohibited from taking certain actions. By law, those actions include adding a post-charge-off charge or fee for collection cost (but not court cost) to the amount of any claim it receives for collection or knowingly accepting for collection a claim with this charge or fee unless the debtor is legally liable for it under a contract or other written agreement and the amount does not exceed 15% of the total actually collected and accepted as full payment. The act specifies that this charge or fee provision does not limit the recovery of the costs or attorney's fees for a foreclosure action.

It correspondingly specifies that post-charge-off charges or fees for collection costs not be included in the written notices that an assignee must give to the:

1. mortgage owner or holder of the involved property to inform them about the assignment, which includes information about the unpaid taxes, interests, and fees; and
2. first and second security interest holders of the involved property to inform them about a foreclosure action, which includes information about the assignee's attorney's fees and costs to enforce the lien.

Lastly, the act (1) no longer prohibits consumer collection agencies from receiving assignments as a third party of claims for purposes of collection or filing a lawsuit and (2) makes technical and conforming changes.
EFFECTIVE DATE: October 1, 2025

§§ 449-454 — ABLE ACCOUNTS

Modifies Connecticut's ABLE program by (1) aligning eligibility requirements with federal law, (2) allowing the state treasurer to pay certain associated fees, (3) generally disregarding ABLE accounts as income for all means-tested public assistance programs instead of programs specified by law, and (4) making changes to conform with federal law

The act makes various changes to Connecticut's ABLE program (see *Background — ABLE Program*).

Specifically, the act updates references to federal ABLE statutes and regulations in Connecticut's statutes to ensure (1) Connecticut's definitions related to program participants and eligibility align with federal criteria, including expanded federal eligibility in 2026, and (2) any future federal changes are automatically incorporated into state statute.

The act also:

1. updates terminology on who is eligible to open an ABLE account to align with federal law;
2. allows the state treasurer, who administers the ABLE program, to pay fees associated with administering individual ABLE accounts;
3. disregards, to the extent federal law allows, ABLE accounts when determining eligibility for all means-tested public assistance programs administered by the state or its political subdivisions, rather than only specific programs listed in prior law; and
4. makes minor, technical, and conforming changes.

EFFECTIVE DATE: Upon passage

Expanded Eligibility

Under federal law and prior state law, a person who receives Social Security disability benefits and has certified his or her disability in the given tax year is eligible for the ABLE program so long as the person's disability occurred before age 26. Effective January 1, 2026, federal law is scheduled to expand ABLE program eligibility to people whose disability occurred before age 46. The act aligns Connecticut's statutory definition of "eligible individual" with the federal definition, effectively expanding eligibility for the state's program starting in 2026 and automatically incorporating any future eligibility changes enacted under federal law into the state's program.

Authorized Individuals

The act replaces references to "depositors" with references to "authorized individuals," to conform with federal law. Under prior state law, a depositor was someone making a deposit into an ABLE account under a participation agreement (i.e. the agreement between the trust and depositor to benefit a designated beneficiary). The act instead references "authorized individuals," which are the people or entities authorized under (1) federal regulations to establish an ABLE account on an eligible individual's behalf and (2) the state's qualified ABLE program to establish an ABLE account or act on its designated beneficiary's behalf.

Under federal regulations and existing state law, an ABLE account may be established by the eligible individual or a person he or she chooses. If the eligible individual is unable to establish his or her own account, their agent under a power of attorney, or their conservator or legal guardian, spouse, parent, sibling, grandparent, or representative payee appointed for them by the Social Security Administration, in that order, can establish the account (26 C.F.R. § 1.529A-2(c)). The act preserves this same order, by replacing this specific list in state law with a reference to the federal regulation in the "authorized individual" definition.

Income Disregards

To the extent allowed by federal law, the act requires any funds invested in, contributed to, or distributed from an ABLE account to be disregarded when determining an individual's eligibility for assistance under any means-tested public assistance program administered by the state or its political subdivisions. Under prior law, these funds were disregarded only for the following assistance or benefit programs:

1. the Temporary Family Assistance program;
2. programs funded under the federal Low Income Home Energy Assistance Program;
3. the state-administered general assistance program (SAGA);
4. the optional State Supplement Program, to the extent the federal Supplemental Security Income program allows; and
5. any other federally funded assistance or benefit program, including the state's medical assistance programs (i.e. HUSKY and Medicaid).

Background — ABLE Program

The federal ABLE Act allows states to establish their own ABLE programs to (1) encourage individuals and families to save money to support individuals with disabilities to maintain health, independence, and quality of life and (2) provide secure funding for disability-related expenses on behalf of designated beneficiaries with disabilities that will supplement,

but not replace, benefits provided through private insurance, Medicaid, and other sources. Eligible people living with a disability or blindness, or their families, may establish and contribute to accounts. Funds in the accounts may be spent on qualified disability expenses, including education, housing, and transportation.

Background — Related Act

PA 25-148, §§ 2-7, has identical provisions on ABLE accounts.

§ 455 — FARM MACHINERY PROPERTY TAX EXEMPTION

Increases, from $100,000 to $250,000 in assessed value, the mandatory property tax exemption for farm machinery, other than motor vehicles

The act increases, from $100,000 to $250,000 in assessed value, the mandatory property tax exemption for farm machinery, other than motor vehicles. (PA 25-152, § 6, contains the same provision.) As under existing law, municipalities may exempt up to an additional $250,000 in assessed value for farm machinery by local option.

By law, to qualify for the farm machinery exemptions, farmers must individually or as a part of a group, partnership, or corporation derive at least $15,000 per year in gross sales from the farming operation or have incurred at least $15,000 in farm-related expenses in the most recent tax year before the assessment year to which the exemption applies.

EFFECTIVE DATE: October 1, 2025, and applicable to assessment years beginning on or after that date.

§§ 457 & 458 — PHYSICIAN ASSISTANT LICENSURE COMPACT

Enters Connecticut into the Physician Assistant Licensure Compact, which creates a process authorizing PAs who are licensed in one participating state to practice across state boundaries without requiring licensure in each state; correspondingly requires all PA licensure applicants to get a fingerprint-based background check

The act enters Connecticut into the Physician Assistant (PA) Licensure Compact. The compact creates a process authorizing PAs who are licensed in one participating state to practice across state boundaries (including by telehealth if allowed by the state where the patient is located) without requiring licensure in each state. Participating states must grant the "compact privilege" (the authority to practice in the state) to PAs who meet the compact's eligibility requirements. The compact is administered by the PA Licensure Compact Commission, which Connecticut joins under the act.

Among various other provisions, the compact:

1. sets eligibility criteria for states to enter the compact and for PAs to practice under it;
2. addresses several matters related to disciplinary actions for PAs practicing under the compact, such as information sharing among states and automatic deactivation of a PA's compact privilege in some circumstances;
3. allows the commission to levy an annual assessment on participating states and fees on participating PAs to cover the cost of its operations; and
4. provides that amendments to the compact only take effect if all participating states adopt them into law.

In practice, the compact is still in the process of being implemented. The commission first met in September 2024, and compact privileges to practice are projected to be available in early 2026. A broad overview of the compact appears below.

Additionally, under the act, the public health commissioner must require anyone applying for PA licensure to submit to a state and national fingerprint-based criminal history records check (§ 458). This corresponds to a compact requirement (see *State Participation in the Compact*, below).

EFFECTIVE DATE: July 1, 2025

Compact Overview

The PA Licensure Compact provides a process authorizing PAs to work in multiple states if they are licensed in one participating state. (The compact applies regardless of whether states use the term "physician assistant" or another title for this profession.)

Under the compact, a "state" is a U.S. state, commonwealth, district, or territory. A "participating state" is a state that has enacted the compact. A "remote state" is a participating state where a licensee who is not licensed as a PA is exercising, or seeking to exercise, the compact privilege.

The "compact privilege" is the authorization granted by a remote state allowing a licensee from another participating state to practice as a PA in a remote state, by providing services to a patient in a remote state under that state's laws and regulations.

State Participation in the Compact (§ 457(3))

To participate in the compact, a state must do the following:

1. license PAs;
2. participate in the compact commission's data system (see below);
3. have a mechanism to receive and investigate complaints against PA licensees and license applicants;
4. notify the commission, in compliance with the compact's terms and commission rules, about any adverse action (e.g., license denial or suspension) and the existence of significant investigative information regarding a licensee or license applicant (generally, information that a licensing board, after following certain procedures, believes is not groundless and if proven true, would indicate more than a minor infraction);
5. fully implement a criminal background check requirement (using fingerprints or other biometric-based information), within a time frame set by rule, by receiving criminal background check results and reporting to the commission whether the applicant has been granted a license;
6. comply with the commission's rules;
7. require passage of a recognized national examination for PA licensure (such as the PA National Certifying Examination administered by the National Commission on Certification of PAs (NCCPA)); and
8. grant the compact privilege to a holder of a qualifying license (i.e. an unrestricted PA license) in a participating state.

Participating states may charge a fee for granting the compact privilege.

Compact Privilege (§ 457(4))

To exercise the compact privilege, a licensee must meet the following requirements:

1. have graduated from a PA program accredited by the Accreditation Review Commission on Education for the Physician Assistant, Inc., or any other program authorized by commission rule;
2. hold current NCCPA certification;
3. have no felony or misdemeanor convictions;
4. have never had a controlled substance license, permit, or registration suspended or revoked by a state or the U.S. Drug Enforcement Administration;
5. have a unique identifier as determined by commission rule;
6. hold a qualifying license;
7. notify the commission that the licensee is seeking the compact privilege in a remote state;
8. meet the remote state's jurisprudence requirements (that is, assessment of knowledge of PA practice laws and rules for that state), if any, and pay any applicable fees; and
9. report to the commission within 30 days after being subject to adverse action by any nonparticipating state.

In addition, a licensee cannot have had a license revocation due to an adverse action. If a licensee has had a limitation or restriction on a license or compact privilege due to an adverse action, two years must have passed since the limitation or restriction ended. However, a participating state has the discretion to not consider something as an adverse action on a compact privilege if it was based on conduct that would not be the basis for disciplinary action in that state.

The compact privilege is valid until the license expires or is revoked, unless it ends earlier due to an adverse action. Licensees must comply with the above requirements to maintain the privilege in a remote state.

If a participating state takes adverse action against a license, the licensee loses the compact privilege in any remote state until two years after the license is no longer limited or restricted. To regain the privilege after that two-year period, the licensee must also meet the above eligibility requirements.

PAs who are seeking authority to prescribe controlled substances in remote states must meet the applicable requirements in each state in which they seek to do so.

Designation of the State From Which Licensee is Applying (§ 457(5))

The compact requires PAs applying for a compact privilege to identify to the commission the state from where they are applying, under rules set by the commission. In addition, when applying for the privilege, PAs must:

1. give the commission the address of their primary residence (and report any change immediately) and

2. consent to accept service of process by mail at that address for any action (such as a subpoena) that the commission or a participating state brings against the licensee.

Adverse Actions (§ 457(6))

The compact addresses several matters related to states' authority to investigate and discipline PAs practicing under its procedures. The following are examples of the regulatory structure under the compact:

1. a participating state in which a PA is licensed has exclusive authority to take adverse action against that license, and if it takes such an action, the PA's compact privilege in all remote states is deactivated until two years after the restrictions are removed from the license;
2. a remote state may take adverse action against a PA's compact privilege in that state to remove the privilege or take other necessary action to protect the health and safety of its citizens, and may issue subpoenas under certain conditions;
3. the compact does not authorize participating states to impose discipline against a PA's compact privilege, or deny an application for the privilege, for the PA's otherwise lawful practice in another state;
4. for taking adverse action, a PA's state of licensure must give the same priority and effect to reported conduct from other participating states as it would to conduct within the state, and must apply its own state law to determine appropriate action;
5. if allowed by that state's law, a participating state may recover from the affected PA the investigation and disposition costs for cases resulting from adverse actions;
6. participating states may take adverse actions based on a remote state's factual findings, and must follow its own procedures in doing so; and
7. if any participating state takes adverse action, it must promptly notify the data system's administrator (see below).

PA Licensure Compact Commission (§ 457(7), (9) & (10))

The compact is administered by the PA Licensure Compact Commission, which consists of one voting delegate per participating state (selected by each state's licensing board). The compact sets several powers, duties, and procedures for the commission. For example, the commission must:

1. promulgate rules to facilitate and coordinate the compact's implementation and administration (a rule has no further effect if a majority of the participating states' legislatures reject it within four years of its adoption),
2. enforce the compact's provisions and the commission's rules, and
3. prepare an annual report (including on its required yearly financial review) to be provided to participating states.

The commission can levy an annual assessment on participating states and impose fees on participating PAs to cover the costs of its operations.

The compact addresses several other matters regarding the commission and its operations, such as setting conditions under which its members, officers, and employees are immune from civil liability.

Data System (§ 457(8))

Under the compact, participating states must submit specified information on PAs and denied applicants for inclusion in a database the commission creates. The compact addresses several matters related to this data system, such as establishing the following:

1. significant investigative information about a licensee in any participating state is only available to other participating states;
2. the commission must promptly notify all participating states about adverse actions reported to it against licensees or applicants, and this information is available to any other participating state; and
3. participating states that contribute information to the data system may designate information that may not be shared publicly without the state's express permission.

Compact Oversight, Dispute Resolution, Participating State Withdrawal, and Related Matters (§ 457(10)-(13))

Among several other related provisions, the compact provides the following:

1. each participating state's executive and judicial branches must enforce the compact and take all necessary and appropriate steps to implement it;
2. the commission must take specified steps if a participating state is in default and, after all other means of securing

compliance have been exhausted, a defaulting state is terminated from the compact upon a majority vote of the delegates (the commission may also bring a legal action against a defaulting state in these circumstances);
3. upon a participating state's request, the commission must attempt to resolve a compact-related dispute among participating states and between participating and nonparticipating states;
4. a participating state may withdraw from the compact by repealing that state's compact legislation, but withdrawal does not take effect until 180 days after the repealing statute's enactment;
5. the participating states may amend the compact, but no amendment takes effect until it is enacted materially in the same way into the laws of all participating states;
6. the compact's provisions are severable and its provisions must be liberally construed to carry out its purposes; and
7. all participating state laws in conflict with the compact are superseded to the extent of the conflict.

§ 459 — ONLINE RENTAL PAYMENT SYSTEMS

Amends a provision on rental payments made through online payment systems in PA 25-49, which was vetoed, and so has no legal effect

The act modifies a provision of PA 25-49 that would have extended the grace period for a tenant to pay his or her rent when the landlord's online rental payment system prevents the tenant from timely making payment. PA 25-49 was vetoed, and, as a result, this section has no legal effect. This act would have specified that the extension only applied for the purposes of the applicable week or month that was the subject of the nonpayment.
EFFECTIVE DATE: July 1, 2025

§§ 460-471 — REVENUE ESTIMATES

Adopts revenue estimates for FYs 26 and 27 for appropriated state funds

The act adopts revenue estimates for FYs 26 and 27 for appropriated state funds, as shown in the table below.

Revenue Estimates for FYs 26 and 27

Fund	*FY 26*	*FY 27*
General Fund	$24,345,446,200	$25,913,700,000
Special Transportation Fund	2,309,050,000	2,436,650,000
Mashantucket Pequot and Mohegan Fund	52,600,000	52,600,000
Banking Fund	36,400,000	36,600,000
Insurance Fund	126,400,000	128,900,000
Consumer Counsel and Public Utility Control Fund	37,800,000	38,500,000
Workers' Compensation Fund	27,300,000	27,500,000
Criminal Injuries Compensation Fund	3,000,000	3,000,000
Tourism Fund	18,000,000	19,000,000
Cannabis Prevention and Recovery Services Fund	5,900,000	6,200,000
Cannabis Regulatory Fund	10,300,000	10,500,000
Municipal Revenue Sharing Fund	560,250,000	560,550,000

EFFECTIVE DATE: July 1, 2025

§§ 472 & 473 — MUNICIPAL GRANTS

Requires OPM to grant additional municipal aid to New Haven, Ledyard, and Montville out of Other Expenses; increases the supplemental revenue sharing grant amounts for 11 municipalities

The act requires the OPM secretary to grant additional municipal aid from unspecified Other Expenses to certain municipalities. Specifically, it directs $500,000 to New Haven for FY 26 and the same amount to Ledyard and Montville for both FY 26 and FY 27. (PA 25-174, § 203, modifies the amounts to the latter two towns so that they instead each receive $800,000 and only in FY 27.)

Additionally, the act increases the supplemental revenue sharing grant amounts for 11 municipalities for FY 26 and FY 27, as shown in the table below. (PA 25-174, § 180, makes a technical change to correct a statutory reference to these grants.) The act's amounts for these municipalities apply regardless of those scheduled previously under existing law (see CGS § 4-66p, as amended by PA 25-174, § 190).

Supplemental Revenue Sharing Grant Amounts for Specified Municipalities

Municipality	*Previously Scheduled Amounts for FY 26 & FY 27*	*Amounts Under the Act*	
		FY 26	*FY 27*
Branford	$0	$100,000	$100,000
Bridgeport	6,059,559	11,059,559	11,059,559
Danbury	1,218,855	2,218,855	2,218,855
Enfield	0	100,000	0
Naugatuck	283,399	583,399	683,399
New Haven	16,921,822	19,421,822	19,421,822
New London	1,112,913	2,112,913	2,112,913
Stamford	1,846,049	2,246,049	2,246,049
Stratford	0	400,000	400,000
Voluntown	0	60,000	60,000
West Hartford	0	400,000	400,000

By law, these grants are paid from the Municipal Revenue Sharing Fund, which is generally funded through revenues from the sales and use tax (CGS §§ 4-66p, 12-408 & 12-411).

EFFECTIVE DATE: July 1, 2025

PA 25-174 — HB 7288
Emergency Certification

AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE AND CONCERNING GRANT PROGRAMS, STATE GRANT COMMITMENTS FOR SCHOOL BUILDING PROJECTS, REVISIONS TO THE SCHOOL BUILDING PROJECTS STATUTES AND VARIOUS PROVISIONS REVISING AND IMPLEMENTING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2027

TABLE OF CONTENTS:

§§ 1-38, 55, 111, 116, 118-120, 138 & 139 — NEW BOND AUTHORIZATIONS FOR STATE AGENCY PROJECTS AND GRANTS

Authorizes new state GO bonds for FYs 26 and 27 for various capital improvements, grant programs, and other initiatives

§§ 39-50 — TRANSPORTATION BONDS

Authorizes new STO bonds in FYs 26 and 27 for DOT projects

§§ 51-54, 56, 59, 61-65, 71-73, 78-80, 83 & 105-107 — BOND AUTHORIZATIONS FOR PREVIOUSLY ENACTED PROGRAMS AND GRANTS

Increases bond authorizations for various existing grants and purposes by authorizing new bonding for these purposes in FYs 26 and 27

§ 57 — CSCU 2020 INFRASTRUCTURE PROGRAM

Shifts most of the existing bond authorizations under the CSCU 2020 infrastructure program for land and property acquisition to authorizations for supplemental project funding

§ 58 — SCHOOL AIR QUALITY IMPROVEMENT GRANTS

Reduces the prior bond authorization for funding school air quality improvement grants and consolidates several earmarks into a single, smaller one; allows the funds to be used for school construction project grants

§ 60 — TOWN AID ROAD GRANT REDUCTION TRIGGER

Requires a 10% TAR program grant reduction if a town or district fails to timely submit its annual report on use of program funding

§ 66 — INNOVATION CORRIDOR AND CONNECTICUT COMMUNITIES CHALLENGE PROGRAMS

Makes changes to the Innovation Corridor and Connecticut Communities Challenge programs, including eliminating sunset dates

§ 67 — COMMUNITY INVESTMENT FUND 2030

Reduces overall and FY 26 and FY 27 authorizations; makes qualifying projects in distressed municipalities eligible for funding from the CIF 2030 program and moves out the due date for the CIF board's annual report

§ 68 — BROWNFIELD MUNICIPAL GRANT PROGRAM

Makes several changes to the Brownfield Municipal Grant Program, including increasing the possible maximum award from $4 million to $6 million and expanding opportunities for participants to receive additional program awards under certain circumstances

§ 69 — TARGETED BROWNFIELD DEVELOPMENT LOAN PROGRAM

Increases the program's maximum annual loan amount from $4 million to $6 million, gives the DECD commissioner discretion on prioritizing applications for certain proposed projects, and adds an additional exemption for certain loan recipients from having to enter a property remediation program

§§ 70, 74, 81, 82, 85-90, 92-101, 103 & 104 — BOND CANCELLATIONS AND REDUCTIONS

Cancels or reduces prior bond authorizations for specified projects and grants

§§ 75 & 76 — HOUSING RECEIVERSHIP REVOLVING FUND

Modifies the types of funds available to compensate certain receivers and types of expenses that are covered by the funds; increases by $5 million per year the amount that may be spent from the Housing Receivership Revolving Fund in any single municipality

§ 77 — UCONN FACULTY RECRUITMENT AND HIRING PROGRAM

Changes one of the purposes of the UConn Faculty Recruitment and Hiring Program so that it develops laboratories for faculty instead of supporting their compensation and restricts related bonds to that purpose

§ 84 — TECHNICAL HIGH SCHOOL SYSTEM TRAINING PROGRAMS

Transfers from SDE to CTECS the responsibility for handling bond proceeds dedicated to certain technical high school system training programs

§ 91 — STATE CAPITOL AND LEGISLATIVE OFFICE BUILDING

Broadens the allowable uses of an existing bond authorization to include construction work on the State Capitol and Legislative Office Building

§ 102 — DOH HEALTH CARE WORKER HOUSING PROGRAM REPORTING

Requires DOH and CHFA to submit a report on increasing health care worker housing options

§ 108 — HEAT PUMP DEPLOYMENT

Changes the purpose of proceeds from an existing bond authorization to direct DEEP to use them to support the deployment of heat pumps without specifically requiring it do so through rebates

§§ 109 & 110 — DOH REPORTING ON BOND-FUNDED HOUSING PROGRAMS

Eliminates prior law's requirement for DOH reporting to the Finance, Revenue and Bonding Committee on specified bond-funded programs and replaces it with a similar requirement; requires CHFA to post certain information on its website

§§ 112 & 113 — GREYFIELD REVITALIZATION PROGRAM

Principally allows DECD to create a grant or loan program to facilitate the repurposing of commercial retail and office space; authorizes DECD to provide up to $50 million in assistance under the program (from bonding and available resources)

§§ 114 & 137 — DECD GRANTS FOR CULTURAL AND HISTORIC SITES

Requires DECD to create a grant program for capital improvements to certain cultural and historic sites and annually report on it; authorizes the department to require a lien on certain properties as a condition for receiving grants of $100,000 or less

§ 115 — STRATEGIC SUPPLY CHAIN PROGRAM

Authorizes DECD to create a strategic supply chain program to provide financial assistance to help develop the supply chains of major and emerging industries in Connecticut; allows the use of up to $50 million in bond funds for program projects

§ 117 — DOH AFFORDABLE HOUSING BOND PROGRAM

Authorizes up to $50 million in GO bonds for DOH to finance projects to create employment opportunities in the construction industry by developing affordable housing

§ 121 — CHILD CARE FACILITIES GRANTS

Requires OEC to establish a competitive grant program for child care facilities' design, construction, and renovations projects; authorizes up to an aggregate $80 million in state GO bonds with a cap of $11.5 million for each fiscal year FY 26-FY 32 and requires OEC to use the proceeds to fund the program

§ 122 — PLACEMENT OF LIENS BY OFFICE OF EARLY CHILDHOOD

Provides that OEC need not place a lien on real property to secure repayment of certain child care related grants of $50,000 or less

§ 123 — PAYMENT OF BOND-FINANCED STATE HOUSING PROGRAM'S ADMINISTRATIVE EXPENSES

Makes all bond-financed state housing programs eligible to have their administrative expenses be paid from their related proceeds but limits payment of these expenses to those that are no more than $1 million in any fiscal year

§§ 124-130 — HOMES FOR CT LOAN PROGRAM

Requires CHFA to administer a loan program that helps owners or developers get funding to build new residential buildings by guaranteeing loan repayment, up to certain thresholds, for participating banks and credit unions that loan to these borrowers

§ 131 — DISTRICT REPAIR AND IMPROVEMENT PROJECT (DRIP) PROGRAM

Creates the DRIP program to provide financial assistance to boards of education and other public school operators for constructing, renovating, repairing, and enlarging public school buildings, grounds, and infrastructure; sets a formula for allocating program amounts; authorizes $60 million in GO bonds for OPM to administer the program

§ 132 — REPORTING ON THE OFFICE OF THE CHIEF MEDICAL EXAMINER FACILITIES

Reinstates the requirement that DAS report quarterly on the status of the design, alteration, renovation, and construction of the facilities for the Office of the Chief Medical Examiner

§§ 133-136 — NEW REPORTING REQUIREMENTS

Requires assorted reports by state agencies to, principally, the Finance, Revenue and Bonding Committee on various capital plans

§§ 140 & 144 — HVAC GRANTS

Repeals the existing school construction HVAC grant and instead merges it with an existing school construction grant program

§§ 140, 144 & 146 — REMOVAL OF CTECS FROM SCHOOL CONSTRUCTION GRANT PROGRAM

Removes Connecticut Technical Education and Career System (CTECS) from the school construction grant program

§ 141 — SCHOOL CONSTRUCTION PRIORITY LIST GRANT COMMITMENTS

Authorizes eight school construction state grant commitments totaling $172.4 million toward total project costs of $265.7 million; reauthorizes one project with an additional grant commitment of $50.7 million

§§ 142 & 143 — SCHOOL CONSTRUCTION GRANT BONUS REIMBURSEMENT RATES

Applies the 15 point reimbursement rate bonus for certain elementary and early childhood projects to the entire project, not just the early childhood space; establishes a new 15-percentage point bonus for parts of certain projects that expand or create special education program services

§§ 144 & 145 — REPEALED SCHOOL CONSTRUCTION PROVISIONS

Repeals three provisions related to priority-list school construction grants

§ 147 — CHARTER SCHOOL GRANTS PRIORITY

Requires the education commissioner to give preference to charter school capital improvements grant applications when the school's accountability index score meets or exceeds the statewide average

§ 148 — INDOOR AIR QUALITY INSPECTIONS

Broadens the window, to start July 1, 2022, rather than July 1, 2026, for when a school board's school HVAC inspection can count as a state-required inspection

§§ 149-176 — SCHOOL CONSTRUCTION PROJECT EXEMPTIONS, WAIVERS, AND MODIFICATIONS

Exempts school construction projects in 20 towns and one regional school district from statutory and regulatory requirements to allow these projects to, among other things, qualify for state reimbursement grants, receive higher grant reimbursement percentages, or have their projects reauthorized due to a change in scope or cost

§§ 177-180, 182, 202, 203 & 224 — BUDGET AND MUNICIPAL GRANT PROVISIONS

Makes changes related to the FY 26-27 biennial budget and certain municipal grants

§ 181 — PROBATE COURT ADMINISTRATION FUND

Beginning FY 26, requires any probate fund balance on June 30 exceeding 20%, rather than 15%, of the authorized expenditures in the coming fiscal year to be transferred from the Probate Court Administration Fund to the General Fund

§§ 183-185 — CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM

Creates a new benefit tier in CMERS named MERS 2.0 and sets its parameters; requires CMERC to create and administer a MERS defined contribution retirement plan by July 1, 2026; authorizes CMERC to set up and implement an annuity plan as an alternative to CMERS for nonparticipating municipalities, subject to certain requirements

§ 186 — STATE EMPLOYEE RETIREE LIFE INSURANCE

Changes the service criteria used to determine a retired state employee's eligibility for certain life insurance benefits

§§ 187 & 188 — PARAMEDIC LICENSE FEE

Eliminates the $150 application fee for a paramedic license, replacing a provision in PA 25-168 that eliminated both the application and annual renewal fee for the license

§§ 189 & 190 — SUPPLEMENTAL GRANTS TO SPECIFIED TOWNS

Makes certain grant payments to specified towns (Branford, Bridgeport, New London, and Voluntown) from MRSF payable as supplemental grants rather than additional PILOT payments

§§ 191-194 — BEVERAGE CONTAINER REDEMPTION (BOTTLE BILL)

Requires redemption centers to be approved to operate and annually register with DEEP, rather than registering once; generally prohibits redemption centers from accepting more than 5,000 beverage containers from any person in one day; establishes record requirements for the centers that accept more than 2,500 containers from a single person in one day; sets new reporting and record retention requirements; generally prohibits redemption centers from removing containers from their premises before distributors remove them; exempts hard cider and THC-infused beverages from the bottle bill; modifies the cap on how many containers a person may redeem at dealers or dealer RVMs; prohibits dealers from collecting or charging a refund value for containers that are not purchased in Connecticut

§ 195 — STUDY AND PILOT PROGRAM ON SUBSTITUTING COLLEGE COURSES FOR POLICE BASIC TRAINING

Requires POST to (1) study whether college-level criminal justice courses can be substituted for its police basic training courses and (2) create a related pilot program at the University of New Haven

§ 196 — RECOMMENDATIONS ON POLICE BONUSES

Requires DESPP and POST to create a report with recommendations on awarding bonuses to new and existing police officers

§ 197 — HIGHER EDUCATION DEGREES PATHWAY FOR POLICE OFFICERS

Requires the Board of Regents, UConn Board of Trustees, and POST to take specific actions towards helping police officers earn higher education degrees

§ 198 — STATE POLICE OFFICER RETIREES RETURNING TO SERVICE STUDY

Requires DESPP, in conjunction with SBLR, to study the feasibility of the state entering into negotiations with the State Police officers union to set conditions for retired officers to return to service

§ 199 — POLICE MENTAL HEALTH

Requires DESPP to investigate ways to develop and enhance programs addressing police officer mental health

§ 200 — TECHNICAL CORRECTIONS DURING CODIFICATION

Requires the Legislative Commissioners' Office to make necessary technical, grammatical, and punctuation changes when codifying the act

§ 201 — LIMITED PURPOSE TRUST COMPANIES STUDY

Requires DOB to conduct a study on establishing limited purpose trust companies in Connecticut and report findings and recommendations to the Banking Committee

§ 204 — TAX EXEMPTION FOR PROPERTY LOCATED ON CERTAIN RESERVATION LANDS

Delays the effective date of a property tax exemption for property located on reservation land that is held in trust for a federally recognized Indian tribe

§ 205 — INSTRUCTIONAL SUPPORT PARTNERS

Allows, rather than requires as under PA 25-93, school boards to hire or designate a current employee to be an instructional support partner

§§ 206-208 — STATE HISTORICAL COMMISSION

Creates a 12-member State Historical Commission to examine and make recommendations on questions of memorialization and commemoration related to Connecticut and U.S. history; requires the commission to develop a (1) process for identifying and commissioning additional statues for the State Capitol's exterior and (2) plan to install historical placards around the building's exterior

§§ 209 & 210 — TRIBE APPLICATIONS TO CONVERT LAND TO FEDERAL TRUST STATUS

Removes a requirement for the state to oppose Native American tribe applications to convert fee interest land to federal trust status

§§ 211 & 212 — PREVAILING WAGE FOR OFFSITE CUSTOM FABRICATION

Extends the state's prevailing wage law to cover off-site custom fabrication for a public works project

§ 213 — FAMILY ENTERTAINMENT WORKING GROUP

Establishes a family entertainment working group to study and make recommendations on family entertainment in the state

§§ 214 & 215 — OHE STUDENT LOAN REIMBURSEMENT PROGRAM

Makes various changes to the OHE student loan reimbursement program, including expanding eligibility and revising certain qualification criteria related to the volunteer hour requirement

§§ 216 & 217 — HIGHER EDUCATION FINANCIAL SUSTAINABILITY ADVISORY BOARD SUBCOMMITTEE AND REPEAL OF WORKING GROUP

Establishes a subcommittee of the Higher Education Financial Sustainability Advisory Board to monitor Connecticut State Colleges and Universities (CSCU) expenditures and sustainability plans and requires the board to make recommendations to the General Assembly on these plans; repeals a budget bill provision creating a working group on CSCU reserve funds

§ 218 — CHANGES TO ECS GRANT PHASE-IN SCHEDULE

Delays by two years the start of an ECS schedule to phase in grant reductions for overfunded towns; holds these towns harmless for FYs 26 and 27

§ 219 — POSTING CURRICULUM OBJECTIVES AND SCOPE

Requires each school board to post approved curriculum objectives and scope on its website

§ 220 — SUPPLEMENTAL FUNDING FOR NURSING HOMES

Replaces PA 25-168 (§ 334) and requires DSS to distribute up to $55 million in supplemental funding to nursing homes and proportionally distribute it to support wage increases for nursing home employees

§§ 221 & 222 — DDS PAYMENTS TO PROVIDERS

Requires DDS to (1) distribute up to $5 million in supplemental funding to residential services providers in FY 27 and (2) from an available $105 million pool, increase provider rates in FY 28 to support wage increases (PA 25-175 instead sets specific increases for FY 28 for contracted services)

§ 223 — REPEAL OF RESTRICTIONS ON ASSIGNED MUNICIPAL LIENS FOR DELINQUENT PROPERTY TAXES AND SEWER ASSESSMENTS

Repeals provisions of the 2025 budget implementer that would have restricted certain municipal lien assignments

§ 225 — BRIDGEPORT ELECTION MONITOR

Requires SOTS to contract and install an election monitor for Bridgeport, and conduct a town-wide bilingual public awareness campaign to educate the public on their rights under the state's election laws

§§ 226 & 227 — SEEC EXECUTIVE DIRECTOR APPOINTMENTS

Repeals provisions passed during the 2025 legislative session on SEEC Executive Director appointments, including that they receive legislative approval, and instead requires that (1) any reappointment be limited to a single term of up to four years and (2) before any reappointment, the executive director appear at a joint legislative public hearing to discuss SEEC's efforts and the CEP program

§§ 228-232 — SOUTH MEADOWS SITE ADDITIONS AND REVISIONS

Requires the South Meadows site, which contains closed resource recovery and jet turbine facilities, to be part of any state PILOT grant to Hartford until the site is redeveloped; amends provisions in this year's budget and implementer act that establish the site and a related development district

§ 233 — PAID SICK LEAVE INCREMENTS

Allows boards of education and municipal employers to require that certain employees use their accrued paid sick leave in the increments set in their applicable collective bargaining agreements, rather than in one-hour increments, as long as they meet certain conditions

§§ 234-237 — PAID FAMILY AND MEDICAL LEAVE FOR CERTAIN SCHOOL EMPLOYEES

Extends the state's Paid Family and Medical Leave Insurance Program to cover school employees whose position does not require a professional certification; correspondingly extends the state's FMLA to cover these employees

§ 238 — BRIDGEPORT SOCCER STADIUM STUDY

Requires the DECD commissioner to assess the proposed Connecticut United Football club stadium's anticipated economic impact on Connecticut and Bridgeport

SUMMARY: This act (1) authorizes new state general obligation (GO) and special tax obligation (STO) bonds and new bond programs; (2) adjusts several existing bonds and bond programs; and (3) makes various other changes, including to school construction projects, as summarized in the section-by-section analysis that follows.
EFFECTIVE DATE: Various, see below.

§§ 1-38, 55, 111, 116, 118-120, 138 & 139 — NEW BOND AUTHORIZATIONS FOR STATE AGENCY PROJECTS AND GRANTS

Authorizes new state GO bonds for FYs 26 and 27 for various capital improvements, grant programs, and other initiatives

The act authorizes new GO bonds for FYs 26 and 27 for the state projects and grant programs listed in the table below. The bonds are subject to standard issuance procedures and have a maximum term of 20 years.

For bonds authorized under §§ 13 & 32, the act includes a standard provision requiring that, as a condition of bond authorizations for grants to private entities, each granting agency include repayment provisions in its grant contract in case the facility for which the grant is made stops being used for the grant purposes within 10 years of the grantee receiving it. The required repayment is reduced by 10% for each full year that the facility is used for the grant purpose.

GO Bond Authorizations for State Projects and Grant Programs for FYs 26 and 27

§§	Agency	For	FY 26	FY 27
		STATE CAPITAL PROJECTS		
2(a), 21(a)	Office of Policy and Management (OPM)	Information technology capital investment program	$75,000,000	$75,000,000
		Statewide flood and resiliency mapping	5,000,000	0
118		(1) Benefit the operation of the electric grid in the state, (2) promote energy efficiency, (3) benefit ratepayers, (4) reduce the annual costs of hardship protection measures and other hardship protections within the systems benefits charge to their average annual cost in the five years before the COVID-19 pandemic (2016 to 2020), and (5) fund electric vehicle (EV) charging programs	250,000,000	250,000,000
2(b), 21(b)	Department of Veterans Affairs	Alterations, renovations, and improvements to buildings and grounds, and land acquisition	20,000,000	10,000,000
		Expansion of the Middletown State Veterans Cemetery	7,500,000	0
2(c), 21(c)	Department of Administrative Services (DAS)	Upgrades and modernization of the Capitol Area System	42,000,000	0
		Installation of solar photovoltaic systems on state property, excluding state forests, parks, open spaces, farmland, and natural area preserves	40,000,000	20,000,000
		Infrastructure repairs and improvements, including (1) fire and safety improvements; (2) improvements in compliance with the Americans with Disabilities Act (ADA); (3) improvements to state-owned buildings and grounds, including energy conservation and off-site improvements; (4) preservation of unoccupied buildings and grounds, including office	0	10,000,000

§§	Agency	For	FY 26	FY 27
		development, acquisition, and renovations for additional parking; and (5) security improvements at state-occupied buildings		
		Purchase of equipment, minor improvements, and other associated costs for a new data center	0	16,000,000
2(d), 21(d)	Department of Emergency Services and Public Protection (DESPP)	Alterations, renovations, and improvements to buildings and grounds, including utilities, mechanical systems, and energy conservation projects	10,000,000	50,000,000
2(e), 21(e)	Department of Motor Vehicles	Alterations, renovations, and improvements to buildings and grounds	10,000,000	2,500,000
		Alterations, including relocation, of the Wethersfield office	15,000,000	0
2(f), 21(f)	Military Department	State matching funds for anticipated federal reimbursable projects	5,000,000	3,000,000
		Alterations, renovations, and improvements to buildings and grounds, including utilities, mechanical systems, and energy conservation	1,000,000	1,000,000
		Construction of a Medical Readiness Center	5,000,000	0
		State matching funds for the anticipated federal reimbursable project at the Theater Aviation Sustainment Maintenance Group in Groton	17,000,000	0
2(g)	Department of Agriculture (DoAg)	Alterations, renovations, and improvements to existing state-owned buildings	5,000,000	0
2(h), 21(g)	Department of Energy and Environmental Protection (DEEP)	Recreation and natural heritage trust program for recreation, open space, resource protection, and resource management	3,000,000	3,000,000
		Alterations, renovations, and new construction at state parks and other recreation facilities, including ADA improvements	40,000,000	30,000,000
		Water pollution control projects at state facilities and engineering reports for regional planning agencies	500,000	500,000
		Renewable energy or combined heat and power projects in state buildings or projects in state buildings and assets to decrease environmental impacts, including those that (1) improve energy efficiency; (2) reduce greenhouse gas emissions from building heating and cooling, including by installing renewable	5,000,000	5,000,000

§§	Agency	For	FY 26	FY 27
		thermal heating systems; (3) expand EV charging infrastructure to support charging on state property; (4) reduce water use; and (5) reduce waste generation and disposal		
		Dam repairs, including state-owned dams	2,500,000	2,500,000
		Design costs and purchase of a research vessel	500,000	7,000,000
2(i), 21(h)	Capital Region Development Authority (CRDA)	Alterations, renovations, and improvements at the Connecticut Convention Center and Rentschler Field	17,000,000	17,000,000
		Alterations, renovations, and improvements to parking garages in Hartford	5,000,000	5,000,000
2(j)	Connecticut Agricultural Experiment Station	Alterations, renovations, and improvements to existing state-owned buildings, including predesign costs	1,200,000	0
2(k)	Department of Public Health	Alterations, renovations, and improvements to existing state-owned buildings	500,000	0
2(*l*), 21(i)	Department of Developmental Services	(1) Fire, safety, and environmental improvements to regional facilities and intermediate care facilities for client and staff needs, including compliance with current codes, and (2) site improvements, handicapped access improvements, utilities, repair or replacement of roofs, air conditioning, and other building renovations and additions at all state-owned facilities	7,000,000	7,000,000
2(m), 21(j)	Department of Mental Health and Addiction Services	(1) Fire, safety, and environmental improvements to regional facilities and intermediate care facilities for client and staff needs, including compliance with current codes, and (2) site improvements, handicapped access improvements, utilities, repair or replacement of roofs, air conditioning, and other building renovations and additions at all state-owned facilities	20,000,000	40,000,000
		Design and installation of sprinkler systems, including related fire safety improvements, in direct patient care buildings	10,000,000	15,000,000
		Planning and design for replacement of Whiting Forensic Hospital at Connecticut Valley Hospital in Middletown	50,000,000	0

§§	Agency	For	FY 26	FY 27
2(n), 21(k)	Connecticut Technical Education and Career System (CTECS)	District-wide facility infrastructure upgrades, security improvements, vehicle and equipment purchases, and emergency repairs	30,000,000	30,000,000
		Information technology and support equipment	8,000,000	8,000,000
		Design and construction of a new Windham Technical High School	113,705,019	0
		Capital improvement projects at E.C. Goodwin Technical High School	0	35,000,000
2(o), 21(*l*)	UConn Health Center	System telecommunications infrastructure upgrades, improvements, and expansions	3,000,000	3,000,000
		Equipment, library collections, and telecommunications	25,000,000	10,000,000
		Deferred maintenance, code compliance, and infrastructure improvements	0	30,000,000
2(p), 21(m)	Connecticut State Colleges and Universities	All community colleges: deferred maintenance, code compliance, and infrastructure improvements	30,000,000	0
		All universities: deferred maintenance, code compliance, and infrastructure improvements	30,000,000	0
		All state colleges and universities: energy-efficiency program	5,000,000	0
		Gateway Community College: acquisition, design, and construction of facilities for workforce development programs, including such programs for the transportation, alternative energy, advanced manufacturing, and health sectors	1,000,000	0
		Naugatuck Valley Community College: design for the renovation of Kinney Hall	1,000,000	0
		Norwalk Community College: alterations, renovations, and improvements to the B wing building	1,000,000	0
		System telecommunications infrastructure upgrades, improvements, and expansions	0	5,000,000
2(q), 21(n)	Department of Correction	Alterations, renovations, and improvements to existing state-owned buildings for inmate housing, programming and staff training space, and additional inmate capacity, and for support facilities and off-site improvements	50,000,000	55,000,000
2(r), 21(o)	Department of Children and Families	Alterations, renovations, and improvements to existing state-owned buildings	5,000,000	5,000,000
2(s), 21(p)	Judicial Department	Alterations, renovations, and improvements to buildings and	10,000,000	10,000,000

§§	Agency	For	FY 26	FY 27
		grounds at state-owned and maintained facilities		
		Security improvements at various state-owned and maintained facilities	2,000,000	2,000,000
		Alterations and improvements in compliance with the ADA	5,000,000	5,000,000
		Implementation of the Technology Strategic Plan Project	10,000,000	5,000,000
		Development of new courthouses, including land acquisition and parking	25,000,000	25,000,000
		Renovations to juvenile courts and juvenile residential centers	5,000,000	5,000,000
2(t)	UConn	Equipment, library collections, and telecommunications	5,000,000	0
		Improvements to digital learning infrastructure at a regional campus	3,000,000	0
111	Office of Workforce Strategy	Supporting workforce innovation and sustainability	30,000,000	0
HOUSING PROJECTS				
9, 28	Department of Housing (DOH)	Housing development and rehabilitation, including improvements to certain kinds of state-assisted affordable housing and housing-related financial assistance programs, including administrative expenses	200,000,000	200,000,000
119		Middle housing development grant program for housing authorities that expand middle housing availability in towns with up to 50,000 people	50,000,000	50,000,000
120		Grants to landlords who provide housing to formerly incarcerated people	6,000,000	6,000,000
GRANTS				
13(a), 32(a)	OPM	Grants to distressed municipalities (see *Background — Distressed Municipalities*)	7,000,000	7,000,000
		Grants to support municipalities, homeowners, and small businesses that have been impacted by a catastrophic event	15,000,000	0
		Grants to state-licensed acute care hospitals for construction of facilities for adult inpatient psychiatric beds	2,500,000	2,500,000
55		Grants to municipalities (specifies the grant amounts for each municipality) (but see § 139 below)	150,000,000	150,000,000
13(b), 32(b)	DEEP	Grants to contain, remove, or mitigate identified hazardous waste disposal sites	7,600,000	17,000,000
		Grants to municipalities for improvements to incinerators and landfills, including bulky waste	6,800,000	2,900,000

§§	Agency	For	FY 26	FY 27
		landfills		
		Grants to identify, investigate, contain, remove, or mitigate contaminated industrial sites in urban areas	20,000,000	20,000,000
		Grants to municipalities for (1) providing potable water and (2) assessing and remedying pollution from perfluoroalkyl and polyfluoroalkyl (PFAS) substances	5,000,000	5,000,000
		Various flood control improvements, flood repair, erosion damage repairs, and municipal dam repairs	2,500,000	2,500,000
		Grants to municipalities for open space land acquisition and development for conservation or recreational purposes	10,000,000	10,000,000
		Grant for the removal of Kinneytown Dam	25,000,000	0
		Grants to municipalities for renovations and expansion of, and equipment for, solid waste facilities	15,000,000	0
		Microgrid and resilience grant and loan pilot program	0	25,000,000
13(c), 32(c)	Department of Economic and Community Development (DECD)	Brownfield Remediation and Revitalization program	40,000,000	40,000,000
		Connecticut Manufacturing Innovation Fund	20,000,000	25,000,000
		Greyfield Revitalization Program (see §§ 112 & 113 below)	20,000,000	30,000,000
		Alterations, renovations, and improvements at the Tweed-New Haven Airport	10,000,000	0
116		Grants for infrastructure projects, including the establishment or expansion of utility services (e.g., water, electric distribution, and sewer services), needed to support housing or economic development in "rural areas" (defined as (1) municipalities with a population of up to 10,000 people (based on the most recent federal decennial census) or with a population density of less than 500 people per square mile, or (2) census tracts or towns designated as rural by the federal Health Resources and Services Administration)	30,000,000	0
13(d), 32(d)	State Department of Education (SDE)	Grants to regional educational service centers and Goodwin University Education Services for capital expenses at interdistrict magnet schools	20,000,000	0
		Grants to support in-district	10,000,000	10,000,000

§§	Agency	For	FY 26	FY 27
		programming for students with disabilities		
		Grants to support a board of education for a municipality with a population over 140,000 (based on the most recent federal decennial census) that must appear before the Municipal Finance Advisory Commission by December 30, 2025, on the condition that the SDE commissioner determines the use of the proceeds (see also § 138 below)	5,000,000	5,000,000
13(e), 32(e)	CRDA	Grants to encourage development according to CRDA's statutory purposes	31,000,000	25,000,000
		Grants to East Hartford for general economic development activities, including the development of the infrastructure and improvements to the riverfront; the creation of housing units through rehabilitation and new construction; the demolition or redevelopment of vacant buildings; and redevelopment	20,000,000	20,000,000
13(f), 32(f)	Department of Transportation (DOT)	Grants to municipalities for the Town Aid Road (TAR) program	40,000,000	40,000,000
13(g)	DoAg	Grants to hold land for agricultural preservation purposes	10,000,000	0
13(h)	Department of Aging and Disability Services	Grants for aging in place	5,000,000	0
13(i)	Commission on Human Rights and Opportunities	Acquisition, design, construction, and renovation of a facility for a civil rights museum	5,000,000	0
13(j), 32(g)	DOH	Grants to the Connecticut Housing Finance Authority (CHFA) for administering the Homes for CT loan program (see §§ 124-130 below)	10,000,000	10,000,000
		Affordable Housing Real Estate Investment Trust pilot program	2,000,000	0

Bridgeport Actions to Be Done Before Receiving State Grants (§ 138)

Prior to receiving certain grants (those under §§ 13 & 32 of the act), the act requires Bridgeport's mayor to (1) submit a written report with a corrective action plan to the Municipal Finance Advisory Commission (MFAC) by September 1, 2025, and (2) appear before MFAC by December 31, 2025, at a time and place MFAC determines, to present the report and answer any of MFAC's questions. These requirements apply regardless of an existing law on corrective action plans and MFAC referrals.

Under the act, the report must include a plan for corrective actions to ensure the city will not require supplemental education grants in future fiscal years. The plan must include:

1. cost containment policies the city may adopt,
2. fiscal policy adjustments,
3. collaboration with one or more municipalities or boards of education on shared services,

4. ways to maximize federal funding,
5. possible efficiencies in providing services, and
6. the prioritization of city-identified core services.

Partial Withholding of Municipal Grants-in-Aid Program Funds to Bridgeport, Danbury, Hartford, New Haven, New London, Norwalk, and Waterbury (§ 139)

The act withholds from certain municipalities part of their funding through OPM's Municipal Grants-in-Aid program that the act authorizes in FYs 26 and 27 (under § 55) until they take certain actions. The withholdings apply to municipalities designated to receive Municipal Grants-in-Aid program funding in FY 26 in an amount that is at least 75% greater than their designated program amounts for FY 25. Bridgeport, Danbury, Hartford, New Haven, New London, Norwalk, and Waterbury appear to meet this criterion.

For these municipalities, the act requires their chief executive officers (CEOs) to appear before the OPM secretary by October 1, 2025, to discuss actions their municipality may take to mitigate its reliance on state funding in the future. These actions may include:

1. cost containment policies the municipality may adopt,
2. fiscal policy adjustments for municipal revenue and expenditures,
3. collaboration with one or more other municipalities on shared municipal services,
4. possible efficiencies in providing municipal services, and
5. the prioritization of municipality-identified core services.

The OPM secretary may require each CEO to submit a written plan to implement these actions.

The act prohibits these municipalities from receiving the portion of their Municipal Grants-in-Aid program funding in FY 26 that exceeds the amount they received for FY 25 until their respective CEOs appear before the OPM secretary and, if required to do so, submit their written plan.

EFFECTIVE DATE: July 1, 2025, for FY 26 bond authorizations; July 1, 2026, for FY 27 bond authorizations; and upon passage for the provisions on withholding specific grants for certain municipalities (§§ 138 & 139).

Background — Distressed Municipalities

"Distressed municipality" is a designation under state law used to target funds to fiscally and economically distressed municipalities. DECD annually designates 25 municipalities as distressed using certain statistical indicators that generally measure municipal fiscal capacity. Municipalities that were once deemed distressed but no longer meet the criteria receive a subsequent grace period during which they are still considered a distressed municipality under the law. A municipality may reject the continued designation by a vote of its legislative body within three months after the DECD commissioner notifies it about its removal from the list (CGS § 32-9p(b)).

The current (2024) distressed municipalities are Ansonia, Bridgeport, Chaplin, Derby, East Hartford, Griswold, Hartford, Lisbon, Mansfield, Meriden, Montville, Naugatuck, New Britain, New London, Norwich, Plainfield, Plymouth, Putnam, Sprague, Sterling, Torrington, Waterbury, West Haven, Winchester, and Windham. Municipalities currently in a grace period are Bristol, East Haven, Groton, Killingly, New Haven, North Stonington, Preston, Stratford, and Voluntown.

§§ 39-50 — TRANSPORTATION BONDS

Authorizes new STO bonds in FYs 26 and 27 for DOT projects

The act authorizes new STO bonds in FYs 26 and 27 for DOT projects, as shown in the table below.

STO Bond Authorizations for DOT Projects

Authorized Program Areas	*FY 26*	*FY 27*
Bureau of Engineering and Highway Operations		
Interstate highway program	$31,326,000	$12,000,000
Urban systems projects	27,400,000	27,500,000
Intrastate highway program	90,000,000	85,000,000
Environmental compliance, soil and groundwater remediation, hazardous material abatement, demolition, salt shed construction and renovation, storage tank replacement, and environmental emergency response at or near state-owned properties or related to DOT operations	23,695,000	23,559,000
State bridge improvement, rehabilitation, and replacement projects	70,600,000	40,600,000
Capital resurfacing and related reconstruction	175,000,000	185,000,000
Fix-it-First program to repair the state's bridges	220,000,000	238,600,000
Fix-it-First program to repair the state's roads	159,600,000	193,000,000
Local Transportation Capital Improvement Program	80,000,000	80,000,000
Grants to municipalities for the TAR Program	40,000,000	40,000,000
Local Bridge Program	20,000,000	20,000,000
Highway and bridge renewal equipment	41,035,214	41,035,214
Community connectivity and alternative mobility program	15,000,000	15,000,000
Transportation Rural Improvement Program	10,000,000	10,000,000
Purchase, installation, and implementation of advanced wrong-way driving technology and other wrong-way driving countermeasures	20,000,000	20,000,000
Automated Work Zone Speed Control Program	5,000,000	5,000,000
Renovations and improvements to service plazas along highways, excluding projects to maintain them in a state of good repair, outfit tenant space or build-out for a new tenant, and costs associated with tenant trade fixtures, tenant branding, promotions, or advertising	11,750,000	11,750,000
Bureau of Public Transportation		
Bus and rail facilities and equipment, including rights-of-way, other property acquisition, and related projects	277,430,000	284,850,000
Northeast Corridor Modernization Match Program	100,000,000	100,000,000
Commercial Rail Freight Lines	10,000,000	10,000,000
Waterways Program	6,000,000	11,000,000
Bureau of Administration		
Department facilities	140,880,000	127,060,000

EFFECTIVE DATE: July 1, 2025, for FY 26 bond authorizations and July 1, 2026, for FY 27 bond authorizations.

§§ 51-54, 56, 59, 61-65, 71-73, 78-80, 83 & 105-107 — BOND AUTHORIZATIONS FOR PREVIOUSLY ENACTED PROGRAMS AND GRANTS

Increases bond authorizations for various existing grants and purposes by authorizing new bonding for these purposes in FYs 26 and 27

The act increases bond authorizations for various existing grants and purposes by authorizing new bonding for these purposes in FYs 26 and 27, as shown in the table below. The act also makes technical changes and removes a reference to a fulfilled earmark (§§ 51 & 71).

FYs 26 and 27 Authorizations for Previously Enacted Programs and Grants

§	Agency	Purpose/Fund	FY 26	FY 27
51	OPM	Urban Action (economic and community development project grants)	$200,000,000	$200,000,000
52	OPM	Small Town Economic Assistance Program	0	40,000,000
53	OPM	Capital Equipment Purchase Fund	40,000,000	40,000,000
54	OPM	Local Capital Improvement Program	45,000,000	45,000,000
56	DOH	Housing Trust Fund (the act increases, from $200 million to $330 million, the amount that may be used for CHFA to administer a revolving loan fund for workforce housing projects)	150,000,000	150,000,000
59	DAS	School construction projects	550,000,000	550,000,000
61	DEEP	Clean Water Fund grants	133,000,000	175,000,000
62	DEEP	Clean Water Fund loans (revenue bonds)	50,000,000	500,000,000
63	DEEP	Connecticut bikeway, pedestrian walkway, recreational trail, and greenway grant program	10,000,000	10,000,000
64	DESPP	Nonprofit security infrastructure competitive grant program	10,000,000	10,000,000
65	DECD	Manufacturing Assistance Act (the act earmarks up to $50 million for supporting strategic defense initiatives)	100,000,000	100,000,000
71	DOH	Grants for supportive housing for persons with an intellectual disability or other developmental disabilities, including autism spectrum disorder	10,000,000	0
72	DEEP	Financing and grants for certain retrofitting projects for multi-family residences	0	100,000,000
83	SDE	School security infrastructure competitive grant program	10,000,000	10,000,000
105	DOH	Time to Own program	60,000,000	60,000,000
106	Connecticut Municipal Redevelopment Authority (now known as the Connecticut Municipal Development Authority)	Capitalization	0	30,000,000
107	DOH	Grants or forgivable loans to Time to Own program participants for capital improvements to residential properties purchased with program assistance	0	5,000,000

Crumbling Foundations Assistance Fund (§ 73)

The act increases the existing authorization for the Crumbling Foundations Assistance Fund by $100 million, in the amounts of $25 million per year for FYs 27-30.

UConn 2000 Infrastructure Program (§§ 78-80)

The act increases the bond authorization for an existing UConn 2000 project at the Hugh S. Greer Field House by $4 million (from $160 million to $164 million). The act correspondingly increases the total bond authorization and the FY 26 bond cap for the program by $4 million.
EFFECTIVE DATE: July 1, 2025

§ 57 — CSCU 2020 INFRASTRUCTURE PROGRAM

Shifts most of the existing bond authorizations under the CSCU 2020 infrastructure program for land and property acquisition to authorizations for supplemental project funding

The act reallocates existing bond authorizations between projects within Phases II and III of the Connecticut State Colleges and Universities (CSCU) 2020 infrastructure program. For Phase II (covering FYs 12-14), the act reduces the Board of Regents' land and property acquisition authorization by approximately $2.4 million (from $2.6 million to $192,756) and correspondingly increases its supplemental project funding authorization by the same amount (from $0 to $2,407,224). For Phase III (covering FYs 15-21), the act similarly alters the former project's authorization by reducing it by approximately $3.9 million (from $4 million to $100,592) and correspondingly increasing the latter project's authorization by the same amount (from $16 million to $19,899,408).
EFFECTIVE DATE: July 1, 2025

§ 58 — SCHOOL AIR QUALITY IMPROVEMENT GRANTS

Reduces the prior bond authorization for funding school air quality improvement grants and consolidates several earmarks into a single, smaller one; allows the funds to be used for school construction project grants

Existing law authorizes state GO bonds for DAS to fund certain school air quality improvement grants. The act further allows the bonds to be used for certain school construction project grants (see § 59) and reduces the prior authorization by $138.5 million (from $375 million to $236.5 million).

The act also modifies earmarks that, under prior law, were up to $15 million of the authorization for grants to purchase equipment and materials for constructing and installing individual classroom air purifiers, with up to $11.5 million of that amount for UConn as part of the Supplemental Air Filtration for Education program and the remainder for an organization or organizations that provide equipment and materials for individual classroom air purifiers to schools. The act reduces these to a single earmark of up to $11.5 million for grants for the above purchases by UConn under the program.
EFFECTIVE DATE: July 1, 2025

§ 60 — TOWN AID ROAD GRANT REDUCTION TRIGGER

Requires a 10% TAR program grant reduction if a town or district fails to timely submit its annual report on use of program funding

The act requires the OPM secretary to reduce a town or district's grant under the TAR program by 10% in any fiscal year that the town or district fails to timely (by September 1) submit its annual report to the DOT commissioner detailing how the program funds it received were used during the previous fiscal year. However, the act requires the secretary to waive a reduction if the town or district submits its report after the due date and gives him proof of its submission.
EFFECTIVE DATE: July 1, 2025

§ 66 — INNOVATION CORRIDOR AND CONNECTICUT COMMUNITIES CHALLENGE PROGRAMS

Makes changes to the Innovation Corridor and Connecticut Communities Challenge programs, including eliminating sunset dates

Prior law authorized DECD, until June 30, 2024, as part of implementing the state's Economic Action Plan, to (1) establish the Innovation Corridor program to provide grants for major projects in Connecticut and the Connecticut Communities Challenge program to provide community development grants, and (2) use bond funds, federal American Rescue Plan Act (ARPA) funding, and available resources to provide grants under these programs. The act eliminates the sunset date on these authorizations and the department's ability to use ARPA funding. Under existing law, unchanged by the act, total funding for grants under these programs is capped at $200 million ($100 million each).

The act also makes several changes related to the Innovation Corridor program. Specifically, the act (1) renames it as the Innovation Clusters program, (2) exempts financial assistance awarded through it from existing law's cap on financial assistance from DECD given without specific legislative approval (see *Background — Cap on Financial Assistance*), and (3) allows the DECD commissioner (or his designee) to serve on the board of directors for an organization that is awarded financial assistance through the program.

EFFECTIVE DATE: Upon passage

Background — Cap on Financial Assistance

By law, DECD and Connecticut Innovations, Inc. are generally prohibited from awarding more than $10 million of total financial assistance during any two-year period to an applicant or for a business project unless the assistance is specifically authorized by an act of the legislature (or more than $20 million in the case of biotechnology business projects) (CGS § 32-462).

§ 67 — COMMUNITY INVESTMENT FUND 2030

Reduces overall and FY 26 and FY 27 authorizations; makes qualifying projects in distressed municipalities eligible for funding from the CIF 2030 program and moves out the due date for the CIF board's annual report

The act makes several changes related to the Community Investment Fund (CIF) 2030 program, which is, broadly, a five-year, state bond-funded program for financing qualifying economic and community development projects in eligible municipalities. First, it reduces the program's total bond authorization by $108 million (from $875 million to $767 million) and correspondingly reduces its FY 26 and 27 bond caps by $54 million each year (from $175 million to $121 million). Second, the act extends CIF project eligibility beyond public investment communities and alliance districts to also include distressed municipalities (see *Background — Distressed Municipalities* for §§ 13(a) & 32(a), above). Lastly, the act moves out the due date for the CIF board's annual report from August 31 to October 15.
EFFECTIVE DATE: Upon passage

§ 68 — BROWNFIELD MUNICIPAL GRANT PROGRAM

Makes several changes to the Brownfield Municipal Grant Program, including increasing the possible maximum award from $4 million to $6 million and expanding opportunities for participants to receive additional program awards under certain circumstances

Under existing law, DECD administers a Brownfield Municipal Grant Program that gives grants to municipalities, Connecticut brownfield land banks, and economic development agencies for eligible costs of brownfield remediation or assessment projects and reasonable administrative expenses of up to 5% of the grant awarded.

The act specifies that these grants may also cover eligible costs for distinct phases of brownfield remediation and assessment projects and makes related conforming changes. Additionally, the act increases, from $4 million to $6 million, the maximum grant that may be awarded. It allows for additional awards over that amount to related but distinct phases of a project (or project addresses) if separate applications are submitted for them.

The act also makes other changes to the program. It allows, rather than requires, as under prior law, the DECD commissioner to give priority to grant applications for brownfields located in federally designated opportunity zones. It also exempts grant recipients from having to enter a remediation program for the property if the (1) grant funds are used for remediation actions that are not site-wide and (2) property, presumably, will not benefit from being in a remediation program.

Additionally, the act modifies the law's allowance for awarding additional grants to a participant. By law, the DECD commissioner may award an additional grant if he and the DEEP commissioner identify the project as a priority for remediation and the grant will be used to cover unexpected cost overruns or cleanup activities that increase the project's environmental benefits. Under prior law, the additional grant also could not (1) exceed 50% of the original grant amount or (2) increase the project's total grant funding under the program to more than $4 million. The act eliminates the former provision and increases the cap to $6 million, while specifying that the cap covers grants toward a project site or distinct project phase.

Lastly, if the projected need for additional funding identified in project implementation exceeds 50% of the original grant award or $6 million, the act allows for a new application if proof is given to the DECD commissioner's satisfaction that (1) new parcels have been added to the original project, (2) the budget required to complete the remediation actions has increased due to issues identified during remediation action work, or (3) the initial scope of remediation action has been altered or expanded.
EFFECTIVE DATE: July 1, 2025

§ 69 — TARGETED BROWNFIELD DEVELOPMENT LOAN PROGRAM

Increases the program's maximum annual loan amount from $4 million to $6 million, gives the DECD commissioner discretion on prioritizing applications for certain proposed projects, and adds an additional exemption for certain loan recipients from having to enter a property remediation program

The act makes several changes to DECD's Targeted Brownfield Development Loan Program, which generally gives loans for brownfield remediation projects to eligible property owners and potential purchasers. Specifically, the act:

1. increases the maximum loan a recipient may receive from $4 million to $6 million;
2. allows, rather than requires, as under prior law, the DECD commissioner to give priority to loan applications for proposed projects in federally designated opportunity zones; and
3. exempts loan recipients from having to enter a remediation program for the property if the (a) funds are used for remediation actions that are not site-wide and (b) property, presumably, will not benefit from being in a remediation program.

EFFECTIVE DATE: July 1, 2025

§§ 70, 74, 81, 82, 85-90, 92-101, 103 & 104 — BOND CANCELLATIONS AND REDUCTIONS

Cancels or reduces prior bond authorizations for specified projects and grants

The act cancels or reduces prior bond authorizations for the projects and grants shown in the table below. It makes conforming changes to the corresponding bond supertotals.

Cancellations and Reductions

§	Agency and Purpose	Prior Authorization	Amount Cancelled
70	DOH: Homelessness prevention and response fund	$18,329,993	$7,875,000
74	DECD & CTNext: CTNext Fund and its statutory purposes	20,200,000	20,000,000
82	OPM: Design and implement the consolidation of higher education systems with the state's CORE system	5,000,000	3,000,000
86	OPM: Develop and implement databases in the CORE financial system associated with results-based accountability	3,000,000	350,000
88		3,500,000	850,000
90	DAS: Grants to alliance districts for general improvements to school buildings	18,000,000	18,000,000
93	DAS: Grants to priority school districts for projects (including expenditure reimbursements) that are ineligible for school building project grants	30,000,000	30,000,000
94	Paid Family and Medical Leave Insurance Authority: Grants for capitalizing the Family and Medical Leave Insurance Trust Fund	25,000,000	8,980,265
96	DAS: Grants to priority school districts for projects (including expenditure reimbursements) that are ineligible for school building project grants	25,000,000	25,000,000
97	Paid Family and Medical Leave Insurance Authority: Grants for capitalizing the Family and Medical Leave Insurance Trust Fund	25,000,000	15,000,000
99	DECD: CareerConneCT workforce training programs	20,000,000	10,000,000
101		20,000,000	20,000,000
104	DAS: EV purchases and charging infrastructure construction and installation at state facilities	35,000,000	10,000,000

EFFECTIVE DATE: July 1, 2025

§§ 75 & 76 — HOUSING RECEIVERSHIP REVOLVING FUND

Modifies the types of funds available to compensate certain receivers and types of expenses that are covered by the funds; increases by $5 million per year the amount that may be spent from the Housing Receivership Revolving Fund in any single municipality

By law, apartment buildings in serious disrepair may be placed in receivership when the owner fails to comply with an order to abate a nuisance. Existing law establishes the Housing Receivership Revolving Fund, administered by the DOH commissioner, and authorizes the Superior Court to allow the fund to be used to cover a receiver's expenses. The law also allows receivers' expenses to be covered by the rents they or the municipality in which the building is located collect (CGS §§ 47a-56 to 47a-56i).

The act modifies the type of collections available to compensate receivers by replacing "rents" with "revenue." It also adds expenses managing a property according to a receiver appointment for associations, communities, and corporations in which members are dependent for support as expenses that may be covered by the revenue collections and the Housing Receivership Revolving Fund.

The act also increases, from $1 million to $6 million per year, the amount that may be spent from the fund in any single municipality.

EFFECTIVE DATE: July 1, 2025

§ 77 — UCONN FACULTY RECRUITMENT AND HIRING PROGRAM

Changes one of the purposes of the UConn Faculty Recruitment and Hiring Program so that it develops laboratories for faculty instead of supporting their compensation and restricts related bonds to that purpose

Existing law requires UConn's Board of Trustees to biennially develop a plan for recruiting and hiring research faculty and to implement a research faculty recruitment and hiring program according to its plan. Relatedly, existing law authorizes $46.1 million in GO bonds over a five-year period, from FY 22 to FY 26, for this program (CGS § 10a-110n).

The act changes one of the program's purposes by requiring it to be used to develop laboratories for hired faculty, including related construction, renovation, and equipment costs, instead of supporting their compensation. The act relatedly restricts the use of authorized bonds to this purpose.

EFFECTIVE DATE: July 1, 2025

§ 84 — TECHNICAL HIGH SCHOOL SYSTEM TRAINING PROGRAMS

Transfers from SDE to CTECS the responsibility for handling bond proceeds dedicated to certain technical high school system training programs

Prior law required SDE to use proceeds from an $8.5 million GO bond authorization for (1) a technical high school system pilot program to provide expanded educational opportunities for academic enrichment and trades training for secondary and adult learners by extending hours at technical high schools in Hamden, Hartford, New Britain, and Waterbury, and (2) grants to technical high schools to provide evening training programs in skilled trades, including manufacturing, masonry, electrical, plumbing, and carpentry, that prepare participants to earn a credential or degree recognized by employers or trade associations.

The act transfers the responsibility for handling these bond proceeds from SDE to CTECS.

EFFECTIVE DATE: Upon passage

§ 91 — STATE CAPITOL AND LEGISLATIVE OFFICE BUILDING

Broadens the allowable uses of an existing bond authorization to include construction work on the State Capitol and Legislative Office Building

Existing law authorizes $1.8 million in GO bonds for the Office of Legislative Management to replace, repair, and repave the State Capitol Complex's roads and sidewalks. The act broadens the acceptable use of these bonds to include altering, renovating, and restoring the State Capitol and Legislative Office Building, including interior and exterior restoration and compliance with the ADA.

EFFECTIVE DATE: July 1, 2025

§ 102 — DOH HEALTH CARE WORKER HOUSING PROGRAM REPORTING

Requires DOH and CHFA to submit a report on increasing health care worker housing options

Existing law requires the DOH commissioner and the CHFA executive director to seek to partner with one or more hospitals in the state to increase workforce housing options. It also authorizes up to $20 million in state GO bonds for DOH to fund the costs associated with the partnership and develop housing for health care workers.

The act requires, by January 1, 2026, DOH and CHFA to report to the Finance, Revenue and Bonding and Housing committees on the partnership's status, their activities to increase workforce housing options, and recommendations on other ways to increase these housing options.

EFFECTIVE DATE: July 1, 2025

§ 108 — HEAT PUMP DEPLOYMENT

Changes the purpose of proceeds from an existing bond authorization to direct DEEP to use them to support the deployment of heat pumps without specifically requiring it do so through rebates

Existing law authorizes $25 million in GO bonds for DEEP. Under prior law, the proceeds from these bonds were to be used to fund a program that a 2024 bill would have established to provide rebates, at the point of sale, for the purchase of heat pumps intended for heating systems in Connecticut. (That bill was not enacted.) The act instead requires DEEP to use the proceeds to support the cost-effective deployment of heat pumps for thermal needs throughout Connecticut.

EFFECTIVE DATE: July 1, 2025

§§ 109 & 110 — DOH REPORTING ON BOND-FUNDED HOUSING PROGRAMS

Eliminates prior law's requirement for DOH reporting to the Finance, Revenue and Bonding Committee on specified bond-funded programs and replaces it with a similar requirement; requires CHFA to post certain information on its website

Since September 1, 2024, and until September 1, 2026, prior law required DOH to report biannually to the Finance, Revenue and Bonding Committee specified information on bond funds the department received for (1) the Housing Trust Fund and (2) housing development and rehabilitation under the FY 24-25 bond act or any similar public act. The act eliminates this requirement (§ 110) and instead creates a new, but similar, reporting requirement (§ 109).

Under the act's new requirement, DOH must report by September 1, 2025, and every six months after that. The reports must be done in consultation with CHFA, and be submitted to both the Finance, Revenue and Bonding and Housing committees. Additionally, the reports must contain the following for the prior fiscal year and prior six months:

1. the amount from each bond authorization used for the Build for CT program and other DOH-administered programs that address affordable housing, supportive housing, homelessness, or workforce development housing (excluding the Time to Own and Down Payment Assistance programs);
2. for the above-mentioned programs, a list of the number of projects that are approved, underway, and completed, itemized by municipality;
3. a description of DOH's programs that address affordable housing, supportive housing, homelessness, and workforce development housing; and
4. the number of applications received, loans granted, and applications denied for the Time to Own and Down Payment Assistance programs and aggregate information on the reasons for denials under these programs.

The act also requires CHFA to maintain on its website information about the Time to Own and Down Payment Assistance programs. Specifically, it must post information regarding the race, ethnicity, income, and property location of these programs' borrowers.

EFFECTIVE DATE: July 1, 2025

§§ 112 & 113 — GREYFIELD REVITALIZATION PROGRAM

Principally allows DECD to create a grant or loan program to facilitate the repurposing of commercial retail and office space; authorizes DECD to provide up to $50 million in assistance under the program (from bonding and available resources)

The act allows the DECD commissioner, in coordination with the DOH commissioner, Connecticut Municipal Redevelopment Authority (now known as Connecticut Municipal Development Authority (CMDA)), and CRDA, to create a greyfield revitalization program. Under the act, a "greyfield" is any previously developed commercial retail or office property that (1) is economically nonviable in its current state and exhibits conditions that significantly complicate its redevelopment or reuse, as determined by the DECD commissioner, and (2) is not currently eligible for any brownfield remediation and development program.

The act requires the greyfield revitalization program to provide (1) grants or loans to facilitate the repurposing of greyfields and (2) grants to CMDA or CRDA to give grants or loans to facilitate the same. The DECD commissioner may use bond funds and available resources to provide up to $50 million in the aggregate for program grants and loans. (Other sections of the act authorize $50 million in GO bonds for the program; see the table above listing GO bond authorizations.)

Under the act, the DECD commissioner must develop a competitive application process and criteria to evaluate applications submitted and select projects for funding. He may contract with nongovernmental entities, including nonprofit organizations, economic and community development organizations, lending institutions, and technical assistance providers, to administer the program.

Eligible uses of grant or loan funds include:

1. architectural and engineering assessment of buildings and site readiness to determine suitability for conversion to multi-family housing,
2. demolition,
3. remediation and abatement of building materials that were used according to the State Building Code when the structure was constructed,
4. renovation or conversion construction costs,
5. planning studies to assess the viability of potential future project sites under the program, and
6. reasonable administrative expenses not to exceed 5% of any grant awarded.

The act exempts financial assistance awarded through the program from existing law's cap on financial assistance from DECD given without specific legislative approval (see *Background — Cap on Financial Assistance* for § 66, above).

Relatedly, the act creates the greyfield revitalization account as a separate, nonlapsing account that must contain (1) the proceeds of bonds issued by the state for deposit into it, (2) interest or other income earned on the investment of money in the account, and (3) any money required by law to be deposited in it. Any balance remaining in the account at the end of any fiscal year must be carried forward in the account for the next fiscal year.

The act requires all money received in consideration of financial assistance, including payments of principal and interest on any loans made through the greyfield revitalization program, to be credited to the account and become part of its assets. Additionally, regardless of any state statute, the act allows proceeds of certain Urban Action bond sales to be used to capitalize the account if approved by the governor and the State Bond Commission.

Under the act, the DECD commissioner may use the account's funds to provide financial assistance for the greyfield revitalization program and up to 5% of the account's funds for administrative costs.

EFFECTIVE DATE: July 1, 2025

Background — Related Act

PA 25-164 requires the DECD commissioner to prioritize the greyfield revitalization program's funding for municipalities that adopt zoning regulations that allow for converting or partially converting commercial buildings into residential developments according to the act. However, it references provisions establishing the program under a different bill that was not enacted.

§§ 114 & 137 — DECD GRANTS FOR CULTURAL AND HISTORIC SITES

Requires DECD to create a grant program for capital improvements to certain cultural and historic sites and annually report on it; authorizes the department to require a lien on certain properties as a condition for receiving grants of $100,000 or less

The act requires the DECD commissioner to establish, within available resources, a program for nonprofit organizations that own or operate cultural and historic sites in the state to provide them grants for making capital improvements. The commissioner must develop eligibility criteria and application forms and accept applications on a continuing basis. By January 1, 2026, and annually after, the commissioner must submit a report to the Finance, Revenue and Bonding Committee on the (1) number of grant applications he received during the previous calendar year and (2) total amount of funds requested in them (§ 137).

Separately, the act authorizes the DECD commissioner to require, for any grant up to $100,000 to a nonprofit organization sponsoring cultural and historic sites, a lien placed on real or personal property in favor of the state to ensure that the grant amount will be repaid in the event of a change in use of the property. However, the act does not require DECD to place a lien on property owned by the state, a municipality, or a housing authority. This authorization applies regardless of laws that require, as a condition of specified past grants to private entities, that each granting agency include repayment provisions and a corresponding lien in case the facility ceases to be used for the grant purposes within 10 years after the grantee receives it (§ 114).

EFFECTIVE DATE: Upon passage, except the lien provision is effective July 1, 2025.

§ 115 — STRATEGIC SUPPLY CHAIN PROGRAM

Authorizes DECD to create a strategic supply chain program to provide financial assistance to help develop the supply chains of major and emerging industries in Connecticut; allows the use of up to $50 million in bond funds for program projects

The act allows the DECD commissioner to create a strategic supply chain program, which may provide grants, loans, subsidies, or tax credits in support of proposed projects to establish, grow, upgrade, or expand companies, facilities, or workforce training efforts within the supply chains of major and emerging industries in Connecticut, as determined by the commissioner. In consultation with the OPM secretary, the commissioner may use bond funds, available authorized bond funds, and available allocated bond funds to give up to $25 million per fiscal year and up to $50 million in the aggregate for the program's projects.

The act requires DECD to develop a competitive application process and criteria to evaluate applications submitted and select projects for funding. It exempts financial assistance awarded through the program from existing law's cap on financial assistance from DECD given without specific legislative approval (see *Background — Cap on Financial Assistance* for § 66, above).

By June 30, 2029, the DECD commissioner must submit a report to the Commerce Committee on the projects funded through the program.

EFFECTIVE DATE: July 1, 2025

§ 117 — DOH AFFORDABLE HOUSING BOND PROGRAM

Authorizes up to $50 million in GO bonds for DOH to finance projects to create employment opportunities in the construction industry by developing affordable housing

The act authorizes up to $50 million in GO bonds over four years, in amounts of up to $12.5 million per year from FY 26 through FY 29, for DOH to finance projects to create employment opportunities in the construction industry by developing affordable housing. (PA 25-49, § 27, (VETOED) would have generally required DOH to develop and administer a program for these projects.)

If DOH does not use all or part of the capped amount in a fiscal year, that amount is added to the capped amount for the following year. Any issuance costs and capitalized interest may be added to the capped amounts. Subject to the caps, the act deems the principal amount of the authorized bonds to be an appropriation, allocation, and allotment of the bond amounts. The bonds are subject to standard statutory conditions.

EFFECTIVE DATE: July 1, 2025

§ 121 — CHILD CARE FACILITIES GRANTS

Requires OEC to establish a competitive grant program for child care facilities' design, construction, and renovations projects; authorizes up to an aggregate $80 million in state GO bonds with a cap of $11.5 million for each fiscal year FY 26-FY 32 and requires OEC to use the proceeds to fund the program

The act requires the Office of Early Childhood (OEC) to establish a competitive grant program to help licensed child care facilities (i.e. child care centers or group or family child care homes that provide child care services) with the costs of planning and designing, constructing, and renovating child care facilities. OEC must establish (1) an application process and (2) grant eligibility criteria that prioritizes grants by considering the scope of each design, construction, or renovation project and the type of facility. The act allows OEC to (1) contract with a third party to administer the program and provide technical assistance to grant applicants and recipients and (2) use funds from the Early Childhood Education Endowment to pay costs of providing that technical assistance.

The act (1) authorizes up to an aggregate $80 million in state GO bonds with a cap of $11.5 million for each fiscal year starting FY 26 through FY 31 and $11 million for FY 32, except unused portions may be carried over to the next fiscal year, and (2) requires OEC to use the proceeds to fund the grant program. The bonds are subject to standard statutory bond issuance procedures and repayment requirements.

The act also requires that grant contracts with entities that are not political subdivisions of the state must indicate that if the premises ceases to be used as a child care facility within 10 years after receiving the grant, (1) the recipient must repay the state the total grant amount reduced by 10% for each full year that the facility is used for the grant purpose and (2) a lien must be placed on the property to ensure the repayment. However, OEC does not need to place a lien if the premises are owned by the state, a municipality, or a housing authority.

EFFECTIVE DATE: July 1, 2025

§ 122 — PLACEMENT OF LIENS BY OFFICE OF EARLY CHILDHOOD

Provides that OEC need not place a lien on real property to secure repayment of certain child care related grants of $50,000 or less

Existing law authorizes state GO bonds for OEC to give grants for constructing, improving, or equipping child care centers, including paying associated costs for the infant and toddler pilot program's architectural, engineering, or demolition services. Relatedly, under existing law, OEC must include in its grant contracts to private entities a provision that requires a portion of the grant to be repaid if the premises stop being used for the grant's purposes within 10 years of the grantee receiving it. To secure repayment, the law requires the contract to provide that a lien may be placed on the premises' land. However, the law also specifies that a lien does not need to be placed on premises owned by the state, a municipality, or a housing authority.

For grants of $50,000 or less made through the above bond funding, the act provides that OEC need not place a lien on the real property for which the grant was made.

EFFECTIVE DATE: July 1, 2025

§ 123 — PAYMENT OF BOND-FINANCED STATE HOUSING PROGRAM'S ADMINISTRATIVE EXPENSES

Makes all bond-financed state housing programs eligible to have their administrative expenses be paid from their related proceeds but limits payment of these expenses to those that are no more than $1 million in any fiscal year

The act makes several changes affecting the payment of administrative expenses for a "bond-financed state housing program," which, by law and under the act, is any DOH-administered program that provides financial assistance for housing acquisition, development, rehabilitation, or support services and is financed in whole or in part from state GO bond proceeds.

Prior law allowed the administrative expenses for certain specified bond-financed state housing programs to be paid for with the state's GO bond proceeds for the program. The act makes all bond-financed state housing programs eligible to have their administrative expenses be paid from their related proceeds but limits payment of these expenses to those that are no more than $1 million in any fiscal year. By law, unchanged by the act, this use of bond proceeds must be approved by the State Bond Commission and governor.

The act also makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2025

§§ 124-130 — HOMES FOR CT LOAN PROGRAM

Requires CHFA to administer a loan program that helps owners or developers get funding to build new residential buildings by guaranteeing loan repayment, up to certain thresholds, for participating banks and credit unions that loan to these borrowers

The act requires CHFA to administer a "Homes for CT" loan program that helps owners or developers get funding to build new "residential buildings" (i.e. single- or multi-family residential units, including condominium or common interest community units, or buildings with one or more of these units). CHFA must do this by guaranteeing loan repayment, up to specified total thresholds, for participating banks and credit unions that make loans to these borrowers. It may also, within available resources, make additional subordinate loans. (The act authorizes up to $20 million in bonding for FYs 26 and 27 for the program (see §§ 13(j) & 32(g), above.))

The act allows the bank or credit union loans to have loan-to-value ratios exceeding typical underwriting standards and subjects the loans to any conditions or limitations CHFA establishes in consultation with representatives from the banking industry (which must be published on CHFA's website). CHFA's subordinate loans are subject to terms CHFA establishes, including on loan amounts, interest rates, and terms to maturity.

The act caps the total amount of (1) program loans at $100 million and (2) claims paid to honor loan guarantees at $10 million. And among other things, it:

1. limits the use of program loans to expenses (a) needed to complete residential building construction or build related improvements and (b) that CHFA determines are necessary;
2. establishes requirements for participating in the program and receiving a loan guarantee payment, including making good faith collection efforts;
3. allows CHFA to end a loan guarantee with a bank or credit union that misrepresents information about the guarantee or fails to comply with the act's good faith collection requirements;
4. requires CHFA to keep program administration records, including a record of the issued loans and loan guarantee payments made; and
5. authorizes the comptroller, CHFA, and the Department of Banking (DOB) to enter into a memorandum of understanding to carry out the act's requirements.

EFFECTIVE DATE: Upon passage

Lender Participation

Under the act, banks and credit unions with a physical presence in Connecticut may participate in the program if they first notify DOB and CHFA of their intent to do so. The act requires DOB and CHFA to set the process for the notice, which must include the institution's contact information.

The act requires DOB and CHFA, by October 1, 2025, to publish on their websites a (1) program summary and (2) list of the participating banks and credit unions, with their contact information, which DOB and CHFA must update. DOB must also give Connecticut-licensed mortgage servicers information about the program.

The act allows the participating banks and credit unions to suspend their involvement in or withdraw from the program after notifying DOB and CHFA in writing of the date it will take effect, but this date must be at least five business days after the notice is given. The act specifies that a suspension or withdrawal does not affect the institution's ability to submit a guarantee claim for a loan properly noticed to CHFA before the suspension or withdrawal took effect.

The act specifies that a bank's or credit union's program participation does not stop it from issuing loans to this same category of borrowers outside the program.

Program Capacity

The act requires a bank or credit union that agrees to make a loan to an eligible borrower under the program to notify CHFA in writing within one business day of doing so. The notice must include the loan amount and any other information about the borrower and the loan that CHFA requests. Additionally, these entities must give CHFA a (1) copy of the loan's promissory note and the mortgage deed securing the note within seven business days after agreeing to make the loan and (2) written report disclosing the loan's status on a monthly basis. These reports must at least include the principal amount, outstanding balance, and amount of any funds that the bank or credit union agreed to lend to the eligible borrower but has not yet disbursed.

The act caps the total amount of loans under the program at $100 million, including outstanding loans and those that banks or credit unions have agreed to make. CHFA must immediately close participation in the program when this threshold

is reached, based on the loan notices it receives, and notify the participating banks and credit unions. Correspondingly, the act allows banks and credit unions to condition loan agreements on the program's availability.

Loan Requirements

Under the act, for a participating bank or credit union to make a loan under the program, the borrower must (1) show the bank or credit union that its project meets the standards for a residential building development, which CHFA must set, and (2) give CHFA a covenant that each dwelling unit in these buildings, when offered for sale to the public, will only be sold to participants in a CHFA-administered homebuyer loan program. The act requires that a mortgage deed on the borrower's residential buildings and all related improvements under development secure the loan.

The act requires the banks and credit unions to follow their underwriting policies and standards when making these loans, other than using a loan-to-value ratio that exceeds typical standards. It caps the loans' interest rates at the applicable rate of the Federal Home Loan Bank of Boston (FHLBank Boston) for short- or long-term advances through the New England Fund program. This rate is that which (1) is on FHLBank Boston's website on the date the borrower and bank or credit union lock in the rate and (2) has an advance term that most closely matches the loan's term.

Standard Procedures and Documents

The act requires CHFA, by October 1, 2025, to develop the following for participating banks and credit unions:

1. reasonable standards to show good faith collection efforts of outstanding loan principal and
2. a readily accessible communication portal to verify the most recently available total amount of (a) program loans CHFA has been notified about and (b) claims submitted to the comptroller.

It allows CHFA to develop standard promissory note and mortgage deed forms that can be used by the participating banks and credit unions.

Under the act, the standards and forms must be (1) developed in consultation with banking industry representatives and (2) to the extent feasible, closely aligned with industry standards, except the act prohibits them from requiring post-delinquency collection efforts that extend beyond 90 days.

Loan Guarantees

Under the act, a participating bank or credit union may make a claim to CHFA to recover the outstanding principal on a defaulted loan, but only after it shows CHFA that (1) it has made a good faith effort to collect it from the eligible borrower and any person (other than CHFA) who issued a loan guarantee and (2) the loan has been delinquent for four consecutive months. The collection efforts must be done according to the bank's or credit union's loan servicing and collection policies.

The act requires CHFA to submit accepted claims to the comptroller for payment from the General Fund. It caps the amount of claims that CHFA may process and have paid to honor the program's loan guarantees at $10 million. When this threshold is met, CHFA must immediately stop processing claims and notify the comptroller and the participating banks and credit unions that it will no longer honor guarantees.

Under the act, once the comptroller pays the claim, the loan tied to it (including any loan guarantee a person other than CHFA issued) is assigned to the state and CHFA assumes the loan's collection rights. Any funds CHFA receives from collection efforts on these loans must be deposited in the General Fund.

§ 131 — DISTRICT REPAIR AND IMPROVEMENT PROJECT (DRIP) PROGRAM

Creates the DRIP program to provide financial assistance to boards of education and other public school operators for constructing, renovating, repairing, and enlarging public school buildings, grounds, and infrastructure; sets a formula for allocating program amounts; authorizes $60 million in GO bonds for OPM to administer the program

The act 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. More specifically, the program gives grants to local and regional boards of education and other public school operators (PSOs) for reimbursement and costs associated with these types of school-related capital projects.

Under the act, the OPM secretary must allocate amounts set for the DRIP program using a formula where, generally, 20% goes to each PSO equally, 50% is proportional to certain student enrollment percentages, and 30% is proportional to specific grand list percentages. The act imposes various reporting and record keeping requirements on PSOs that get a program grant.

The act also authorizes up to $60 million in new general obligation bonds ($30 million each in FY 26 and FY 27) for OPM to administer the DRIP program. The bonds are subject to standard issuance procedures and have a maximum term of 20 years. The act relatedly creates the district repair and improvement account as a separate, nonlapsing account that must contain any money required by law to be deposited in it. The account's money must be spent by the OPM secretary for the DRIP program's purposes.
EFFECTIVE DATE: July 1, 2025

Program Purpose

Under the act, the DRIP program must assist PSOs with the costs of minor capital repairs, improvements, and maintenance; mitigate their need for more costly and extensive future renovations and construction; and improve accessibility to safe and well-maintained school buildings and grounds for students and educators.

Eligible Recipients and Projects

The act limits DRIP program grants to PSOs for district repair and improvement projects.

Under the act, a "public school operator" is any (1) local or regional board of education, (2) regional educational service center, (3) endowed academy approved by the State Board of Education (SBE), and (4) state charter school. It also includes certain interdistrict magnet school operators. Specifically, this applies to any interdistrict magnet school operator that is (1) the board of governors for a nonprofit, independent higher education institution; (2) the equivalent of such a board, on behalf of the independent higher education institution; or (3) any other third-party nonprofit corporation approved by the education commissioner.

A "district repair and improvement project" is a capital expenditure project approved by a PSO for any of the following purposes:

1. the construction, renovation, repair, or enlargement of school buildings or school grounds, including parking lots, athletic fields, and playgrounds;
2. improvements to school facilities to comply with health, safety, or code requirements; or
3. the purchase, installation, or maintenance of, or improvements to, fixed school infrastructure, including heating, ventilation, and air conditioning systems; plumbing; electrical systems; and roofing.

Allocation Requirements

On February 1 of each year, the act requires the OPM secretary to allocate amounts from the district repair and improvement account's resources to each PSO according to the act's allocation formula, totaling no more than the amount the legislature authorizes for the fiscal year. The secretary must credit all allocations to a subaccount for each PSO and make district repair and improvement project grants from the subaccounts. He must also keep records indicating, for each PSO's subaccount, the (1) amount credited to the subaccount each year, (2) amount paid out in district repair and improvement project grants and charged to the subaccount, and (3) balance available for additional district repair and improvement project grants.

On March 1 of each year, the OPM secretary must notify each PSO of the amount allocated to it and post on OPM's website the allocation amounts and the calculations for all PSOs. By June 30 of each fiscal year, allocations credited to PSOs' subaccounts must be issued as grants by the secretary to the PSOs.

The act requires PSOs to use the grants for reimbursement and costs associated with district repair and improvement projects. It prohibits amounts allocated under the DRIP program from being used (1) to meet a local matching requirement for any state assistance program or (2) for any school building project under the DAS school construction grant program.

Allocation Formula

The act requires each allocation to a PSO be done according to a formula where 20% of the program's annual amount goes to each PSO equally and the remaining 80% are based on two different percentages.

Student Enrollment Percentage. Under the act, 50% of the program's annual amount must be allocated proportionally based on the following ratio for the fiscal year prior to the year in which the grant is to be paid: the (1) PSO's total need students enrolled in a school or schools, as applicable, under the PSO's jurisdiction to (2) total need students enrolled in all PSO schools in the state.

"Total need students" are the sum of:

1. the number of students enrolled for the school year;

2. 30% of the number of students eligible for free or reduced price meals or free milk;
3. 25% of the number of students enrolled who are multilingual learners, as defined in state law;
4. 30% of the number of students enrolled who require special education, as defined in state law; and
5. for PSOs where the number of students eligible for free or reduced price meals or free milk exceeds 60% of the number of students enrolled for the school year, 15% of that excess.

Under the act, "number of students enrolled" is the number of all students enrolled in a school or schools, as applicable, under the PSO's jurisdiction on October 1 or the full school day immediately before that date.

"Number of students eligible for free or reduced price meals or free milk" is the number of students enrolled in a school or schools, as applicable, under the PSO's jurisdiction on October 1, or the full school day immediately before that date, in families that meet the income eligibility guidelines set by the federal Department of Agriculture for free or reduced price meals or free milk under the National School Lunch Program.

Grand List Percentage. Under the act, 30% of the program's annual amount must be allocated proportionally based on the following ratio: (1) the PSO's total need students enrolled in a school or schools, as applicable, under the PSO's jurisdiction for the fiscal year prior to the year in which the grant is to be paid, multiplied by (2) the inverse of the adjusted equalized net grand list per capita of the PSO (which will be the numerator (upper number) of the fraction) and the sum of the resulting products for all the PSOs (which will be the denominator (bottom number) of the fraction).

The adjusted equalized net grand list per capita of a PSO varies depending on the entity. For local boards of education and charter schools, it is the same as the adjusted equalized net grand list per capita, as defined in state law, of the town of the board and town in which the charter school is located, respectively. For regional boards of education, regional educational service centers, interdistrict magnet school operators, and endowed academies, it is based on the entity's rank under the DAS school construction grant program so that its adjusted equalized net grand list per capita will be the same as the adjusted equalized net grand list per capita of a town with the same ranking.

Reporting and Record Keeping Requirements

By September 1, 2027, and annually after, each PSO issued a DRIP program grant must submit a report to the OPM secretary, in a form and way he prescribes, describing each district repair and improvement project for which amounts were expended in the fiscal year and the amounts expended for each project. The report must include a certification by the PSO that (1) the district repair and improvement project was approved by the PSO or a board, council, or other body responsible for overseeing the project and (2) no grant money was used to satisfy a local matching requirement for any state assistance program or for any school building project under the DAS school construction grant program. The secretary must post all reports submitted on the office's website.

The act also requires each PSO getting a DRIP program grant to keep, for at least three years after the project's completion, detailed accounting records of all expenses incurred for the project. If the OPM secretary determines that the records are not kept or a review of the records shows that the grant, or any portion of it, was used for something other than its intended purpose, the secretary must give written notification to the PSO of his finding. Upon issuing a finding, the secretary may require the PSO to promptly pay the full grant back to the state or may reduce, by that amount, any future DRIP program grant the PSO gets.

§ 132 — REPORTING ON THE OFFICE OF THE CHIEF MEDICAL EXAMINER FACILITIES

Reinstates the requirement that DAS report quarterly on the status of the design, alteration, renovation, and construction of the facilities for the Office of the Chief Medical Examiner

PA 25-168 and this act make related changes affecting reporting on certain medical facilities. PA 25-168, § 83, repeals, among other things, a requirement for DAS to report quarterly to the Finance, Revenue and Bonding and Government Administration and Elections (GAE) committees on the status of the design, alteration, renovation, and construction of the facilities for the Office of the Chief Medical Examiner until the construction is completed. The repeal is effective as of June 30, 2025. This act reinstates this reporting requirement with the first report due by October 1, 2025.

EFFECTIVE DATE: July 1, 2025

§§ 133-136 — NEW REPORTING REQUIREMENTS

Requires assorted reports by state agencies to, principally, the Finance, Revenue and Bonding Committee on various capital plans

The act creates several new reporting requirements for state agencies, as described below.

By October 1, 2025, and quarterly after, the CSCU chancellor, in consultation with the OEC commissioner, must submit a report to the Finance, Revenue and Bonding Committee describing the coordination of efforts between CSCU and OEC to construct, improve, or equip child care centers on or near college and university campuses in the state.

Additionally, by January 1, 2026, and annually after, the CSCU chancellor must submit to the Finance, Revenue and Bonding Committee a five-year capital plan for the CSCU system and a description of the efforts taken in the prior year to increase its enrollment.

The act also requires DAS, by January 1, 2026, to develop a plan to install solar photovoltaic systems on developed state properties and submit the plan to the Finance, Revenue and Bonding and GAE committees.

Lastly, by January 1, 2027, and biennially after, CTECS must develop a five-year capital plan for its system and submit it to the Finance, Revenue and Bonding Committee.

EFFECTIVE DATE: July 1, 2025, except the provision on CSCU's five-year capital plan is effective October 1, 2025, and the provision on the CTECS five-year capital plan is effective January 1, 2026.

§§ 140 & 144 — HVAC GRANTS

Repeals the existing school construction HVAC grant and instead merges it with an existing school construction grant program

The act repeals the existing school construction heating, ventilation, and air conditioning systems (HVAC) grant program and instead merges it with an existing school construction grant program that provides grants for a broader range of school building projects (such as roof replacements and addressing building code violations). The act subjects the new HVAC grants to the same application and eligibility criteria that apply to existing non-priority school building projects (see *Background — Non-Priority List School Building Projects*).

Under prior law, the DAS commissioner could approve grants to reimburse school districts for project costs to install, replace, or upgrade HVAC systems or related improvements. Under the act, the commissioner may approve grants to upgrade HVAC systems or make other improvements to indoor air quality in school buildings. (The act's language does not include installing or replacing systems.)

While the statute for these grants does not include a dollar limit, the non-priority list projects tend to be smaller than the priority list projects, ranging from $100,000 to $5 million. Priority list projects commonly range from $1 million to, in some cases, $200 million.

Inspection and Maintenance Requirements

As under prior law, the act:

1. prohibits awarding grants for HVAC or indoor air quality improvements to recipients unless they have certified compliance with the uniform inspection and evaluation of their school buildings' HVAC systems as required by law (CGS § 10-220(d)),
2. makes (a) routine maintenance and cleaning of the HVAC system and (b) work performed at or on a public school administrative or service facility that is not located or housed within a public school building ineligible for reimbursement, and
3. requires grant recipients to (a) be responsible for the routine maintenance and cleaning of the HVAC system and (b) provide training to school personnel and maintenance staff on the system's proper use and maintenance.

Repealed HVAC Grant Provisions

The act repeals provisions on:

1. grant eligibility for charter schools (although a separate charter school capital projects grant law is unchanged);
2. specific grant eligibility criteria including (a) the age and condition of the HVAC system or equipment being replaced or upgraded, (b) current air quality issues at the school, (c) the age and condition of the overall school building, (d) the school district's master plan, (e) the availability of maintenance records, (f) the school's routine

HVAC maintenance contract or plan, and (g) the applicant's ability to finance the remaining costs;
3. requiring DAS to reconsider grant applications it has denied through the end of FY 26 and provide technical assistance to the denied school board to help the board gain approval;
4. requiring DAS, if there is not enough grant funding, to prioritize schools with the greatest need based on the eligibility criteria; and
5. requiring an HVAC project to be completed by the end of the next calendar year after the grant was awarded unless extended by DAS for good cause.

EFFECTIVE DATE: Upon passage

Background — Non-Priority List School Building Projects

The law authorizes the DAS commissioner, in consultation with the education commissioner, to award grants on a case-by-case basis without going through the annual priority list process, which requires legislative approval. Non-priority list projects include:

1. helping school building projects remedy damage from fire and catastrophe;
2. correcting safety, health, and other code violations;
3. replacing roofs, including the replacement or installation of skylights as part of the project;
4. remedying a certified school indoor air quality emergency;
5. installing insulation for exterior walls and attics; and
6. purchasing and installing limited use and access elevators, windows, photovoltaic panels, wind generation systems, building management systems, or, within certain limitations, portable classroom buildings.

Once a grant is approved, projects must also get approval from DAS architects for each biddable project stage.

Under the law, school boards and towns may receive a reimbursement grant for 20%-80% of eligible expenses, based on the town's ranking among all Connecticut towns as generally measured by their grand list (CGS § 10-285a).

§§ 140, 144 & 146 — REMOVAL OF CTECS FROM SCHOOL CONSTRUCTION GRANT PROGRAM

Removes Connecticut Technical Education and Career System (CTECS) from the school construction grant program

The act removes CTECS from the school construction grant program. Under prior law, CTECS projects had to undergo the school construction process, including being on the construction priority list that DAS submits to the legislature each year for approval to have the project's cost fully covered by the state. As a state agency, CTECS projects are already 100% state-funded and do not require the local approval and funding match that the school construction grant program requires of school boards and towns. (Chapter 60 of the General Statutes governs the state building construction project process.)

The act also repeals a related requirement for DAS to submit a biennial status report on all current and pending CTECS school construction projects and their costs to the Education Committee.

EFFECTIVE DATE: Upon passage

§ 141 — SCHOOL CONSTRUCTION PRIORITY LIST GRANT COMMITMENTS

Authorizes eight school construction state grant commitments totaling $172.4 million toward total project costs of $265.7 million; reauthorizes one project with an additional grant commitment of $50.7 million

Under the state school construction grant program, the state reimburses towns and local districts for a percentage of eligible school construction costs through state GO bonds (with less wealthy municipalities receiving a higher reimbursement). The municipalities pay the remaining costs. For the state-operated CTECS, also known as the technical high schools, the state pays 100% of the project costs.

School Construction Grant Commitments

The act authorizes school construction state grant commitments totaling $172.4 million toward total estimated project costs of $265.7 million. For each project the act authorizes, the table below shows the district, school, project type, estimates for total cost and state grant commitment, and state reimbursement rate.

2025 School Construction Grant Commitments

District	*School*	*Project Type*	*Estimated Project Costs*	*Estimated Grant*	*Reimbursement Rate*
Fairfield	Osborne Hill Elementary School	Alteration	$597,500	$155,768	26%
Fairfield	North Stratfield Elementary School	Alteration	652,500	170,107	26%
Fairfield	Fairfield Woods Middle School	Alteration	769,500	200,609	26%
Greenwich	Old Greenwich School	Extension/Alteration/ Roof Replacement	48,124,812	9,624,962	20%
Norwich	John M. Moriarty Elementary School	New	74,065,026	59,252,021	80%
Norwich	Uncas Elementary School	New	76,468,605	61,174,884	80%
Plainville	Middle School of Plainville	Renovation	61,915,000	40,467,644	65%
Region District 5	Amity Regional High School	Alteration	3,152,596	1,351,203	43%
Totals			265,745,539	172,397,198	

Reauthorized Project

The act reauthorizes one school construction project with a change in cost, resulting in a $50.7 million additional state grant commitment. The table below describes the project's cost changes.

Reauthorized School Construction Project

District	*School*	*Prior Law*		*Act*	*Reimbursement Rate*
CTECS	Platt Technical High School	Estimated project costs	$124,566,000	$175,231,500	100%
		Estimated grant	124,566,000	175,231,500	

EFFECTIVE DATE: Upon passage

§§ 142 & 143 — SCHOOL CONSTRUCTION GRANT BONUS REIMBURSEMENT RATES

Applies the 15 point reimbursement rate bonus for certain elementary and early childhood projects to the entire project, not just the early childhood space; establishes a new 15-percentage point bonus for parts of certain projects that expand or create special education program services

Early Childhood Space in Elementary Schools

By law, the state gives a 15-percentage-point reimbursement rate bonus for new or expansion elementary school construction projects that include an early childhood care and education program that provides space for children from birth to age five. Under prior law, this bonus applied only to the portion of the building used primarily for the program. The act eliminates this limitation and instead applies the bonus to the entire project.

Special Education Program Space

The act establishes a new 15 percentage-point reimbursement rate bonus for new buildings or renovation or expansion school construction projects that include certain plans for expanding or creating in-district special education programs and services. The rate bonus applies to the portion of the project used primarily for this purpose. To be eligible, the portion must be part of a school building (1) used for general education programs for non-special education students and (2) that is being built, renovated, or expanded under the project. The act specifies that the bonus rate cannot cause the project's total reimbursement rate to exceed 100%. Additionally, under the act, any additional funding a school board receives because of, or related to, including the plans for expanding or creating in-district special education programs and services must be spent to construct, renovate, or expand the building for those programs and services.
EFFECTIVE DATE: Upon passage

§§ 144 & 145 — REPEALED SCHOOL CONSTRUCTION PROVISIONS

Repeals three provisions related to priority-list school construction grants

The act repeals three provisions related to priority-list school construction grants.

Conditions School Districts Affirm in Their Applications (§ 144)

Prior law required a superintendent to affirm, as part of the grant application, that the school district has considered: (1) maximizing natural light, (2) wireless connectivity technology use and feasibility, and (3) the school safety infrastructure criteria. The act repeals these affirmations. By law and unchanged by the act, the commissioner must review each grant application for a school building project for compliance with the school safety infrastructure criteria.

Grant Refund Forgiveness (§ 144)

By law, any town or school district that abandons, sells, leases, demolishes, or otherwise redirects the use of a school building project for non-public uses during the amortization period must give the state a refund for the unamortized balance of the state grant remaining. Under prior law, this repayment requirement applied if the school building was redirected for any non-public school use purposes. PA 24-151 broadened this to allow redirection for other public uses without requiring repayment of the grant.

The act makes a related conforming change by repealing the ability for a town or school district to seek repayment forgiveness if a school building is redirected for public use. A town or school district must still repay the remaining grant if the building is redirected for non-public uses.

Under the act, DAS is no longer required to include any proposed repayment forgiveness on the annual priority list. Under prior law, the forgiveness was deemed approved when the General Assembly approved the priority list.

Prior Approval for Consultant Contracts (§ 145)

The act repeals the requirement that consultant services contracts must have prior approval from DAS to be eligible for state grant reimbursement. Under current practice, DAS already conducts compliance reviews through the grant process, which includes reviewing these contracts.

EFFECTIVE DATE: Upon passage

§ 147 — CHARTER SCHOOL GRANTS PRIORITY

Requires the education commissioner to give preference to charter school capital improvements grant applications when the school's accountability index score meets or exceeds the statewide average

The act requires the education commissioner to give preference to state charter school capital improvements grant applications that do not provide matching funds from nonstate sources if the school's accountability index (AI) score meets or exceeds the statewide average AI score for at least two of the previous three school years. The AI ranks school performance based on a number of measures including student performance on standardized tests and graduation rates.

By law, the commissioner also must give preference to state charter school grant applications under this program that provide for matching funds from nonstate sources.

EFFECTIVE DATE: July 1, 2025

§ 148 — INDOOR AIR QUALITY INSPECTIONS

Broadens the window, to start July 1, 2022, rather than July 1, 2026, for when a school board's school HVAC inspection can count as a state-required inspection

Prior law required school boards to conduct a uniform inspection and evaluation of their schools' HVAC systems between July 1, 2026, and June 30, 2031. The act retroactively expands this window to begin July 1, 2022, which allows inspections done between July 1, 2022, and June 30, 2026, to count for the requirement. By law, certain waivers are allowed if conditions are met.

Failure to meet the requirement means a school board is prohibited from qualifying for additional HVAC grants (see §§ 140 & 144).

EFFECTIVE DATE: July 1, 2025

§§ 149-176 — SCHOOL CONSTRUCTION PROJECT EXEMPTIONS, WAIVERS, AND MODIFICATIONS

Exempts school construction projects in 20 towns and one regional school district from statutory and regulatory requirements to allow these projects to, among other things, qualify for state reimbursement grants, receive higher grant reimbursement percentages, or have their projects reauthorized due to a change in scope or cost

The act exempts school construction projects in 20 towns (including projects by the state or a different entity) and one regional school district from statutory and regulatory requirements to allow them to, among other things, (1) qualify for state reimbursement grants, (2) receive higher reimbursement percentages for the grants, or (3) have their project reauthorized due to a change in scope or cost. (These exemptions are commonly referred to as "notwithstandings.") Generally, other than the specific notwithstanding provisions mentioned below, the projects must meet all other eligibility requirements.

The table below describes the notwithstandings that the act grants.

Notwithstandings for School Construction Projects

Act §	*Town or District*	*School and Project*	*Exemption, Waiver or Other Change*
149	Region 13 (i.e. Durham and Middlefield)	Middlefield Memorial School, project unspecified	Waives the filing deadline to be on the 2025 priority list (see above) for the project with a maximum cost of $76.13 million if the district applies before October 1, 2025 Allows the district to change the project's description to a renovation project and then qualify as a renovation

Act §	*Town or District*	*School and Project*	*Exemption, Waiver or Other Change*
150	Ansonia	New middle school construction	Amends a 2024 notwithstanding for the same project by extending the application deadline from October 1, 2024, to July 1, 2026
151	Glastonbury	Naubuc Elementary School, alterations and code compliance	Requires reimbursement for the project regardless of the requirement that a construction bid not be let out without DAS plan and specifications approval
152	Ashford	Ashford School, code compliance and oil tank replacement	Requires reimbursement for the project regardless of the requirement that a construction bid not be let out without DAS plan and specifications approval
153	Cheshire	North End Elementary School, new construction	Waives the standard building space requirements Allows project to qualify as an early childhood care and education program for 20 years and receive a 15 point reimbursement rate bonus
154	Cheshire	Norton Elementary School, new construction	Waives the standard building space requirements
155	Stamford	Westhill High School, new construction	Reauthorizes the project with an allowable cost of up to $446 million
156	Stamford	New Roxbury Elementary School, new construction	Reauthorizes the project and allows a change in scope if the project cost does not exceed $130 million Waives the filing deadline to be on the 2024 priority list
157	North Haven	North Haven High School, new construction	Allows reimbursement of up to $2.6 million for otherwise ineligible project costs
158	Danbury	King Street Primary School, project unspecified	Waives the filing deadline to be on the 2025 priority list (see above) for the project with a maximum cost of $7 million if the district applies before October 1, 2025 Sets an 80% reimbursement rate instead of 63.93%*
159	Middletown	Macdonough Elementary School, project unspecified	Waives the filing deadline to be on the 2025 priority list for the project with a maximum cost of $48.9 million if the district applies before October 1, 2025 Authorizes a 15 point reimbursement rate increase (Middletown's current rate is 66.07%*)

Act §	*Town or District*	*School and Project*	*Exemption, Waiver or Other Change*
160	Middletown	Keigwin Elementary School, alteration	Waives the filing deadline to be on the 2025 priority list for the project with a maximum cost of $2 million if the district applies before October 1, 2025 Authorizes a 15 point reimbursement rate increase (Middletown's current rate is 66.07%*)
161	New Haven	Roberto Clemente Leadership Academy for Global Awareness, new construction Hill Central School, new construction Bowen Field	Allows the municipality to receive up to $17,824,348 in reimbursements for otherwise ineligible costs for the two schools and requires DAS to offset the remaining ineligible project costs against the amount due to the municipality for Bowen Field project Requires the municipality to spend this amount to cover the local share of the costs for any school building projects for which applications are filed and approved on or after July 1, 2025
162	Farmington	Farmington High School, new construction and central administration facility	Waives the requirement that orders and contracts be awarded after a publicly advertised invitation to bid, for architectural and other professional services related to these projects (Replaces provision from 2024 law that allowed reimbursement of up to $1.8 million for otherwise ineligible project costs for these projects)
163	Wethersfield	Highcrest Elementary School, new construction	Waives the filing deadline to be on the 2025 priority list for the project with a maximum cost of $73,504,329 if the district applies before October 1, 2025
164	Wethersfield	Samuel Webb Elementary School, project unspecified	Waives the filing deadline to be on the 2025 priority list and grants the project a maximum cost of $106 million if the application is filed before October 1, 2025
165	Wethersfield	Highcrest Elementary School Samuel Webb Elementary School Charles Wright Elementary School	Allows a 15 point reimbursement rate increase for projects at these schools if the application is filed on or before June 30, 2030 (Wethersfield's current rate is 56.79%*)
166	East Hartford (Goodwin University Magnet Schools, Inc.)	Connecticut River Academy, new magnet school	Allows the entity to receive up to $2,764,493 in reimbursements for certain ineligible costs Allows the DAS commissioner to pay both the state and local share of eligible project costs if the (1) local share does not exceed $2,732,664

Act §	*Town or District*	*School and Project*	*Exemption, Waiver or Other Change*
			and (2) project complies with the state school construction laws and SBE regulations
167	East Hartford (Goodwin University Magnet Schools, Inc.)	Early Childhood Magnet School, new magnet school and site acquisition	Allows the entity to receive up to $369,813 in reimbursements for certain ineligible costs Allows the DAS commissioner to pay both the state and local share of eligible project costs if the (1) local share does not exceed $811,348 and (2) project complies with the state school construction laws and SBE regulations
168	East Hartford (Goodwin University Magnet Schools, Inc.)	Pathways Academy of Design and Technology, new magnet school and site acquisition	Allows the entity to receive up to $1,766,245 in reimbursements for certain ineligible costs
169	Fairfield	Mill Hill Elementary School, extension and alteration project	Allows the town to receive up to $600,000 in reimbursements for certain ineligible costs and audit deficiencies
170	Waterbury (ACES)	ACES @ Chase, magnet school project	Reauthorizes the project with allowable costs up to $84,435,280
171	Norwich	Norwich Free Academy (NFA), alteration	Waives the filing deadline to be on the 2025 priority list for the project with a maximum cost of $5,610,000 if NFA applies before October 1, 2025 Allows reimbursement for specified otherwise ineligible project costs Waives the standard building space requirements
172	Bridgeport	Special education program elementary school, new construction	Waives the filing deadline to be on the 2025 priority list for the project with a maximum cost of $78,000,000 if the town of Bridgeport applies before September 1, 2025 Sets a 95% project reimbursement rate (Bridgeport's current rate is 68.57%*)
173	Hartford	University High School of Science and Engineering Capitol Preparatory Magnet School R.J. Kinsella Magnet School Environmental Sciences Magnet School	Amends an existing notwithstanding that requires reimbursements of up to $19,239,432 in ineligible costs for these projects subject to certain spending requirements to add as an eligible use of the reimbursement funds paying off deficits associated with the projects

Act §	*Town or District*	*School and Project*	*Exemption, Waiver or Other Change*
		Hartford Public High School Fisher Magnet School Webster School Sport and Medical Sciences Academy	
174	New London	East End Elementary School, new construction	Sets a 95% project reimbursement rate for a cost increase not to exceed $10 million approved by the administrative services commissioner by July 1, 2025 (New London's current rate is 68.21%*)
175	Greenwich	Central Middle School, new construction	Amends a 2024 notwithstanding for the project to change project type from renovation to new construction
176	Willington	Any project the municipality applies for before June 30, 2027	Authorizes a 15 point reimbursement rate increase (currently, Willington's rate is 64.64%*)

*FY 25 reimbursement rates for general construction are shown for reference; actual rates depend upon the year the application is submitted and the final determination of the project type (new or renovation)

EFFECTIVE DATE: Upon passage

§§ 177-180, 182, 202, 203 & 224 — BUDGET AND MUNICIPAL GRANT PROVISIONS

Makes changes related to the FY 26-27 biennial budget and certain municipal grants

PA 25-168, §§ 1-12, appropriate money for state agency operations and programs in FYs 26 and 27. This act eliminates a Tourism Fund appropriation in that act and makes changes related to appropriations for OPM and SDE, as described below. It also makes technical changes to correct a statutory reference in a municipal grant provision in PA 25-168, § 473 (§ 180).
EFFECTIVE DATE: July 1, 2025

Tourism Fund (§ 177)

This act eliminates a $500,000 appropriation to DECD for the CT Convention & Sports Bureau that was in PA 25-168, § 9. In doing so, it resolves a conflict in that act between the stated FY 26 net appropriation from the Tourism Fund and the actual sum of all the FY 26 line item appropriations.

OPM (§§ 178, 182, 202 & 203)

From OPM's General Fund FY 26 appropriation for Other Expenses, this act (1) reserves $500,000 for a grant to the CT Convention & Sports Bureau and $300,000 for staff support in the Office of Consumer Counsel's Office of State Broadband, and (2) carries forward $600,000 to its General Fund FY 27 appropriation for Other Expenses.

Additionally, this act amends PA 25-168, § 472, by modifying the amounts the OPM secretary must grant to Ledyard and Montville as additional municipal aid, from unspecified Other Expenses, so that they each receive $800,000 and only in FY 27 instead of $500,000 in both FY 26 and FY 27.

SDE (§§ 179 & 224)

From SDE's General Fund FY 26 appropriation for Other Expenses, this act increases, from $25,000 to $100,000, the amount for robotics in FY 27. Also, from SDE's FY 27 appropriation for Magnet Schools, it reserves $12 million for interdistrict magnet school programs operated by entities that are not a local or regional board of education, an independent institution of higher education's board of governors (or equivalent), or any other SDE-approved third-party, not-for-profit corporation, with the amount distributed proportionally based on the share of students enrolled in these programs.

§ 181 — PROBATE COURT ADMINISTRATION FUND

Beginning FY 26, requires any probate fund balance on June 30 exceeding 20%, rather than 15%, of the authorized expenditures in the coming fiscal year to be transferred from the Probate Court Administration Fund to the General Fund

By law, the Probate Court Administration Fund is established for authorized expenditures for the administration of each probate court. Under prior law, each year any probate fund balance on June 30 that exceeded 15% of the authorized expenditures in the coming fiscal year had to be transferred from the Probate Court Administration Fund to the General Fund. Beginning FY 26, the act increases this threshold to 20%.
EFFECTIVE DATE: July 1, 2025

§§ 183-185 — CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM

Creates a new benefit tier in CMERS named MERS 2.0 and sets its parameters; requires CMERC to create and administer a MERS defined contribution retirement plan by July 1, 2026; authorizes CMERC to set up and implement an annuity plan as an alternative to CMERS for nonparticipating municipalities, subject to certain requirements

The act creates a new benefit tier in the Connecticut Municipal Employees Retirement System (CMERS) named MERS 2.0 and sets its parameters. It generally requires CMERS-participating municipalities to enroll in MERS 2.0 anyone first hired on or after July 1, 2027, unless the person is hired for a position covered by a collective bargaining agreement in effect on that date. For those positions covered by an agreement, the municipality must enroll in MERS 2.0 anyone first hired after the agreement expires. (Employees first hired before that date continue under the traditional MERS plan.)

The act allows any nonparticipating municipality to enroll in MERS 2.0 on the later of July 1, 2026, or the expiration date of an applicable collective bargaining agreement that was in effect on July 1, 2026. After the municipality enrolls in MERS 2.0, anyone who first becomes eligible there must be enrolled in MERS 2.0.

The act also requires the Connecticut Municipal Employees Retirement Commission (CMERC), by July 1, 2026, to create and administer a MERS defined contribution retirement plan. It requires all CMERS members to contribute 0.25% of their pay to the plan and MERS 2.0 members to contribute an additional 5% of their "other pay" (for regular employers) or 8% of their "other pay" (for public safety employees). ("Other pay" includes overtime pay, bonuses, and any other employee compensation other than regular pay.) It also requires CMERS-participating municipalities to make matching contributions for their MERS 2.0 members.

Lastly, the act authorizes CMERC to set up and implement an annuity plan as an alternative to CMERS for nonparticipating municipalities, subject to certain requirements.
EFFECTIVE DATE: Upon passage

MERS 2.0 (§ 183)

Employee Contributions. Under the act, MERS 2.0 members must contribute (1) 5% of their regular pay (for regular employees) or (2) 8% of their regular pay (for public safety employees). An employee's "regular pay" is his or her "base pay" plus other predictable ongoing compensation (other than overtime pay), as determined under regulations adopted by CMERC. "Base pay" includes annual salary, wages, or earnings, but not (1) other pay; (2) any workers' compensation payments received; and (3) payouts for accrued vacation time, sick leave, or compensatory time. "Public safety employees" are uniformed members of a municipality's paid fire department or regular members of its paid police department.

Service Period and Normal Retirement. Under the act, participating MERS 2.0 members who complete five years of

continuous service or 15 years of active aggregate service in a participating municipality are generally eligible for full retirement benefits once they (1) have 30 years of aggregate service in a participating municipality or (2) are age 65 and have five years of continuous service. However, those who are public safety employees are eligible once they (1) have 25 years of aggregate service in a participating municipality or (2) are age 55 and have five years of continuous service.

Under the act, "active service" is service with a participating municipality for which the member made the required contributions to MERS 2.0, as described below. As under existing law, "aggregate service" includes both (1) active service and (2) any other form of service for which the member has purchased credit as allowed under the law. "Continuous service" is generally active service as a member or, under certain conditions, before becoming a member.

Early Retirement. The act generally allows MERS 2.0 members, other than public safety employees, who are separated from their employment with the municipality to elect to receive early retirement benefits on or after reaching age 55 if they (1) have at least five years of continuous service but less than 30 years of aggregate service and (2) have not reached age 65. These employees are not eligible, however, if they were separated from their employment for cause. CMERC must determine the early retirement benefit amount as the actuarial equivalent of the member's full retirement allowance (presumably, reduced to reflect the member's age).

Retirement Benefit Calculation. Under the act, a member's monthly retirement benefit is calculated as a percentage of his or her "average annual pay" (i.e. average regular pay during his or her five highest-paid years of active service). Specifically, it equals monthly installments of (1) one-twelfth of 1.8% of average annual pay for regular members or (2) one-twelfth of 2.2% of average annual pay for public safety members, multiplied by the member's months of aggregate service.

The act also specifies how to calculate a member's average annual pay for any year in which (1) he or she held more than one position or (2) the regular pay for his or her position changed. Specifically, the regular pay for each position the member held during the year must be multiplied by the fraction of the year for which he or she held the position and then added together.

Applicable CMERS Provisions. With certain exceptions, the act subjects MERS 2.0 to existing CMERS requirements in the same way and with the same force and effect as if those requirements had been fully incorporated in the act. If any provision conflicts, the act's provisions supersede with respect to MERS 2.0.

Additionally, the act explicitly applies the following existing CMERS provisions to also cover MERS 2.0 members:

1. eligibility for disability retirement and a disability retirement benefit for qualifying members with at least 10 years of continuous service;
2. survivors' benefits for firefighters and police killed in the line of duty;
3. spousal benefits for employees who die during active employment; and
4. annual cost of living adjustments (COLAs) for retirees, including those for retirements on or after July 1, 2029 (i.e. where the minimum COLA is tied to inflation in years where inflation increases by 2% or less).

Defined Contribution Plan (§ 184)

The act requires CMERC to create a defined contribution retirement plan by July 1, 2026. CMERC must administer the plan and may (1) make deposits or payments to the plan, subject to its terms, and (2) contract with a private entity for the plan's consolidated billing or other administrative services. Under the act, municipalities must make payroll deductions for each member of the MERS defined contribution plan, as specified under the act.

Annuity Plan (§ 185)

To establish the annuity plan, the act requires CMERC's eight appointed trustees who represent either employee or employer interests to unanimously approve it. Once established, CMERC must set the process for nonparticipating municipalities to adopt the plan. Any municipality participating in CMERS on the date the annuity plan is implemented is ineligible to participate.

The plan must give municipalities the option of transferring to it any previously adopted defined contribution plan's accounts and assets. Municipalities that adopt the plan must make payroll deductions for each member.

The state comptroller must administer the plan and may:

1. enter into contracts on the state's behalf with plan members to defer any portion of the member's compensation from the municipality;
2. make deposits or payments to the plan, subject to its terms; and
3. contract with a private entity for the plan's consolidated acting or other administrative services.

§ 186 — STATE EMPLOYEE RETIREE LIFE INSURANCE

Changes the service criteria used to determine a retired state employee's eligibility for certain life insurance benefits

By law, state employees who participate in the state-sponsored group life insurance plan qualify for continued "paid-up" coverage under the policy when they retire from state service. For those employees who retire on or after July 1, 2025, the act requires 25 years of "credited state service" to qualify. Under the act, this is service for which the employee or other eligible person was eligible to participate in a state-sponsored retirement system other than the Teachers' Retirement System or CMERS. As under existing law, employees who retire before that date continue to qualify if they retire with at least 25 years of "state service," which is occupying for pay any office or position or employment in the service of the state, but not its local governmental subdivisions.

Regardless of the retirement date, and unchanged by the act, (1) those with the required amount of service time receive coverage for 50% of the amount of life insurance they were insured for immediately before retiring; (2) those with less than the required amount of service time receive a proportionate amount of life insurance coverage, rounded to the nearest $100; (3) the coverage must be for at least $10,000; and (4) the retiree cannot be required to pay for the insurance.
EFFECTIVE DATE: July 1, 2025

§§ 187 & 188 — PARAMEDIC LICENSE FEE

Eliminates the $150 application fee for a paramedic license, replacing a provision in PA 25-168 that eliminated both the application and annual renewal fee for the license

The act repeals a provision in the budget and implementer act (PA 25-168, § 424) that eliminated both the $150 application fee and $155 annual renewal fee for a paramedic license. Instead, the act eliminates the $150 application fee but retains the $155 renewal fee for the license.
EFFECTIVE DATE: October 1, 2025, except the repealer is effective upon passage.

§§ 189 & 190 — SUPPLEMENTAL GRANTS TO SPECIFIED TOWNS

Makes certain grant payments to specified towns (Branford, Bridgeport, New London, and Voluntown) from MRSF payable as supplemental grants rather than additional PILOT payments

The Municipal Revenue Sharing Fund (MRSF) is used to fund certain municipal grants, including payment in lieu of taxes (PILOT) grants for real property tax losses due to exemptions for state-owned property, private colleges, and certain hospitals. The law specifies additional amounts from MRSF for four municipalities annually:

1. $100,000 for Branford;
2. $5 million for Bridgeport;
3. $1 million for New London; and
4. $60,000 for Voluntown.

Under prior law, these amounts were paid as additional PILOT payments. Beginning with FY 26, the act instead makes these same amounts payable as supplemental revenue sharing grants. By law, these supplemental grants must be proportionally reduced if the funds appropriated do not cover their full amounts.
EFFECTIVE: July 1, 2025

§§ 191-194 — BEVERAGE CONTAINER REDEMPTION (BOTTLE BILL)

Requires redemption centers to be approved to operate and annually register with DEEP, rather than registering once; generally prohibits redemption centers from accepting more than 5,000 beverage containers from any person in one day; establishes record requirements for the centers that accept more than 2,500 containers from a single person in one day; sets new reporting and record retention requirements; generally prohibits redemption centers from removing containers from their premises before distributors remove them; exempts hard cider and THC-infused beverages from the bottle bill; modifies the cap on how many containers a person may redeem at dealers or dealer RVMs; prohibits dealers from collecting or charging a refund value for containers that are not purchased in Connecticut

The act makes several changes to the state's beverage container redemption law ("bottle bill"), many of which expand the state's oversight and enforcement of redemption centers.

Regarding redemption centers, the act:

1. requires them to be approved to operate and annually register with DEEP in order to establish themselves or operate, rather than registering once as prior law required;
2. prohibits them from accepting for redemption more than 5,000 beverage containers from any one person in a day, excluding nonprofit organizations and verified fundraising activities;
3. requires those that accept more than 2,500 containers from any one person in one day to record certain identifying information about that person;
4. requires them and reverse vending machine (RVM) operators to keep certain records for at least two years and allows the DEEP commissioner to examine accounts and records;
5. adds a quarterly reporting requirement to DEEP;
6. prohibits them from removing beverage containers from the premise or transferring them between premises under their control before a distributor removes them, unless the distributor authorizes it in writing;
7. limits the facilities that qualify as redemption centers to those whose primary business is redeeming and sorting empty beverage containers and preparing them for redemption, rather than any facility for these purposes; and
8. makes minor and technical changes, including specifying that the centers are not considered dealers, which, by law, are sellers of beverages in bottle bill-covered containers to consumers.

The act exempts hard cider and THC-infused beverages from the bottle bill's provisions. Hard cider was explicitly subject to them under prior law.

It also (1) changes the cap on how many beverage containers a person may redeem at a dealer's RVM, from 240 at a time to 240 in a day and (2) applies this cap to redemptions at dealers generally, not just at their RVMs.

Lastly, the act prohibits dealers from collecting or charging a refund value (the deposit amount) for beverage containers that are not purchased in Connecticut. Doing so subjects them to the bottle bill's existing fines for certain violations, ranging from $50 to $500 depending on the number of offenses involved (CGS § 22a-246).

EFFECTIVE DATE: Upon passage

Redemption Center Requirements

Approval and Annual Registration. Under prior law, prospective redemption center owners had to register once with DEEP and give certain information, including the business's address and hours; principals, sponsors, and dealers served; beverage containers accepted; and whether containers from consumers would be accepted. Redemption center operators also had to report any change in procedure within 48 hours of it happening.

The act instead requires anyone establishing or operating a redemption center to get approval to do so and annually register with DEEP. They must initially provide the same information as under prior law, but do not need to report a change to consumer acceptance. The act specifies that the required reporting must occur within 48 hours after the change occurs.

Records on People Redeeming More Than 2,500 Containers. The act requires redemption centers that accept more than 2,500 containers from any one person in one day to create a record with the following information for the person:

1. the person's name and a copy of his or her driver's license,
2. the license plate number of any vehicle used to bring the containers to the redemption center,
3. the collection points of the containers, and
4. the number of containers brought to the redemption center.

The redemption center must also have the person certify that, to the best of their knowledge, the containers were originally sold as filled beverages in Connecticut and not previously redeemed.

Record Keeping. The act requires redemption centers (and RVM operators) to maintain the records described above for at least two years. It allows the DEEP commissioner to examine accounts and records maintained in this way, or any accounts and records the centers or RVM operators keep due to state waste management laws. This includes (1) receipts, (2) disbursements, and (3) any other item the commissioner deems appropriate.

Quarterly Reporting. The act requires redemption center operators to submit quarterly reports to the DEEP commissioner, on a department-provided form, with the following information:

1. the number and type of containers redeemed, aggregated by each town in which they operate;
2. each record created concerning their registration and approval, changes in registration information, and redemptions of more than 2,500 containers; and
3. any other redemption information the commissioner finds necessary.

Penalties. Under the act, violations of the above requirements are subject to the bottle bill's existing fines for certain violations, which range from $50 to $500 depending on the number of offenses involved (CGS § 22a-246).

Additionally, PA 25-168, § 405, authorizes the attorney general to (1) investigate, among other things, these alleged violations, either independently or upon complaint, and (2) bring a civil action against alleged violators.

Lastly, the act authorizes DEEP to deny the annual registration of a redemption center that fails to submit the required quarterly report.

§ 195 — STUDY AND PILOT PROGRAM ON SUBSTITUTING COLLEGE COURSES FOR POLICE BASIC TRAINING

Requires POST to (1) study whether college-level criminal justice courses can be substituted for its police basic training courses and (2) create a related pilot program at the University of New Haven

The act requires the Police Officer Standards and Training Council (POST) to examine the criminal justice courses offered by colleges and universities in Connecticut and determine (1) if any courses equal those required as part of a police officer's minimum basic law enforcement training at the Connecticut Police Academy and (2) under what conditions a police trainee would not need to complete an academy course because he or she had already completed an equivalent college-level course. POST must submit a report of its examination and determination to the Public Safety and Security Committee by January 1, 2026.

By that same date, the act requires POST to establish a pilot program with the University of New Haven to allow someone who attends the police academy for basic training to complete it by taking courses related to legal issues at the university and the remaining courses at the academy.

By January 1, 2027, POST must submit a report to the Public Safety and Security Committee that:

1. describes the pilot program;
2. analyzes the program's impact on police recruitment and training procedures and resources; and
3. recommends whether to end, continue, revise, or expand the program.

EFFECTIVE DATE: Upon passage

§ 196 — RECOMMENDATIONS ON POLICE BONUSES

Requires DESPP and POST to create a report with recommendations on awarding bonuses to new and existing police officers

By January 1, 2026, the act requires DESPP and POST to jointly submit a report to the Public Safety and Security Committee with recommendations on awarding bonuses to encourage individuals to begin and continue careers as police officers. Specifically, the report must include recommendations for a schedule of bonuses to be awarded to (1) new officers when they begin service and (2) existing officers based on years of service.

Under the act, DESPP and POST may consult with municipal police chiefs and anyone else in developing their recommendations.

EFFECTIVE DATE: Upon passage

§ 197 — HIGHER EDUCATION DEGREES PATHWAY FOR POLICE OFFICERS

Requires the Board of Regents, UConn Board of Trustees, and POST to take specific actions towards helping police officers earn higher education degrees

By January 1, 2026, the act requires the Board of Regents for Higher Education, UConn's Board of Trustees, and POST to jointly submit a report to the Public Safety and Security Committee that includes a career pathway and schedule that they must develop. The pathway must help police officers earn higher education degrees and include a schedule of credits that officers may receive at UConn (and all its campuses) and CSCU for the training they received in order to be certified, and maintain their certification, as police officers. The boards and POST must promote this pathway to encourage police officers to earn higher education degrees, and their report must describe their plans for promoting it.

EFFECTIVE DATE: Upon passage

§ 198 — STATE POLICE OFFICER RETIREES RETURNING TO SERVICE STUDY

Requires DESPP, in conjunction with SBLR, to study the feasibility of the state entering into negotiations with the State Police officers union to set conditions for retired officers to return to service

The act requires DESPP, in conjunction with the State Board of Labor Relations (SBLR), to study the feasibility of the

state entering into negotiations with the State Police officers union to seek amendments to their collective bargaining agreement that would set conditions under which a retired officer may return to service and (1) resume earning credit toward retirement benefits, in the same way as the officer did before retirement, and (2) be eligible for earning his or her pre-retirement benefits. DESPP and SBLR must jointly submit a report with the study's results to the Public Safety and Security Committee by January 1, 2026.
EFFECTIVE DATE: Upon passage

§ 199 — POLICE MENTAL HEALTH

Requires DESPP to investigate ways to develop and enhance programs addressing police officer mental health

The act requires the DESPP commissioner to investigate ways to develop and enhance programs and initiatives addressing the mental health needs of police officers.

The investigation must examine peer-to-peer support programs, programs that train officers to help themselves and fellow officers deal with work-related mental health issues, programs that employ psychologists or other mental health professionals within a law enforcement unit to help officers with their mental health needs, employee assistance programs, and any other programs and resources that may address officers' mental health needs.

In its investigation, DESPP must consult with the Department of Mental Health and Addiction Services, POST, the Connecticut Police Chiefs Association, law enforcement units throughout the state, employee organizations that represent police officers, and any other entities the commissioner deems appropriate.

By January 1, 2026, the DESPP commissioner must submit a report to the Public Safety and Security Committee with (1) the investigation results; (2) a list of programs, services, and resources identified as best practices that could be implemented by units across the state to address officers' mental health needs; and (3) any legislative recommendations.
EFFECTIVE DATE: Upon passage

§ 200 — TECHNICAL CORRECTIONS DURING CODIFICATION

Requires the Legislative Commissioners' Office to make necessary technical, grammatical, and punctuation changes when codifying the act

The act requires the Legislative Commissioners' Office to make technical, grammatical, and punctuation changes as necessary to codify the act, including internal reference corrections.
EFFECTIVE DATE: Upon passage

§ 201 — LIMITED PURPOSE TRUST COMPANIES STUDY

Requires DOB to conduct a study on establishing limited purpose trust companies in Connecticut and report findings and recommendations to the Banking Committee

The act requires DOB, by December 1, 2025, to study and report to the Banking Committee on the establishment of limited purpose trust companies in Connecticut. Along with study results, the report must include recommendations for legislation needed to authorize the companies' establishment.
EFFECTIVE DATE: Upon passage

§ 204 — TAX EXEMPTION FOR PROPERTY LOCATED ON CERTAIN RESERVATION LANDS

Delays the effective date of a property tax exemption for property located on reservation land that is held in trust for a federally recognized Indian tribe

PA 25-168, § 434, establishes a property tax exemption for real and tangible personal property located on reservation land that is held in trust for a federally recognized Indian tribe. Under this act, the exemption applies to assessment years starting on or after October 1, 2026, rather than those starting on or after October 1, 2025.
EFFECTIVE DATE: Upon passage

§ 205 — INSTRUCTIONAL SUPPORT PARTNERS

Allows, rather than requires as under PA 25-93, school boards to hire or designate a current employee to be an instructional support partner

The act amends section 28 of PA 25-93, to allow, rather than require, school boards to hire or designate a current employee to serve as an instructional support partner in each school or school building under the board's jurisdiction beginning with the 2026-27 school year.

Under PA 25-93 and this act, an instructional support partner's responsibilities include:

1. reducing teachers' administrative burden, including responsibilities related to the individualized education program (IEP) process, scheduling and taking minutes during planning and placement team meetings, being a designated staff member for specialized responsibilities, and attending (a) professional development trainings, (b) trainings for students' individualized interventions, and (c) testing;
2. helping school-based personnel improve the delivery and administration of the IEP process;
3. collaborating with parents and school-based personnel on instructional decision-making for students with disabilities;
4. finding and attending, as a representative of the school or school building, trainings and professional development on student interventions;
5. planning and delivering to staff, parents, and others, professional learning activities based on these trainings to increase students with disabilities' achievement; and
6. consulting with school-based instructional staff on IEP development and writing, extended school year, behavioral interventions, and transition plans for students with disabilities.

As under PA 25-93, the act requires anyone hired or designated as a school or school building's instructional support partner to spend at least 50% of their time performing the position's duties.

EFFECTIVE DATE: July 1, 2025

§§ 206-208 — STATE HISTORICAL COMMISSION

Creates a 12-member State Historical Commission to examine and make recommendations on questions of memorialization and commemoration related to Connecticut and U.S. history; requires the commission to develop a (1) process for identifying and commissioning additional statues for the State Capitol's exterior and (2) plan to install historical placards around the building's exterior

The act creates a 12-member State Historical Commission to examine and make recommendations to the legislative, executive, and judicial branches on questions of memorialization and commemoration related to Connecticut and U.S. history. It also requires the commission to develop a process for identifying and commissioning additional statues for the State Capitol building's exterior that reflect the state's diversity, character, and accomplishments.

Correspondingly, the act requires the existing State Capitol Preservation and Restoration Commission to implement the State Historical Commission's process. It also specifically allows the Legislative Management Committee to commission additional statues through this process, using authorized capital funds and following state bidding laws.

The act also requires the State Historical Commission, by February 1, 2026, to (1) develop a plan to install placards or other signs around the State Capitol building's exterior to give the public a written historical explanation of the various statues and other markers on the building's exterior and (2) submit the plan to the State Capitol Preservation and Restoration Commission and Legislative Management Committee. The Preservation and Restoration Commission must make recommendations to the committee on implementing the plan.

EFFECTIVE DATE: July 1, 2025

State Historical Commission Membership

The act creates the commission as an independent body within the Legislative Department for administrative purposes only. Its membership consists of the following state officials: the chief court administrator or her designee, state historian, state librarian, and state historic preservation officer. It also includes eight appointed members, one each representing the organizations listed in the table below.

State Historical Commission Appointed Members

Appointing Authority	*Organization Appointee Must Represent*
House speaker	CT Humanities
House majority leader	Connecticut Library Association
Senate president pro tempore	Connecticut Democracy Center
Senate majority leader	Mashantucket Pequot Tribal Nation
House minority leader	Connecticut Museum of Culture and History
Senate minority leader	Mohegan Tribe of Indians of Connecticut
Governor (two appointments)	(1) Freeman Center for History and Community, Inc. and (2) undesignated

Appointing authorities must make their initial appointments by September 1, 2025, and fill any vacancy. Vacancies occurring during a term must be filled for the rest of the unexpired term. Appointed members (excluding gubernatorial appointees) may be legislators.

Members serve three-year terms starting on their appointment date and continue to serve until their successors are appointed. They serve without compensation, but are reimbursed for necessary, duty-related expenses, within available funds.

Leadership and Meetings

Under the act, the House speaker and Senate president pro tempore must select the chairperson from among the commission members. The chairperson must schedule and hold the first meeting by September 15, 2025. A majority of commission members constitutes a quorum to conduct business.

The GAE Committee's administrative staff serves in this capacity for the commission.

Powers and Duties

The act authorizes the commission to:

1. issue reports and recommendations to all three branches of government on historical questions of memorialization and commemoration related to Connecticut and U.S. history, on its own initiative or upon request of any state agency, department, board, or commission;
2. develop a process for identifying and commissioning additional statues for the State Capitol building's exterior;
3. obtain available assistance and data from these government entities needed to carry out the commission's purposes;
4. accept gifts, donations, or bequests to perform its duties; and
5. perform other appropriate and necessary acts to carry out its duties.

Reporting Requirements

The act requires the commission, by January 1, 2026, to develop the process for identifying and commissioning additional statues and submit a report detailing the process to the State Capitol Preservation and Restoration Commission. The State Historical Commission must update the process when it deems necessary and submit these revisions to the State Capitol Preservation and Restoration Commission.

The act also requires the State Historical Commission, starting by February 1, 2026, to report annually to the governor and the GAE Committee on its activities during the prior year and any policy changes or legislation needed to implement its recommendations.

§§ 209 & 210 — TRIBE APPLICATIONS TO CONVERT LAND TO FEDERAL TRUST STATUS

Removes a requirement for the state to oppose Native American tribe applications to convert fee interest land to federal trust status

The act removes a requirement for the state to oppose any application by a Native American tribe to convert any parcel of fee interest land (i.e. land owned with no restrictions) to federal trust status under federal regulations on Bureau of Indian Affairs (BIA) land acquisitions. It also makes conforming changes.

Generally, land in federal trust status is held in trust by the United States on behalf of an individual Native American or tribe. Among other things, the land:

1. may qualify for certain BIA programs and services;
2. is not subject to state or local taxes; and
3. cannot be alienated or encumbered (e.g., sold, gifted, or leased) without the federal secretary of the interior's approval.

EFFECTIVE DATE: October 1, 2025

§§ 211 & 212 — PREVAILING WAGE FOR OFFSITE CUSTOM FABRICATION

Extends the state's prevailing wage law to cover off-site custom fabrication for a public works project

The act extends the state's prevailing wage law to cover off-site custom fabrication for a covered public works project. Under the act, "off-site custom fabrication" is fabricating mechanical systems specifically for a public works project at a site other than the project's location, but still in Connecticut. It includes plumbing, heating, cooling, pipefitting, ventilation, and exhaust duct systems, but not components or materials that are stock shelf items or readily available.

Generally, the prevailing wage law requires each contract to build, renovate, or repair certain public works projects to have a provision requiring the project's contractors and subcontractors to pay their construction workers wages and benefits equal to those that are customary or prevailing for the same work, in the same occupation, in the same town. Starting July 1, 2025, the act requires contracts for offsite custom fabrication on prevailing wage projects to include this provision. The prevailing wage law applies to new construction projects costing at least $1 million and renovation projects costing at least $100,000.

(The act repeals a substantially similar provision in PA 25-168 (§ 148) and replaces it with this provision to specify that the covered systems being fabricated off-site are "mechanical" ones.)

EFFECTIVE DATE: July 1, 2025

§ 213 — FAMILY ENTERTAINMENT WORKING GROUP

Establishes a family entertainment working group to study and make recommendations on family entertainment in the state

The act requires the General Law Committee's chairpersons and ranking members, or their designees, to convene a working group by August 1, 2025, to study and make recommendations on family entertainment in the state, including:

1. family entertainment options and venues, including live venues (theaters, concert halls, and movie theaters);
2. ways to increase these options and support these venues, including by (a) ensuring families and patrons, including those with disabilities, have access to them and (b) offering financial and other incentives to ensure venues' economic viability, such as tax credits for capital improvements, swipe fee reform, and entertainment districts;
3. the benefits and consequences of disclosing the actual start time of a movie before viewers enter the room where it will be shown, and practical and technological ways to make that disclosure;
4. other ways to increase transparency to consumers to enhance their experience and promote economic growth; and
5. other matters the group deems relevant.

The committee chairpersons, or their designees, serve as the working group's chairpersons. The working group must report on its studies and recommendations to the General Law Committee by January 1, 2026. It terminates on that date or when it submits its report, whichever is later.

EFFECTIVE DATE: Upon passage

§§ 214 & 215 — OHE STUDENT LOAN REIMBURSEMENT PROGRAM

Makes various changes to the OHE student loan reimbursement program, including expanding eligibility and revising certain qualification criteria related to the volunteer hour requirement

The act makes various changes to the Office of Higher Education's (OHE) student loan reimbursement program, including:

1. expanding eligibility to people with a degree at any level and to certain former Stone Academy students,
2. making various changes to the volunteer hour requirement,
3. changing the income criteria qualification to be based on federal adjusted gross income (AGI) rather than Connecticut AGI,
4. specifying that OHE must reimburse each program participant who meets the program's requirements for student loan payments paid during the preceding calendar year, and
5. carrying over the program's funding to make it available in FY 26.

The student loan reimbursement program was created in 2023 and launched in January 2025. Under the program, eligible participants are reimbursed for up to $5,000 of their student loan payments per year (for up to four years).

Lastly, the act makes technical and grammatical changes.

EFFECTIVE DATE: July 1, 2025, except the provision carrying over the program's funding is effective from passage.

Income Qualification

Under prior law, to qualify for the program's student loan reimbursement, participants were required to be below a set income threshold based on their Connecticut AGI. The act changes the criteria to be based instead on the participant's federal AGI.

Eligibility Expansion

Under prior law, only participants that earned an associate or bachelor's degree from a Connecticut higher education institution (or meet a licensure or hardship requirement) were eligible for reimbursement. The act instead allows participants to receive reimbursement if they have earned any degree from a Connecticut higher education institution.

The act also extends student loan reimbursement eligibility to include people enrolled in Stone Academy's practical nurse education program between November 1, 2021, and February 28, 2023, who:

1. did not complete the program;
2. have not participated in a teach-out (a plan to let students finish their course or full program after a private school closes) or proctored comprehensive predictor examination administered by a higher education institution identified by OHE; and
3. submit evidence that they filed a closed school loan discharge application not later than six months before applying for the student loan reimbursement program, but whose student loan was not discharged.

(Stone Academy closed suddenly in early 2023. At the time of the school's closure, there were students midway through their practical nurse education program.)

By law, all participants are additionally required to maintain a Connecticut residency for at least five years.

Eligible Volunteer Work

Under prior law, participants in the student loan reimbursement program must have completed at least 50 volunteer hours (generally for a nonprofit organization or municipal government) for each year they participate. The act makes various changes to the scope of eligible volunteer work, including:

1. expanding the eligible nonprofit organizations the participants can volunteer for to all tax-exempt nonprofits and not just those registered with the Department of Consumer Protection;
2. specifically adding the U.S. armed forces as an eligible entity to volunteer for, including military service, and those who complete their volunteer work through the U.S. armed forces do not need to adhere to the requirement that the hours be unpaid (existing law already includes military service as an eligible type of volunteer work);
3. specifying that volunteering as a firefighter, emergency medical personnel, or for a religious organization, nonprofit organization, or municipal government are eligible ways to meet the service requirement;
4. adding unpaid work that was required to complete any certificate or degree program to count as eligible volunteer hours;

5. specifying that someone can combine hours from more than one eligible organization to meet the volunteer service requirement; and
6. allowing volunteer hours to be applied for two years after completion.

Hardship Waiver. The act requires OHE to grant a hardship waiver to participants who apply for the waiver and have a medical condition or disability that prevents them from completing volunteer work (as determined by their treating health care provider). Additionally, people who were enrolled in the practical nurse education program at Stone Academy between November 1, 2021, and February 28, 2023, automatically qualify for a waiver.

Service Documentation. By law, participants must annually submit a form to OHE with the number of volunteer hours completed. This form must be signed by a supervisor or other employee of the eligible entity the participant volunteered for and it must be notarized. The act specifies that OHE may authorize alternative documentation for proving an applicant's military service or unpaid student work volunteer hours. The act also removes the requirement that for military service the form be signed by the participant's commanding officer.

Additionally, for documenting volunteer hours at nonprofit organizations, including religious organizations, the act requires the participant to submit evidence of current nonprofit certification from the Internal Revenue Service (IRS).

Appropriated Funding to OHE

The act carries forward the FY 25 funding appropriated to OHE for the student loan reimbursement program, making the funds available for the same purpose in FY 26.

Background — Related Act

PA 25-88 sets new eligibility criteria for former Stone Academy students to receive tuition refunds from the private career school student protection account.

§§ 216 & 217 — HIGHER EDUCATION FINANCIAL SUSTAINABILITY ADVISORY BOARD SUBCOMMITTEE AND REPEAL OF WORKING GROUP

Establishes a subcommittee of the Higher Education Financial Sustainability Advisory Board to monitor Connecticut State Colleges and Universities (CSCU) expenditures and sustainability plans and requires the board to make recommendations to the General Assembly on these plans; repeals a budget bill provision creating a working group on CSCU reserve funds

The act establishes a subcommittee of the Higher Education Financial Sustainability Advisory Board to monitor CSCU expenditures and sustainability plans and requires the board to make recommendations to the General Assembly on these plans.

The act also repeals a provision of PA 25-168 that would have created a working group to oversee and monitor expenditures from each reserve fund of CSCU or the higher education institutions within it.

EFFECTIVE DATE: July 1, 2025

Subcommittee on Educational Alignment and Need

The act creates a Subcommittee on Educational Alignment and Need of the Higher Education Financial Sustainability Advisory Board. The subcommittee consists of the:

1. Appropriations and Higher Education and Employment Advancement committee chairpersons and ranking members;
2. OPM secretary, or his designee;
3. Board of Regents for Higher Education chairperson and vice-chairperson, or board members they designate; and
4. Board of Regents for Higher Education faculty advisory committee chairperson and vice-chairperson, or committee members they designate.

The act requires the subcommittee to (1) monitor CSCU expenditures, (2) review each CSCU sustainability plan, and (3) make recommendations to the board on these plans and their funding.

The act requires the board to review the subcommittee's recommendations and submit the board's recommendations for each sustainability plan and its funding to the General Assembly.

OPM Secretary Designee

The act allows the OPM secretary to designate someone to serve in his place as a member and one of the three chairs of the Higher Education Financial Sustainability Advisory Board. By law, the other members of the board are the (1) chairs and ranking members of the Appropriations and Higher Education and Employment Advancement committees and (2) members of the Appropriations Higher Education Subcommittee. The other board chairs are the Appropriations Committee chairs.

§ 218 — CHANGES TO ECS GRANT PHASE-IN SCHEDULE

Delays by two years the start of an ECS schedule to phase in grant reductions for overfunded towns; holds these towns harmless for FYs 26 and 27

By law, the Education Cost Sharing (ECS) grant has a multi-year phase-in schedule of (1) incremental increases for towns that are underfunded and (2) incremental decreases, or years with no change in funding, for overfunded towns. The ECS grant is the state's single largest grant for municipalities.

The act delays by two years the start of an existing statutory ECS schedule to phase in grant funding reductions for overfunded towns. It holds these towns "harmless" (i.e. maintains the same funding level) for FYs 26 and 27, and starts the decrease in funding for overfunded towns in FY 28, rather than FY 26 as under prior law. Once the decreases begin it maintains the same schedule of decreases as under prior law for each year, with larger decreases in each following year until the overfunded towns are at their fully funded level.

The act leaves unchanged the existing provision that begins to fully fund the underfunded towns in FY 26. (PA 25-168, § 299, makes identical changes to the ECS schedule as this section.)

EFFECTIVE DATE: July 1, 2025

Determining Grant Increases and Decreases

When determining ECS grant increases or decreases, the formula uses a town's "grant adjustment," which is the absolute value of the difference between a town's ECS grant amount for the previous fiscal year and its fully funded grant amount. So, for underfunded towns, the grant adjustment is the amount needed to reach the fully funded level; for overfunded towns, it is the amount the town is funded in excess of its fully funded grant.

The grants are based on student enrollment and weighted for characteristics such as the number of students eligible for free or reduced-price school meals and town wealth. Towns may be overfunded from one year to the next because (1) hold-harmless provisions were in effect in previous years when a town would otherwise have seen a decrease in funding due to lower school enrollment, (2) an increase in town wealth, or (3) some other change.

ECS Funding Changes for Overfunded Towns

The table below shows the act's changes for FYs 26-34.

ECS Funding Schedule Changes for Overfunded Towns, FYs 26-34

Fiscal Year	*Overfunded Towns*	
	Prior Law	**Act**
26	Previous FY amount minus 14.29% of its grant adjustment	Same amount as in FY 25
27	Previous FY amount minus 16.67% of its grant adjustment	Same amount as in FY 26
28	Previous FY amount minus 20% of its grant adjustment	Previous FY amount minus 14.29% of its grant adjustment
29	Previous FY amount minus 25% of its grant adjustment	Previous FY amount minus 16.67% of its grant adjustment
30	Previous FY amount minus 33.33% of its grant adjustment	Previous FY amount minus 20% of its grant adjustment

Fiscal Year	*Overfunded Towns*	
	Prior Law	**Act**
31	Previous FY amount minus 50% of its grant adjustment	Previous FY amount minus 25% of its grant adjustment
32	Fully funded	Previous FY amount minus 33.33% of its grant adjustment
33	Fully funded	Previous FY amount minus 50% of its grant adjustment
34 and all following years	Fully funded	Fully funded

§ 219 — POSTING CURRICULUM OBJECTIVES AND SCOPE

Requires each school board to post approved curriculum objectives and scope on its website

The act requires each local and regional board of education to post objectives and scope and sequence of approved curriculum on its website. Existing law, unchanged by the act, requires boards to make the curriculum and all associated curriculum materials available in keeping with the federal Protection of Pupil Rights Amendment (PPRA). PPRA, in part, gives parents and guardians the right to inspect instructional material the school district uses as part of their student's educational curriculum (excluding academic tests and assessments) (20 U.S.C. § 1232h).
EFFECTIVE DATE: July 1, 2025

§ 220 — SUPPLEMENTAL FUNDING FOR NURSING HOMES

Replaces PA 25-168 (§ 334) and requires DSS to distribute up to $55 million in supplemental funding to nursing homes and proportionally distribute it to support wage increases for nursing home employees

PA 25-168 (§ 334) requires the Department of Social Services (DSS) commissioner to distribute up to $55 million in supplemental funding to nursing homes in FY 28, and allows her to proportionally distribute the funds to support wage increases as follows:

1. a 2.5% increase on July 1, 2027, for nurses; nurse's aides; and dietary, housekeeping, laundry, maintenance, and plant operation personnel and
2. a $26 hourly rate for registered nurse's aides by January 1, 2028.

This act requires, rather than allows, the commissioner to proportionally distribute the funds to stay within the allocated amount. It also specifies that (1) the hourly rate for registered nurse's aides must be at least $26 and (2) any remaining funds must be used for other wage increases and minimum increases for nurses; nurse's aides; and dietary, housekeeping, laundry, maintenance, and plant operation personnel.

Under the act, the commissioner (1) must determine which homes are eligible for this supplemental funding and (2) may recoup any amount given to facilities to provide wage increases if they do not provide them.
EFFECTIVE DATE: July 1, 2025

§§ 221 & 222 — DDS PAYMENTS TO PROVIDERS

Requires DDS to (1) distribute up to $5 million in supplemental funding to residential services providers in FY 27 and (2) from an available $105 million pool, increase provider rates in FY 28 to support wage increases (PA 25-175 instead sets specific increases for FY 28 for contracted services)

The act requires the Department of Developmental Services (DDS) commissioner, in FY 27, to distribute up to $5 million (in total) in supplemental funding to DDS-contracted residential services providers.

It also requires the commissioner, in FY 28, to increase rates for DDS-contracted providers to support wage increases. He must do so from an available $105 million pool. (PA 25-175, § 3, instead requires the commissioner, from this $105 million pool, to increase the rates for contracted services on July 1, 2027, and again on January 1, 2028, each time by 3.3%, with an additional 3% for residential services providers.)
EFFECTIVE DATE: July 1, 2025

§ 223 — REPEAL OF RESTRICTIONS ON ASSIGNED MUNICIPAL LIENS FOR DELINQUENT PROPERTY TAXES AND SEWER ASSESSMENTS

Repeals provisions of the 2025 budget implementer that would have restricted certain municipal lien assignments

The act repeals PA 25-168, §§ 231 & 232, which would have imposed several restrictions on assigned municipal liens for delinquent property taxes and sewer assessments. Among other things, that act would have (1) reduced, from 18% to 12%, the annual interest rate on the delinquent portion of the assigned principal and (2) capped the attorney's fees in connection with a foreclosure, sale, or other disposition of these assigned liens at 15% of the amount of any judgment entered.

EFFECTIVE DATE: Upon passage

§ 225 — BRIDGEPORT ELECTION MONITOR

Requires SOTS to contract and install an election monitor for Bridgeport, and conduct a town-wide bilingual public awareness campaign to educate the public on their rights under the state's election laws

The act requires the secretary of the state (SOTS) to contract and install an election monitor in Bridgeport until December 31, 2026, as well as develop and conduct a town-wide bilingual public awareness campaign to educate the public on their rights under state election law. (The act requires the secretary to use funds appropriated under this section to conduct the campaign, but it does not appropriate any funds.)

Specifically, the secretary must contract with at least one individual to serve as an election monitor in any municipality with a population of at least 140,000, according to the most recent State Register and Manual (i.e. Bridgeport). The election monitor's purpose is to detect and prevent irregularity and impropriety in how the municipality manages the election administration procedures and conducts the elections. The elections covered under the act include the 2025 municipal and the 2026 state primary and general elections, and any special election in those years.

The monitor must:

1. oversee the covered elections, including absentee ballots, early voting, election day registration, and election and primary day polling place voting;
2. conduct inspections, inquiries, and investigations of any duty or responsibility required by state election law and carried out by a municipal official or his or her appointee;
3. issue periodic reports on a SOTS-agreed upon schedule; and
4. immediately report any irregularity or impropriety discovered to the secretary.

Toward that end, the act also requires that the monitor have access to all records, data, and material kept by or available to the municipal officials or appointees.

The act requires the secretary to contract with the election monitor until December 31, 2026, unless SOTS terminates the contract for any reason before then. Under the act, the election monitor is not considered a state employee, but must be compensated as the contract requires and reimbursed for necessary expenses for performing his or her duty.

The municipality must give the election monitor the office space, supplies, equipment, and services needed to properly carry out his or her duties. Costs related to the monitor's service must be paid from the funds appropriated to the secretary for the position. (However, the act does not appropriate funds for this purpose.)

The act specifies that these provisions do not prohibit the State Elections Enforcement Commission (SEEC) from exercising its authority. By law, SEEC, among other things, investigates alleged election law violations, inspects campaign finance records and reports, refers evidence of violations to the chief state's attorney or the attorney general, and levies civil penalties for election violations.

EFFECTIVE DATE: Upon passage

§§ 226 & 227 — SEEC EXECUTIVE DIRECTOR APPOINTMENTS

Repeals provisions passed during the 2025 legislative session on SEEC Executive Director appointments, including that they receive legislative approval, and instead requires that (1) any reappointment be limited to a single term of up to four years and (2) before any reappointment, the executive director appear at a joint legislative public hearing to discuss SEEC's efforts and the CEP program

Under prior law, as amended by PA 25-26, by March 1, 2027, and every four years after that, SEEC must generally have appointed a person to serve at its pleasure as its executive director for up to a four-year term. The Senate and the

House of Representatives must have approved the appointment.

Under PA 25-168, § 244, the executive director could be reappointed for one additional term of up to four years at the end of his or her first term without legislative approval.

This act repeals the PA 25-168 provision and changes the law, as amended by PA 25-26, by eliminating the requirement that the executive director's nomination receive legislative approval.

The act instead requires, by March 1, 2027, and every four years after, the commission to appoint a person to serve at its pleasure for a four-year term starting March 1 of the nominating year. If a vacancy occurs, the commission must appoint a replacement for the remainder of the term.

Under the act, before SEEC reappoints its executive director for an additional four-year term at the end of his or her first term, the Government Oversight and GAE committees must hold a joint public hearing for the executive director to appear and discuss SEEC's operations, achievements, and future initiatives, as well as the health of the Citizens' Elections Program (CEP).

The act specifies that an executive director may only be reappointed once.

EFFECTIVE DATE: July 1, 2025, except the repealer is effective June 30, 2025.

§§ 228-232 — SOUTH MEADOWS SITE ADDITIONS AND REVISIONS

Requires the South Meadows site, which contains closed resource recovery and jet turbine facilities, to be part of any state PILOT grant to Hartford until the site is redeveloped; amends provisions in this year's budget and implementer act that establish the site and a related development district

PA 25-168, §§ 435-442 & 456, and this act make several changes related to two Hartford properties located at 300 Maxim Road and 100 Reserve Road that the former act designates collectively as the "South Meadows site." (The site contains closed resource recovery and jet turbine facilities.)

Principally, this act requires the state to include the site as a basis for any state PILOT grant to Hartford paid on or after June 30, 2025, until the site is redeveloped, regardless of any conflicting state statute (§ 228). It otherwise revises provisions in PA 25-168, which, among other things, (1) exempts the site and any personal property located on it from property taxes until a development or redevelopment project has begun and (2) creates a South Meadows development district and delineates the district's geographic boundaries.

EFFECTIVE DATE: June 30, 2025, except the repealer is effective upon passage.

South Meadows Development District (§§ 229 & 230)

PA 25-168, § 456, specifies that none of the act's provisions concerning the South Meadows site and development district apply to the Hartford Brainard Airport, but this act repeals this provision. It instead specifies that the district's powers and actions do not supersede, or authorize any conflict with, federal law or any federal aviation regulation concerning control of Hartford Brainard Airport. (Neither this act nor PA 25-168 prescribe the development district's powers or actions.)

Property Transfers from MDA to CRDA (§§ 231 & 232)

On June 30, 2025, PA 25-168, §§ 435 & 436, requires (1) $5 million of the MIRA Dissolution Authority's (MDA) resources to be transferred and deposited into an existing nonlapsing account OPM administers; (2) the South Meadows site and any tangible or intangible personal property associated with it to be transferred from MDA to CRDA; and (3) the balance of MDA's resources, after the $5 million transfer, to be transferred to CRDA. For the last two of these requirements, this act specifies that they must be done after the close of business for CRDA and limits the balance transfer to MDA's resources that are related to the site. It also requires the property transferred from MDA to CRDA to be included in MDA's FY 25 financial reports, and not CRDA's, and be treated as having been transferred to CRDA on July 1, 2025, with current carrying values.

Authority to Hire Former MDA Employees (§ 231)

PA 25-168, § 435, specifically authorizes CRDA to hire former MDA employees to do anything CRDA must or may do for the South Meadows site. This act replaces that provision, instead authorizing CRDA to hire, for the same purposes, former MDA managers with expertise in engineering, construction, power assets, and environmental compliance.

(Regardless of this authorization, existing law generally allows CRDA to hire any employees it needs or wants (CGS § 32-602(b)).)

§ 233 — PAID SICK LEAVE INCREMENTS

Allows boards of education and municipal employers to require that certain employees use their accrued paid sick leave in the increments set in their applicable collective bargaining agreements, rather than in one-hour increments, as long as they meet certain conditions

The state's paid sick leave law generally requires employers to give their employees up to 40 hours of paid sick leave per year, and employees must accrue one hour of leave for every 30 hours worked. Under the Department of Labor's current implementation of the law, employers must allow eligible employees to use the leave in one-hour increments.

The act instead allows certain public-sector employers to require that certain employees use their accrued paid sick leave at the increments set in their applicable collective bargaining agreement, as long as they:

1. give their employees paid sick leave, or any other paid leave or combination of other paid leave, that accrues at a rate greater than one hour of leave for every 30 hours worked and
2. do not prohibit the employees from using up to 40 hours of accrued leave per year.

More specifically, the act allows local or regional boards of education to do this for their school employees, and municipal employers to do this for their police officers, firefighters, and public works department employees.

Generally, under these paid sick leave provisions:

1. "school employees" are (a) teachers, substitute teachers, school administrators, school superintendents, guidance counselors, school counselors, psychologists, social workers, nurses, physicians, paraeducators, and coaches and (b) anyone else who, in doing their duties, has regular contact with students and provides services to or on behalf of enrolled students under a contract with the local or regional board of education;
2. a "municipal employer" is any (a) political subdivision of the state, including any town, city, borough, district, district department of health, school board, housing authority, or other authority established by law; or (b) private nonprofit corporation with a valid contract with any town, city, borough, or district to extinguish fires and provide fire protection; and
3. a "public works department" is a municipal department responsible for the construction, regulation, or maintenance of all things in the nature of public works and improvements.

EFFECTIVE DATE: Upon passage

§§ 234-237 — PAID FAMILY AND MEDICAL LEAVE FOR CERTAIN SCHOOL EMPLOYEES

Extends the state's Paid Family and Medical Leave Insurance Program to cover school employees whose position does not require a professional certification; correspondingly extends the state's FMLA to cover these employees

The act extends the state's Paid Family and Medical Leave Insurance Program to cover school employees whose position does not require a professional certification under the law for teachers and superintendents (referred to below as "non-certified school employees"). More specifically, it applies to those employees employed by local or regional boards of education, nonpublic (i.e. private) elementary or secondary schools, or certain magnet schools, charter schools, academies, or cooperative arrangements.

The act correspondingly extends the state's Family and Medical Leave Act (FMLA) to cover these employees, which allows them to take job-protected unpaid leave for certain reasons and receive a partial wage replacement benefit from the program while on leave.

The act also makes various changes to accommodate the non-certified school employees' particular employment conditions (e.g., summer breaks), such as (1) allowing the Paid Family and Medical Leave Authority to establish an alternative method to calculate their base period and base weekly earnings (to calculate their benefits) and (2) allowing them to qualify for FMLA job-protected leave if they were employed for three months during the previous 12-month period (rather than for the three months preceding a leave for other covered employees).

EFFECTIVE DATE: October 1, 2025

Paid Family and Medical Leave

Covered School Employees. The act extends the Paid Family and Medical Leave Insurance Program to cover non-certified employees of nonpublic schools and public school operators. Under the act, "public school operators" include local or regional boards of education, and:

1. interdistrict magnet school operators, including those that are (a) the board of governors for an independent institution of higher education or (b) a third-party nonprofit corporation approved by the education commissioner;
2. state or local charter schools;
3. an endowed or incorporated academy approved by SBE; or
4. a cooperative arrangement between multiple boards of education, as allowed under state law.

Under prior law, nonpublic school employees were not covered by the program and school board employees were only covered if it was negotiated through collective bargaining (which still applies to those employees whose position requires a professional certification). Prior law was silent on interdistrict magnet schools, charter schools, endowed or incorporated academies, and cooperative arrangements between multiple boards of education.

In extending the program to non-certified school employees, the act generally (1) requires them to contribute to the program through a payroll deduction administered by their employers and (2) allows them to receive partial wage replacement benefits when they take unpaid leave from employment under the FMLA.

Alternate Base Period and Base Weekly Earnings. Generally, to qualify for benefits under the program, covered employees must also have (1) earned at least $2,325 during their highest earning quarter within their base period (i.e. the first four of the five most recently completed quarters) and (2) been employed by an employer in the previous twelve weeks. A covered employee's weekly benefit from the program is based on their "base weekly earnings," which are 1/26 of their total wages earned during the two highest-paid quarters in the employee's base period.

The act authorizes the Connecticut Paid Leave Authority, which administers the program, to establish an alternative method of calculating the base period and base weekly earnings for the noncertified employees covered by the act.

Non-Bargaining Unit Employees. Under prior law, if a local or regional board of education's employees collectively bargain to join the program, then all of the board's employees not in a bargaining unit also became covered by the program. The act extends this provision to apply also to the broader range of schools considered "public school operators" under the act (e.g., charter and magnet schools).

FMLA

The state's prior FMLA excluded employees of local or regional boards of education or nonpublic elementary or secondary schools. The federal FMLA gives these employees substantially similar job-protected unpaid leave but uses different eligibility criteria from Connecticut's FMLA. For example, the federal law requires eligible employees to have been employed by their employer for at least 12 months and 1,250 workhours, but the state's FMLA requires them to have been employed for at least three months immediately preceding their leave. However, prior state law also required the state's political subdivisions to (1) give the same benefits as the federal FMLA to school paraeducators and other non-certified school employees who have worked for them for at least 12 months and 950 work-hours and (2) allow those employees to take leave to be an organ or bone marrow donor.

The act extends the state's FMLA to cover non-certified employees of public school operators and nonpublic elementary or secondary schools. It also creates separate eligibility criteria for them, requiring them to have been employed by their school or school district for at least three months during the previous 12-month period. It makes conforming changes to, among other things, remove the current requirement for paraeducators and other non-certified school employees to get the same benefits as the federal FMLA allows with a lower work-requirement threshold.

§ 238 — BRIDGEPORT SOCCER STADIUM STUDY

Requires the DECD commissioner to assess the proposed Connecticut United Football club stadium's anticipated economic impact on Connecticut and Bridgeport

The act requires the DECD commissioner, in consultation with the Department of Revenue Services commissioner, to assess the proposed Connecticut United Football club stadium's anticipated economic impact on Connecticut and Bridgeport. The assessment must also evaluate when the state could reasonably expect to receive a return, through revenue generated from the proposed stadium's added payroll taxes, sales and use taxes, and other sources, on a $127 million state bonding investment. DECD must report on the assessment to the Finance, Revenue and Bonding Committee by October 1, 2025.

PA 25-16—sHB 6771
Aging Committee
Insurance and Real Estate Committee
Appropriations Committee

AN ACT ESTABLISHING AN ALZHEIMER'S DISEASE AND DEMENTIA TASK FORCE, REQUIRING HEALTH INSURANCE COVERAGE FOR BIOMARKER TESTING AND CONCERNING TRANSFERS AND DISCHARGES IN RESIDENTIAL CARE HOMES, TUITION WAIVERS FOR NURSING HOME RESIDENTS WHO TAKE COURSES AT REGIONAL COMMUNITY-TECHNICAL COLLEGES AND CLOSURES AND EVACUATIONS OF RESIDENTIAL CARE HOMES AND NURSING HOMES

TABLE OF CONTENTS:

§ 1 — LONG-TERM CARE FACILITY EMPLOYEE BACKGROUND CHECKS

Generally requires all prospective employees of long-term care facilities to undergo a criminal history and patient abuse background check unless they had one done within three years

§ 2 — ESTABLISHING AN ALZHEIMER'S DISEASE AND DEMENTIA TASK FORCE

Establishes a 15-member Alzheimer's Disease and Dementia Task Force and requires it to develop a State Alzheimer's Plan

§ 3 — TRANSFERS AND DISCHARGES IN RESIDENTIAL CARE HOMES

Adds to the information that residential care homes must include in the notice to residents before an involuntary transfer or discharge; requires these facilities to consider a resident's closeness to family and known support networks when helping residents find an alternative residence

§§ 4 & 5 — HEALTH INSURANCE COVERAGE FOR BIOMARKER TESTING

Requires certain individual and group health insurance policies to cover biomarker testing to diagnose, treat, manage, or monitor an insured's disease or condition

§ 6 — TUITION WAIVERS FOR NURSING HOME RESIDENTS

Generally requires the Board of Trustees of the Community-Technical Colleges to waive tuition fees at any of the regional community-technical colleges for residents who, regardless of age, reside in a nursing home for at least 30 days

§ 7 — NURSING HOME TRANSFERS

Requires certain long-term care facilities to consider closeness to support networks when a resident is being transferred from a facility

§ 8 — RESIDENTIAL CARE HOME WORKING GROUP

Establishes a working group to examine topics related to residential care homes

§ 9 — WAITING LIST EXEMPTION

Adds to the circumstances when nursing homes generally must ignore their waiting list when admitting residents who are transferring from another nursing home

SUMMARY: This act makes changes related to the regulation and oversight of long-term care and similar licensed facilities, establishes an aging-related task force and working group, requires certain health care insurers to cover biomarker testing, and allows certain nursing home residents to take courses at the regional community-technical colleges tuition free, as described in the section-by-section analysis below.

The act also makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2025, unless otherwise noted below.

§ 1 — LONG-TERM CARE FACILITY EMPLOYEE BACKGROUND CHECKS

Generally requires all prospective employees of long-term care facilities to undergo a criminal history and patient abuse background check unless they had one done within three years

By law, the Department of Public Health (DPH) administers a criminal history and patient abuse background check program for employees and volunteers at long-term care facilities.

The act requires all prospective employees at these facilities (whether direct hires or contracted positions for long-term care services), not just those who will have direct access to patients or residents as under prior law, to undergo a criminal history and patient abuse background check under the program. It retains the existing requirement that volunteers have a background check if the facility reasonably expects their duties will be substantially similar to employees with direct access to patients or residents.

As under existing law, facilities do not have to require a background check for a prospective employee or volunteer if the person provides evidence that one occurred no more than three years immediately before applying for the position (and no disqualifying offense was revealed).

§ 2 — ESTABLISHING AN ALZHEIMER'S DISEASE AND DEMENTIA TASK FORCE

Establishes a 15-member Alzheimer's Disease and Dementia Task Force and requires it to develop a State Alzheimer's Plan

The act establishes an Alzheimer's Disease and Dementia Task Force to (1) examine the needs of people living with Alzheimer's or dementia, health care providers' and institutions' ability to meet their needs, and the services available to them and their family caregivers and (2) develop a State Alzheimer's Plan.

The act requires the task force to annually report, beginning by January 1, 2027, to the governor and the Aging, Human Services, and Public Health committees. The report must include recommendations for implementing the State Alzheimer's Plan and identify any implementation barriers. The act requires the task force to update the plan every four years.

State Alzheimer's Plan

Service Needs. The plan must include findings and recommendations about the service needs of people living with Alzheimer's and dementia including the following:

1. the state's role in providing or facilitating long-term care, family caregiver support, and assistance to people with early-stage and early-onset Alzheimer's or dementia;
2. state policies regarding people living with Alzheimer's or dementia; and
3. the fiscal impact of these diseases on publicly funded health care programs.

Existing Resources. The plan must also make findings and recommendations about the existing resources, services, and capacity to deliver those to people living with Alzheimer's or dementia, including the following:

1. the type, cost, and availability of dementia care services;
2. the availability of health care providers who can provide Alzheimer's or dementia-related services (e.g., neurologists);
3. dementia-specific training requirements for public and private employees who interact with people living with Alzheimer's or dementia (e.g., long-term care providers and first responders);
4. home and community-based services, including respite care;
5. quality of care measures for home and community-based services and residential care facilities; and
6. state-supported Alzheimer's and dementia research conducted at higher education institutions in Connecticut.

Policies and Strategies. Lastly, the plan must make findings and recommendations about policies and strategies that do the following:

1. increase public awareness of Alzheimer's and dementia;
2. educate health care providers to increase early detection and diagnosis of these diseases;
3. improve health care services for people living with Alzheimer's and dementia;
4. evaluate the health care system's capacity to meet the growing number and needs of people living with Alzheimer's or dementia;
5. increase the number of health care providers available to treat the growing aging population and populations living with Alzheimer's or dementia;
6. improve services provided in the home and community to delay and decrease the need for institutionalized care

for people living with these diseases;
7. improve long-term care services, including assisted living services for people living with Alzheimer's or dementia;
8. assist unpaid Alzheimer's and dementia caregivers;
9. increase and improve research on Alzheimer's and dementia;
10. promote activities to maintain and improve brain health;
11. improve data and information collection relating to Alzheimer's and dementia and their associated public health burdens;
12. improve public safety and address the safety-related needs of people living with these diseases;
13. address legal protections for, and legal issues faced by, people living with these diseases; and
14. improve ways the state evaluates and adopts policies to assist people living with Alzheimer's or dementia.

Task Force Composition

Under the act, the task force consists of 15 members, 11 of whom the governor must appoint. The 11 appointees must include the following:

1. a person living with early-stage or early-onset Alzheimer's or dementia,
2. a family caregiver of a person living with Alzheimer's or dementia,
3. a representative from a municipality that provides services to senior citizens,
4. a person representing home health care agencies,
5. two health care providers with experience diagnosing and treating Alzheimer's disease,
6. a person representing a national organization that advocates for people living with Alzheimer's or dementia,
7. a person representing the area agencies on aging,
8. a person representing long-term care facilities,
9. an expert in aging policy issues, and
10. a person representing homemaker-companion agencies.

The task force must also include the state long-term care ombudsman and the aging and disability services, public health, and social services commissioners, or their designees.

All initial task force appointments must be made by January 1, 2026, and those initially appointed serve either a two- or three-year term as specified in the act. Subsequent appointees must serve two-year terms. Members may be reappointed for an additional two-year term if the governor determines that there is no suitable successor candidate.

Task Force Organization

The aging and disability services commissioner, or her designee, must convene the first task force meeting within 30 days after all members are appointed. Task force members must select a chairperson and vice chairperson from among themselves to serve in those roles for up to two consecutive years. The task force must meet at least quarterly.

The Aging Committee's administrative staff must serve as the task force's administrative staff.

§ 3 — TRANSFERS AND DISCHARGES IN RESIDENTIAL CARE HOMES

Adds to the information that residential care homes must include in the notice to residents before an involuntary transfer or discharge; requires these facilities to consider a resident's closeness to family and known support networks when helping residents find an alternative residence

Under existing law, if a residential care home involuntarily transfers or discharges a resident, the facility must send written notice to the resident and (if known) the resident's legally liable relative, guardian, or conservator. The facility must send the notice at least 30 days in advance except in an emergency.

The act requires the written notice to include (1) the location to which the resident is being transferred or discharged and (2) an attestation by the facility that the notice was submitted to the Long-Term Care Ombudsman's website portal (and the notice must be sent to the portal the same day it was given to the resident).

Under the act, if the information in the written notice changes before the resident's transfer or discharge, the facility must update the notice as soon as practically possible.

The act also requires residential care homes to consider a resident's proximity to family and known support networks when, as required by existing law, they help residents find a new appropriate placement when leaving or being transferred from the facility.

Appeals to Transfer or Discharge Decisions

Under existing law, a resident, or their legally liable relative, guardian, or conservator who has been notified by a facility that the resident will be transferred or discharged, may appeal the decision by filing a hearing request with the DPH commissioner within 10 days after the notice.

Under the act, if the facility updates the location of where the resident will be transferred or discharged, any of these people may appeal the decision within 10 days after the updated notice. During those 10 days, the resident may not be involuntarily transferred or discharged to any location.

§§ 4 & 5 — HEALTH INSURANCE COVERAGE FOR BIOMARKER TESTING

Requires certain individual and group health insurance policies to cover biomarker testing to diagnose, treat, manage, or monitor an insured's disease or condition

The act requires certain individual and group health insurance policies to cover biomarker testing to diagnose, treat, manage, or monitor an insured's disease or condition, if medical and scientific evidence (e.g., federal Food and Drug Administration approval, Medicare coverage determinations, or nationally recognized clinical guidelines) shows the testing has clinical utility. The policies must provide coverage in a way that limits any disruptions to the insured's care. However, the policies may require that biomarker testing be done at an in-network clinical laboratory.

The act also (1) requires health carriers to establish a process for insureds to request an exception to a coverage policy or dispute an adverse utilization review determination (e.g., denial) related to the coverage and (2) sets specific requirements for prior authorization requests.

Under the act, a "biomarker" is a physical characteristic, including a gene mutation or protein expression that can be objectively measured and evaluated as an indicator of normal biological processes, pathogenic processes, or pharmacologic responses to a specific therapeutic intervention for a disease or condition. "Biomarker testing" is the analysis of a patient's tissue, blood, or other biospecimen for a biomarker. Biomarker testing does not include an analysis of how a patient physically functions or feels.

EFFECTIVE DATE: January 1, 2026

Process for Policy Exceptions and Coverage Appeals

The act requires each health carrier (e.g., insurer or HMO) to establish a clear, readily accessible, and convenient process through which an insured, or his or her health care provider, may request a coverage policy exception or dispute an adverse utilization review determination. Carriers must post these processes on their websites.

Prior Authorization Requests

Under the act, if the health insurance policy requires an insured to receive prior authorization for biomarker testing, the health carrier, associated utilization review entity, or third party acting on the carrier's behalf must approve or deny the prior authorization request within certain deadlines. Specifically, it must notify the insured, his or her health care provider, or any entity requesting the prior authorization about the approval or denial (1) within seven days, if the prior authorization is not urgent, or (2) within 72 hours if it is urgent. Under the act, the health care provider determines if the authorization is urgent or not.

Act Applicability

The act applies to individual and group health insurance policies delivered, issued, renewed, amended, or continued in Connecticut on or after January 1, 2026, that cover (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; or (4) hospital or medical services, including those provided under an HMO plan. Because of the federal Employee Retirement Income Security Act (ERISA), state insurance benefit mandates do not apply to self-insured benefit plans.

§ 6 — TUITION WAIVERS FOR NURSING HOME RESIDENTS

Generally requires the Board of Trustees of the Community-Technical Colleges to waive tuition fees at any of the regional community-technical colleges for residents who, regardless of age, reside in a nursing home for at least 30 days

The act generally requires the Board of Trustees of the Community-Technical Colleges to waive tuition fees at any of the regional community-technical colleges for nursing home residents, regardless of age, who enroll in any course at these colleges. To qualify, nursing home residents must be a resident of the facility for at least 30 days. In addition, there must be enough other students enrolled in the course to offer it, and space available in the course after accommodating these other students.

Under existing law, state residents 62 years of age or older are eligible to have their tuition waived at the regional community-technical colleges if there are enough other students and space available after accommodating them.

EFFECTIVE DATE: Upon passage

§ 7 — NURSING HOME TRANSFERS

Requires certain long-term care facilities to consider closeness to support networks when a resident is being transferred from a facility

The act requires all Medicaid certified nursing facilities, Medicare certified skilled nursing facilities, and nursing homes to consider a resident's proximity to family and known support networks when, as required by existing law, they help residents find a new appropriate placement when leaving or being transferred from the facility.

EFFECTIVE DATE: Upon passage

§ 8 — RESIDENTIAL CARE HOME WORKING GROUP

Establishes a working group to examine topics related to residential care homes

The act requires the state ombudsman, with the social services and public health commissioners, to convene a working group to examine (1) residential care home evacuation procedures and (2) if residential care homes should be required to use a mutual aid digital platform that supports the risk management needs of health care organizations, which includes dedicated solutions for:

1. emergency management,
2. inspections,
3. testing and maintenance management, and
4. health care coalition and inspections management.

The working group must include at least two people representing residential care homes and, by January 1, 2026, submit a report on the group's findings and recommendations to the Aging, Human Services, and Public Health committees.

EFFECTIVE DATE: Upon passage

§ 9 — WAITING LIST EXEMPTION

Adds to the circumstances when nursing homes generally must ignore their waiting list when admitting residents who are transferring from another nursing home

Existing law generally requires Medicaid-certified nursing homes to (1) admit residents on a first-come, first-served basis, regardless of their payment source and (2) keep waiting lists of applicants and admit them in the order they are received, with certain exceptions (e.g., under certain conditions, when an applicant directly transfers from a home that is closing).

Under the act, a nursing home generally must disregard its waiting list and admit an applicant who seeks to transfer from a nursing home that (1) has filed a certificate of need (CON) request (but before the social services commissioner makes a decision) and (2) has five residents or less.

But under the act, nursing homes are not required to admit these applicants under certain circumstances, such as when the nursing home determines that the applicant does not (1) have a payor source because they have been denied Medicaid eligibility or (2) require a nursing home level of care according to law. The same exceptions apply under existing law for certain other transfers.

PA 25-17—sHB 6913
Aging Committee

AN ACT PROHIBITING LONG-TERM CARE FACILITIES FROM DISCRIMINATING AGAINST LONG-TERM CARE FACILITY RESIDENTS

SUMMARY: This act generally prohibits long-term care facilities and their staff from discriminating against residents based on certain characteristics and status.

It requires the facilities to (1) post a printed nondiscrimination notice meeting certain specifications; (2) ensure their staff members who work directly with residents receive cultural competency training the Department of Public Health (DPH) must develop; and (3) respect residents' physical privacy in the context of certain care, examinations, or treatments. The act also requires the long-term care ombudsman to establish policies and procedures for recording related complaints filed by or on behalf of residents.

If a long-term care facility does not comply with the act's provisions, the DPH commissioner may take any disciplinary action existing law allows against these facilities for failing to comply with statutory requirements, the Public Health Code, or licensing regulations (e.g., suspending or revoking a license and certain civil penalties).

Under the act, long-term care facilities are nursing homes or managed residential communities (MRCs) with DPH-regulated assisted living services. As under existing law, MRCs are facilities consisting of private residential units that provide a managed group living environment for people who are primarily at least age 55. The term excludes state-funded congregate housing facilities.

Lastly, the act specifies that it does not limit a resident from seeking any available legal remedies if they have been subject to discrimination.
EFFECTIVE DATE: October 1, 2025

PROHIBITED DISCRIMINATION

The act prohibits long-term care facilities and their staff (i.e. employees and contractors) from discriminating against any resident on the basis of their race, color, religious creed, sex, actual or perceived 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 unless it is incompatible with any professionally reasonable clinical judgment about a resident's care.

LONG-TERM CARE FACILITY REQUIREMENTS

Nondiscrimination Notice

The act requires long-term care facilities to post, in a prominent place, a printed notice in at least 14-point bold font that includes certain information. It must generally state that (1) they do not discriminate based on the factors listed above and (2) residents may file a complaint with the long-term care ombudsman if they believe they have experienced discrimination.

Physical Privacy of Residents During Examinations and While Receiving Personal Care

The act prohibits long-term care facility staff not directly involved in providing direct care to a resident from being present during physical examinations or personal care if the resident is partially or fully unclothed, unless there is express permission from the resident or their legal guardian, legal representative, or other legally responsible party. It requires facilities to use certain bodily privacy measures (e.g., doors, curtains, screens, or other effective visual barriers) whenever residents are partially or fully unclothed.

The act specifies that residents have the right to refuse examination, observation, or treatment by facility staff when the primary purpose is educational or informational, rather than therapeutic, or for the evaluation or reevaluation of their health. Facilities must inform their residents of this right. Under the act, a refusal must not reduce a resident's access to care for the primary purpose of diagnosis or treatment.

Training

At least every two years, the act requires long-term care facilities to ensure their staff members who work directly with

residents receive DPH-developed cultural competency training focused on residents who identify as lesbian, gay, bisexual, transgender, or gender-nonconforming, or are living with HIV.

The act requires the DPH commissioner, by January 1, 2026, to develop these training materials, and allows her to do so in consultation with entities that have expertise in legal and social challenges faced by aging people who identify as described above. The training materials must provide facility staff with the knowledge and skills needed to effectively care for these residents, in compliance with the act's provisions.

Under the act, long-term care facilities must ensure staff subject to the training requirement receive the training within six months after the facility hires them, unless a staff member provides proof of receiving comparable training within the prior two years. The facility must determine that any comparable training meets the act's requirements and keep a record of its content onsite that is sufficient to make this determination.

BACKGROUND

Existing Discrimination Protections

In general, existing state law prohibits discrimination based on gender identity or expression, sexual orientation, and physical disability (among others) in employment; the full and equal enjoyment of goods, services, or facilities offered to the public; housing transactions; and credit transactions. It also authorizes people to file discrimination complaints with the Commission on Human Rights and Opportunities, which enforces state anti-discrimination laws (see generally CGS Chapter 814c).

Additionally, the federal Americans with Disabilities Act (ADA) generally guarantees equal opportunity for people with disabilities in public accommodations, employment, transportation, state and local government services, and telecommunications. Both symptomatic and asymptomatic people with HIV are protected by the ADA, as are those who have a record of or are regarded as having HIV.

PA 25-12—HB 6863
Appropriations Committee

AN ACT CONCERNING DEFICIENCY APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 2025, AND COMPENSATION PAID TO INJURED EMPLOYEES AND THE PARENTS OF A DECEASED EMPLOYEE UNDER THE WORKERS' COMPENSATION ACT

SUMMARY: This act makes deficiency appropriations for various agencies and programs in various funds in FY 25, and also makes reductions in these funds in FY 25, in the amounts shown in the table below.

Changes to FY 25 Appropriations in Various Funds Under the Act

Fund	Increase	Reduction	Change
General Fund	$554,791,379	$88,650,000	$466,141,379
Special Transportation Fund	4,110,000	4,110,000	0
Banking Fund	264,997	264,997	0
Insurance Fund	587,485	587,485	0
Consumer Counsel and Public Utility Control Fund	59,499	59,499	0
Workers' Compensation Fund	196,993	196,993	0

The act also makes various changes to workers' compensation benefits and related services, such as:

1. for permanent, partial disability (PPD) benefits, as of July 1, 2025, (a) increasing the duration of those benefits for a cervical spine injury that an injured worker may receive from 117 to 208 weeks and (b) expanding the list of injuries eligible for these benefits to include injuries to the intestinal tract (347 weeks of PPD benefits) and the esophagus (180 weeks of PPD benefits);
2. removing an administrative law judge's (ALJ) discretion to award temporary partial incapacity benefits instead of PPD benefits once an injured employee reaches maximum medical improvement;
3. allowing 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;
4. establishing a working group to study rehabilitation services available to injured employees under the state's Workers' Compensation Act; and
5. allowing injured employees, under certain circumstances, to receive up to 60 weeks of supplemental benefits after they have received discretionary wage differential benefits.

EFFECTIVE DATE: Upon passage

ELIGIBILITY FOR DIFFERENT TYPES OF BENEFITS

The act requires an ALJ to award PPD benefits to an injured employee who is eligible for them. It removes the ALJ's discretion to instead award temporary partial incapacity benefits (see BACKGROUND).

Under existing law, the right to PPD benefits begins after the employee reaches maximum medical improvement for the injury (CGS § 31-295(c)). Under the act, if these employees reach maximum medical improvement but their injuries continue to result in total incapacity to work, they remain eligible to receive total incapacity benefits until the period of total incapacity ends.

These provisions apply to any matter (1) filed with the Workers' Compensation Commission on or after July 1, 1993, that is open and pending before the commission on May 20, 2025, or (2) filed with the commission on or after May 20, 2025.

COMPENSATION UPON AN EMPLOYEE'S DEATH

By law, when employees with no presumptive dependents (such as a spouse or minor children) die due to a work-related accident, anyone who was wholly dependent in fact upon them may receive their workers' compensation benefits.

In cases where there are no such dependents, the act requires these benefits to be divided equally among the deceased employee's parents.

Under existing law, and unchanged by the act, these benefits may be paid for up to 312 weeks from the employee's death. Survivors who were wholly dependent in fact must be paid the full benefit rate, and benefits for those partially dependent in fact must be at least $20 per week, but no more than the (1) full benefit rate or (2) average weekly amount that the deceased contributed to their support. (The act does not specify the benefit rate for parents.)

SUPPLEMENTAL BENEFITS

Generally, after claimants have received all of their PPD benefits, an ALJ may award discretionary wage differential benefits if the injury results in their inability to find employment or their new employment pays less than their pre-injury employment. These additional benefits generally equal 75% of the difference between what the claimant is currently earning and what he or she would have been earning if they hadn't been injured (after tax and Social Security deductions and subject to certain limits). The ALJ must also determine the duration of these benefits, but they must not exceed the lesser of (1) the duration of the employee's PPD benefits or (2) 520 weeks.

The act requires that supplemental benefits also be available to injured employees (presumably, at the ALJ's discretion) if, after they have received the benefits described above, they (1) still cannot perform their usual work and (2) are actively engaged in or have completed a vocational rehabilitation service or an equivalent program. Under the act, these supplemental benefits are available for up to 60 weeks, including the discretionary wage differential benefits that were already awarded to the injured employee (and, presumably, for the same amount).

WORKING GROUP

The act establishes a working group to study rehabilitation services available to injured employees under the state's Workers' Compensation Act. Under the act, the working group must at least examine:

1. whether the Workers' Compensation Act provides adequate funds for rehabilitation services for injured employees,
2. ways to encourage injured employees to use these services (including providing stipends to injured employees who use the services), and
3. the additional benefits that may be awarded for workers with PPD benefits.

Members

The act requires the working group to include the following members, or their designees:

1. the Judiciary Committee chairpersons and ranking members (who serve as nonvoting members unless (a) chosen as a working group chairperson or (b) the designee is not a legislator),
2. the Labor and Public Employees Committee chairpersons and ranking members (who serve as nonvoting members unless (a) chosen as a working group chairperson or (b) the designee is not a legislator),
3. the Aging and Disability Services commissioner, and
4. the Workers' Compensation Commission chairperson.

The group also includes the following twelve members, jointly appointed by the chairpersons of the Judiciary and Labor and Public Employees committees:

1. an attorney with expertise in representing claimants appearing before the Workers' Compensation Commission,
2. an attorney with expertise in representing respondents appearing before the commission,
3. a representative of an association representing trial attorneys in the state,
4. a representative of an association representing workers' compensation insurers in the state,
5. a representative of an association representing business and industry in the state,
6. four representatives of labor organizations affiliated with the Connecticut American Federation of Labor and Congress of Industrial Organizations (AFL-CIO),
7. a representative from an association representing municipalities of the state,
8. a representative of an association representing workers' compensation insurance providers, and
9. a representative from an association representing small business.

Under the act, all initial appointments must be made within 30 days after the act passes. Any vacancies must be filled by the appointing authority.

Leadership and Meetings

The act requires the chairpersons of the Judiciary and Labor and Public Employees committees to choose the working group's chairpersons, who must be either (1) a Judiciary or Labor and Public Employees committee chairperson or ranking member or (2) a legislator whom one of them designated to serve on the committee in their place.

Under the act, chairpersons must schedule and hold the group's first meeting within 60 days after the act passes. The working group must meet at least once per month and at other times as the chairpersons deem necessary.

The act requires the administrative staff of the Judiciary and Labor and Public Employees committees to serve in this capacity for the working group.

Reporting Requirement

Under the act, the working group must submit to the Judiciary and Labor and Public Employees committees:

1. a preliminary report by February 1, 2026; and
2. a final report by January 1, 2027.

The working group must end when it submits its final report or on January 1, 2027, whichever is later.

BACKGROUND

Permanent, Partial Disability Benefits

By law, PPD benefits are for the permanent, partial reduction in function or loss of a body part. The worker receives PPD benefits based on the disability rating (a physician's determination of the percentage of the body part that is disabled), the weeks of compensation provided for that body part specified in the law, and the employee's basic compensation rate. By law, the weeks of compensation range from 1 (tooth) to 520 (heart, brain, or carotid artery) depending on the body part.

Related Case

In March 2025, the Connecticut Supreme Court ruled in *Gardner* v. *Dept. of Mental Health & Addiction Services* that Connecticut law gives an ALJ discretion to award workers' compensation claimants, after they reach maximum medical improvement, ongoing temporary partial incapacity benefits (up to the statutory maximum of 520 weeks) rather than PPD benefits (351 Conn. 488 (2025)).

PA 25-110—SB 1527
Appropriations Committee

AN ACT IMPLEMENTING A RECOMMENDATION OF THE AUDITORS OF PUBLIC ACCOUNTS REGARDING NONLAPSING ACCOUNTS

SUMMARY: This act makes technical corrections to the laws on various separate, nonlapsing accounts (i.e. dedicated accounts) by eliminating the requirement that they be within the General Fund. Under the state's existing Core-CT accounting system, dedicated accounts are segregated in the Federal and Other Restricted Accounts Special Revenue Fund. They were previously segregated in the General Fund before Core-CT's implementation in 2003. The act also makes technical changes.
EFFECTIVE DATE: July 1, 2025

PA 25-120—SB 1525
Appropriations Committee

AN ACT CONCERNING THE TEACHERS' RETIREMENT BOARD'S RECOMMENDATIONS FOR CHANGES TO THE TEACHERS' RETIREMENT SYSTEM STATUTES

SUMMARY: This act makes numerous changes to the statutes governing the Teachers' Retirement System (TRS).

The act does the following:

1. excludes State Education Resource Center (SERC) employees hired after a certain date from TRS membership;
2. specifies that a member's retirement application becomes irrevocable on the member's retirement date;
3. specifies that the Teachers' Retirement Board's (TRB) medical committee must only review disability retirement applications that meet the existing criteria;
4. establishes a succession order for returning accumulated contributions and credited interest when a member dies without a designated beneficiary for the death benefit and there is no surviving spouse;
5. limits the use of health subsidies under a union contract to only reducing the member's or spouse's costs;
6. realigns the timing of the election of certain seats on the TRB; and
7. eliminates the option for participation in the TRS by the executive director of the Commission for Education Technology.

EFFECTIVE DATE: July 1, 2025, except the provisions on the definition of employer are upon passage.

§§ 1 & 2 — DEFINITION OF EMPLOYER

The act narrows the definition of "employer" and "public school" by sunsetting participation in TRS for any new members employed by SERC who are hired on or after July 1, 2025. Those who are already employed at SERC before that date and TRS members can continue membership.

§§ 3 & 7 — RETIREMENT APPLICATIONS

Applications Irrevocable as of the Date the Member Retires (§ 3)

The act specifies that retirement applications are irrevocable as of the date the member retires. Unchanged by the act, any application that is mailed in is deemed to have been filed with TRS on the date it is postmarked.

Disability Retirement Applications (§ 7)

By law, the TRB's medical committee reviews disability applications and makes findings and recommendations in writing to the board.

The act specifies that the committee must only review applications that meet the existing disability retirement application criteria. Existing law, unchanged by the act, requires that applications include various information including (1) a physician's statement of the member's health, including medical reports and the physician's office notes; (2) the employer's statement on work performance, attendance records, and any other information about the member's disability; and (3) the member's statement outlining the effect his or her impairment has on the ability to perform the duties of their job.

§§ 4 & 6 — BENEFITS

Default Death Benefit Beneficiaries (§ 4)

By law, instead of the basic survivor's benefit and a lump sum death benefit, a member's designated beneficiary may elect to receive the member's accumulated contributions and credited interest.

The act creates default beneficiaries for the return of accumulated member contributions and credited interest when there is no designated beneficiary. Under the act, in such a case, the return goes in succession to the (1) surviving spouse or, if none; (2) surviving children in equal shares or, if none; (3) member's estate.

Health Care Subsidy and Union Contracts (§ 6)

Under the act, any health care subsidy from a collective bargaining agreement (i.e. union contract) must only be used to reduce the costs to the member or spouse, surviving spouse, or disabled member. By law, unchanged by the act, the TRS law cannot impair any union contract relating to local board of education payments for health care premiums on behalf of a member receiving TRS benefits.

§ 5 — TRB ELECTION CYCLE

The act realigns the timing of the board-member elections for two retiree seats from October to July and continuing every four years after that. This matches the timing of the other retired members as well as the current TRB members (active teachers) who hold board seats. (PA 23-63 added two board seats for retired members of the TRS in an October 1, 2023, election.)

§ 8 — COMMISSION FOR EDUCATION TECHNOLOGY TRS PARTICIPATION

Prior law allowed the Commission for Education Technology's executive director to choose participation in the TRS for himself and any commission employee. The act eliminates this option. The law, unchanged by the act, still allows the executive director to elect participation in the state employee retirement system or the alternate retirement system for employees in higher education.

PA 25-11—HB 6877
Banking Committee

AN ACT CONCERNING THE BANKING COMMISSIONER'S APPROVAL OF CERTAIN BANK REAL ESTATE IMPROVEMENTS AND ALTERATIONS

SUMMARY: This act adds a second exception to the requirement that Connecticut banks get the banking commissioner's written approval before altering or improving their business real estate. Under this exception, approval is not needed to alter or improve business real estate that a Connecticut bank, or a corporation controlled by it, already owns or leases as long as the bank is (1) adequately capitalized under federal law and (2) not the subject of a pending formal enforcement action by the banking commissioner or the Federal Deposit Insurance Corporation.

Under existing law and with the banking commissioner's written approval, Connecticut banks may generally acquire, alter, or improve real estate for present or future use in the bank's business. However, approval is not required for altering or improving business real estate that the bank, or a corporation controlled by it, already owns or leases if the expenditure for the alterations or improvements does not, in any one calendar year, exceed 5% of the bank's capital and surplus or $750,000, whichever is less.

The act also makes technical and conforming changes.
EFFECTIVE DATE: October 1, 2025

APPLICABILITY

By law, a "Connecticut bank" is a Connecticut-chartered or organized bank and trust company, savings bank, or savings and loan association (CGS § 36a-2(13)).

Under existing law and the act, a bank controls a corporation (making the corporation's real estate eligible for the exceptions) if the bank owns or holds at least 51% of the equity securities issued by the corporation, unless the banking commissioner determines that a lesser percentage constitutes effective working control (CGS § 36a-276(d)).

Subject to other conditions and provisions, a Connecticut bank is generally considered "adequately capitalized" if it has a:

1. total risk-based capital ratio of at least 8%,
2. Tier 1 risk-based capital ratio of at least 6%,
3. common equity Tier 1 capital ratio of at least 4.5%, and
4. leverage ratio of at least 4% (12 C.F.R. § 324.403(b)).

PA 25-37—sHB 7083
Banking Committee

AN ACT CONCERNING VARIOUS REVISIONS TO THE CREDIT UNION STATUTES RELATING TO NONMEMBER PAYMENTS, MEMBER BUSINESS LOANS, CHARITABLE CONTRIBUTIONS, EXTENSIONS OF CREDIT, CAPITAL AND NET WORTH

SUMMARY: This act makes the following changes to laws governing state-chartered credit unions:

1. allows them to extend credit with preferential rates or terms to insiders, employees, and governing board members if there is a written policy to do so and it will not result in financial loss (§§ 1 & 7);
2. expands the list of loans exempt from credit union business loan requirements (§ 5);
3. shifts, from a credit union's governing board to its senior management, the authority to approve the credit union's charitable contributions or gifts that fall below a certain threshold (§ 6);
4. removes regular reserves from certain calculations of capital and net worth (§§ 1 & 8); and
5. allows credit unions certified as community development financial institutions (CDFIs) to accept nonmember deposits up to certain caps based on the credit union's total assets (§§ 3 & 4).

The act also makes minor, technical, and conforming changes, including specifying that a "loan officer" is someone who accepts loan applications or offers or negotiates the terms of personal, business, or other loan products for, or with the expectation of, compensation or gain, but not someone who acts only as a loan processor or underwriter.
EFFECTIVE DATE: July 1, 2025

§§ 1 & 7 — CONFLICT OF INTEREST POLICY & PREFERENTIAL RATES

By law, credit unions must have a written conflict of interest policy governing transactions involving insiders, insiders' immediate family members, and certain other individuals having a common interest with the insiders and family members.

The act modifies the applicability of these policies by designating who is considered an "immediate family member." Previously, this individual was anyone related by blood, adoption, or marriage to someone in the credit union's field of membership or to an appointed director. The act ties the term only to the family relationship and specifies how far removed the relationship applies. Under the act, only the following have the designation: a spouse; parent, child, sibling (including step or in-law relations); and grandparent, grandchild, and his or her spouse.

An "insider," under prior law and the act, is a credit union's director or appointed director, loan officer, or member of a board-appointed committee or senior management.

Additionally, the act creates an exemption from the ban on insiders and certain other individuals (1) getting credit from the credit union with preferential rates, terms, or conditions or (2) acting as a guarantor or endorser for the credit. It allows insiders, credit union employees, and governing board members to receive preferential credit or act as a guarantor or endorser if it is done according to a written policy from the credit union's governing board. The policy must (1) require offering uniform preferential rates, terms, or conditions to these people and (2) prohibit offering to extend credit if the credit union reasonably expects that, at the time of extending it, doing so would be a financial loss.

§ 5 — MEMBER BUSINESS LOANS

The act exempts loans for personal use and certain nonmember commercial loans from the law's credit union business lending requirements.

State law prohibits credit unions from making member business loans unless they have adequate net worth and a Department of Banking-approved member business loan program and policy. It sets specific requirements for these programs, including on risk control, employee lending experience, and thresholds for aggregate outstanding loan balances and individual loan-to-value ratios. The loans covered by these programs generally include those for commercial, corporate, investment property, business venture, or agricultural purposes.

The act expands the list of loans exempt from the program, which previously included, among others, certain fully secured loans, loans below a certain amount, and loans fully insured or guaranteed by a federal, state, or local agency. The act also exempts (1) loans intended for personal use and (2) commercial loans to nonmembers (or participation interests in them) that a federally insured credit union lawfully acquires and that are not traded for a member business loan in order to avoid state law's limits on these loans.

§ 6 — CHARITABLE CONTRIBUTIONS

The law authorizes credit unions to make charitable contributions or gifts, but it previously only allowed a credit union's governing board to make these decisions. The act shifts this authority to senior management under certain circumstances.

Under the act, credit union senior management may approve contributions or gifts if:

1. the total contributions or gifts for the fiscal year are .01% or less of the credit union's net assets as of the prior fiscal year's end and
2. none of them are to a recipient with a director or senior management member who is also an insider of the credit union or the insider's immediate family member (see above).

The act specifies that, as under prior law, a majority of the governing board may approve contributions or gifts that exceed the .01% threshold or are to recipients with credit union insiders or immediate family members in the authoritative positions as described above. But it requires the board's decisions to be documented in its meeting minutes, which prior law did not.

Lastly, in both cases, the act requires the credit union to have and maintain a record of contributions and gifts it makes.

§§ 1 & 8 — REGULAR RESERVES

The act removes regular reserves from being included in a credit union's calculation of (1) capital and (2) net worth for purposes of contributions to an account for loan and lease loss allowance. Generally, regular reserves are funds set aside to cover losses.

Consequently, under the act, a credit union's "capital" includes undivided earnings; special purpose reserves; donated equity; and accumulated, unrealized securities gains or losses. Among other things, by law, the amount of capital is a factor in determining whether a credit union may expand its membership, merge with another credit union, pay dividends, or make certain investments.

Existing law requires credit unions to have an account containing the amount of the estimated losses on loans and leases. It specifies the amount that credit unions must contribute to the account from its earnings, as net worth (the "retained earnings;" generally, assets minus liabilities). The act removes regular reserves from this "net worth" calculation by no longer considering it part of a credit union's "retained earnings."

§§ 3 & 4 — NONMEMBER DEPOSITS

The act allows a credit union federally designated as a CDFI to accept deposits from nonmembers, but it caps the total amount of these deposits at the greater of certain dollar amounts or percentages of the credit union's total value of all its shares (accounts) (see BACKGROUND). The amount and percentage caps are based on credit union total assets, as shown in the table below.

Nonmember Deposit Caps

Credit Union Total Assets	***Maximum Nonmember Deposit Amount (Greater Amount Applies)***
$1 billion or more	$25 million or 1.5% of total share value
At least $500 million, but less than $1 billion	$15 million or 2% of total share value
At least $250 million, but less than $500 million	$9.5 million or 2.5% of total share value
Less than $250 million	$6.25 million or 5% of total share value

The act excludes public deposits a credit union receives from factoring into the nonmember deposit cap. A public deposit is (1) money of the state or its subdivisions (or an associated commission, committee, board, or officer), any housing authority, or any Connecticut court and (2) money the Judicial Department holds in a fiduciary capacity (CGS § 36a-330).

Prior law generally prohibited credit unions from receiving deposits from nonmembers. The exceptions to this, unchanged by the act, include deposits from (1) an individual into an account held jointly with a credit union member; (2) the United States, Connecticut, or a Connecticut municipality or other political subdivision; (3) a federally recognized tribe; or (4) another credit union (regardless of where it is chartered).

BACKGROUND

CDFI Certification

The U.S. Department of the Treasury's Community Development Financial Institutions Fund operates a program to invest, support, and train CDFIs assisting underserved populations and communities. To be eligible for assistance under this program, a CDFI must apply to the fund for certification and show that it meets the following requirements:

1. be a legal non-governmental financing entity at the time of application, and not under the control of a governmental entity (excluding tribal governments);
2. have a primary mission of promoting community development;
3. primarily serve one or more target markets and maintain accountability to its target market; and
4. provide development services along with its financing activities.

PA 25-41—sHB 6990
Banking Committee
Judiciary Committee

AN ACT CONCERNING THE SEIZURE AND FORFEITURE OF VIRTUAL CURRENCY AND VIRTUAL CURRENCY WALLETS.

SUMMARY: This act establishes a process for state forfeiture of virtual currency and virtual currency wallets possessed, controlled, designed, or used to commit larceny or that are proceeds of a larceny. The hearing process is similar to that under existing laws for forfeiting property related to criminal activity (e.g., the state must prove facts authorizing the forfeiture by clear and convincing evidence), but the state must begin the proceeding within 90 days after seizing the items and the hearing must occur at least two weeks after notice is made about the proceeding, rather than occurring after the criminal proceeding concludes. The act requires the forfeited currency and wallets to be used to compensate victims with money-related losses from the involved crime.

The act explicitly includes virtual currency and virtual currency wallets in the property subject to the state's existing laws on (1) issuing a search warrant or seizing property associated with a criminal arrest or under a search warrant and (2) forfeiting property related to certain drug, money laundering, identity theft, sexual exploitation, prostitution, and human trafficking crimes.

For currency or wallet forfeiture as part of these larceny, drug, money laundering, identity theft, sexual exploitation, prostitution, or human trafficking crimes, the act allows the court to order that notice about the proceeding be made by means other than notifying the property owner and other interested persons by certified or registered mail. However, it may only do so if the prosecutor (chief state's attorney or other attorney in his office) shows that the alternate method (e.g., electronic means) would be sufficient and appropriate under the circumstances. By law, forfeited property in these cases (other than for larceny) is sold at public auction with the proceeds used for, among other things, paying liens, property preservation costs, and court costs.

Lastly, the act makes technical and conforming changes, such as correspondingly explicitly including virtual currency and virtual currency wallets in the money laundering statute's definition of "equivalent property," which is property that can be readily converted into fiat currency (e.g., U.S. or foreign currency or coin).
EFFECTIVE DATE: July 1, 2026

VIRTUAL CURRENCY FORFEITURE FOR LARCENY

Scope

The act generally makes virtual currency and virtual currency wallets (but not virtual currency kiosks) possessed, controlled, designed, or used to commit larceny, or that are proceeds of a larceny, subject to state forfeiture. For wallets, the forfeiture includes their content even if it is commingled with other property.

By law, larceny is wrongfully taking, obtaining, or withholding property from another person with the intent to deprive that person of the property or to appropriate it to another person (CGS § 53a-119). A person can commit larceny in a number of ways including through embezzlement, extortion, or obtaining property by false pretenses or promises. The degree of the crime varies by things like the form of committing the crime and value of property involved.

Process

After the seizure of virtual currency or a virtual currency wallet that is subject to forfeiture as part of a lawful criminal arrest or search, the act gives a prosecutor 90 days to bring a civil action against the property to order its forfeiture.

Under the act, the court must identify the currency's or wallet's owner and anyone else who appears to have an interest in it. It must order the state to notify these parties about the proceeding by certified or registered mail, unless the prosecutor shows that an alternate method, which may include electronic means, would be sufficient and appropriate under the circumstances.

The act requires a hearing on the state's petition to be held promptly, but at least two weeks after notice is made. At the hearing, the state must prove the material facts by clear and convincing evidence and the court must hear the evidence, make findings of fact, enter conclusions of law, and issue an appealable final order.

Under the act, testimony or other evidence from the owner or interested person at the hearing, or that is discovered due

to that testimony or evidence, cannot be used against the owner or person in another proceeding unless it involves criminal prosecution for perjury or contempt in the forfeiture hearing.

Exemptions

The act prohibits virtual currency or a virtual currency wallet forfeiture to the extent:

1. of the interest of an owner or lienholder who did not know or could not reasonably have known about its use, intended use, or that it was derived from criminal activity or
2. it was used or will be used by its owner for legitimate attorney's fees to defend against criminal prosecution.

BACKGROUND

Definitions

By law, "virtual currency" is a digital unit (1) used as a medium of exchange or form of digitally stored value or (2) incorporated into payment system technology. It includes digital units of exchange that have a centralized repository or administrator, are decentralized without a centralized repository or administrator, or may be created or obtained by computing or manufacturing effort. It excludes digital units used:

1. solely in online gaming platforms with no other market or application or
2. exclusively in a consumer affinity or rewards program that (a) can be used only as payment for purchases with the issuer or another designated merchant and (b) cannot be converted into, or redeemed for, fiat currency.

A "virtual currency wallet" is a software application or other way to hold, store, and transfer virtual currency; a "virtual currency kiosk" is an electronic terminal that acts as a mechanical agent of its owner or operator to help exchange virtual currency for fiat currency or other virtual currency (CGS § 36a-596).

PA 25-46—SB 1336
Banking Committee
Judiciary Committee

AN ACT CONCERNING MORTGAGE FORECLOSURES AND UNDISCHARGED MORTGAGES

SUMMARY: This act establishes a 10-year statute of limitations for bringing an action to foreclose on certain mortgages for a one-to-four-family dwelling that the mortgagor (borrower) uses as his or her home. (Existing law, unchanged by the act, has a six-year statute of limitations on actions based on contract law (CGS § 52-576).)

The act's bar on bringing an action is generally the earlier of 10 years after the:

1. due date for the mortgage's last payment or the maturity date set or calculated from information in the mortgage or the note, bond, or other obligation secured by the mortgage or
2. last payment by, or on behalf of, the debtor.

However, the act allows for an extension of the 10-year period if there is a written instrument that extends it, in which case the new statute of limitations is 10 years after the extended date. Additionally, if during the last two years of the 10-year period, a law, order, or rule prohibits the action from being brought, the act allows for an extension equal to the prohibition's duration.

The act exempts mortgages from the statute of limitations if they are (1) recorded before 2026 and were first in priority at the time of recording (including one subsequent to a satisfied, but not yet released mortgage) or (2) subordinate to a first mortgage when they were recorded, regardless of recording date, and held by the original mortgagee (lender) or its subsidiary, affiliate, or successor by merger or acquisition. It also exempts actions to cure certain foreclosure errors like improper service or omitting a party from the act's statute of limitations.

Lastly, the act reduces the time after which an unreleased mortgage is deemed invalid under certain circumstances. Under prior law, when there was an unreleased mortgage on the land records and the mortgagor or current landowner had undisputed possession for at least 20 years after the mortgage should have been paid off, the mortgage was invalid if the person in possession filed an affidavit that met certain conditions in the land records. The act reduces the minimum undisputed possession time from 20 to 10 years and specifies that this provision applies regardless of the act's new statute of limitations. (Existing law, unchanged by the act, allows a mortgage holder to record a notice on the land records before

this time expires to extend this period for another 10 years.)
EFFECTIVE DATE: January 1, 2026

PA 25-66—sHB 7082
Banking Committee

AN ACT CONCERNING VARIOUS REVISIONS TO THE MONEY TRANSMISSION STATUTES, STATE PAYMENTS AND INVESTMENTS IN VIRTUAL CURRENCY AND MINORS' MONEY SHARING APPLICATION ACCOUNTS

SUMMARY: This act regulates virtual currency in various ways, including prohibiting Connecticut and its political subdivisions from accepting or requiring payment in the form of virtual currency, or purchasing, holding, investing in, or establishing a virtual currency reserve (§ 5).

The act also makes several virtual currency-related and other changes to the state's Money Transmission Act, which regulates businesses, other than banks or credit unions, that receive and transmit money. Many of these changes affect (1) people who are or must be licensed as money transmitters under that Act ("licensees") and (2) licensees that engage in the business of money transmission in Connecticut by receiving, transmitting, storing, or maintaining custody or control of virtual currency (collectively referred to as "virtual currency transmitters" below for the purposes of this public act summary).

Generally, the act:

1. extends to virtual currency transmitters several existing disclosure and receipt requirements that apply to virtual currency kiosk owners and operators (§§ 1 & 4);
2. regulates minors' access to certain money sharing applications by imposing restrictions and duties on licensees around opening and closing minors' accounts in ways that involve parents and legal guardians (§ 7);
3. prohibits licensees who control other people's virtual currency from, generally, selling or transferring it without the person's authorization, or using others to store or hold custody of it unless they are qualified to do so (§§ 1, 3 & 4);
4. specifies that virtual currency held by a licensee is a property interest of any claimants against it on a proportional basis (§ 2); and
5. makes minor changes to the definitions and advertising restrictions in the Money Transmission Act (§§ 1 & 6).

Lastly, the act makes technical and conforming changes.
EFFECTIVE DATE: October 1, 2025

§ 1 — MONEY TRANSMISSION ACT SCOPE

Under existing law, "money transmission" includes, among other things, engaging in the business of issuing or selling payment instruments or stored value. The act specifies that this includes direct engagement or engagement through an "authorized delegate" (i.e. someone a licensee designates to provide money transmission services on the licensee's behalf). It also relatedly changes the "stored value" definition, which was monetary value evidenced by an "electronic record" (i.e. information stored in an electronic medium and retrievable in perceivable form). The act renames the record as "electronic or digital record" and specifies that "stored value" is monetary value that represents a claim against the issuer of the monetary value.

Additionally, the act specifies that the methods of "money transmission" include using a digital wallet, such as in connection with a consumer payment mobile application. Under the act, a "digital wallet" is any electronic or digital functionality that (1) stores stored value or virtual currency for a consumer, including in encrypted or tokenized form, and (2) transmits, routes, or otherwise processes the stored value or virtual currency to facilitate a consumer payment transaction.

§§ 1-5 — VIRTUAL CURRENCY DEFINITION

By law and under the act, "virtual currency" is a digital unit (1) used as a medium of exchange or form of digitally stored value or (2) incorporated into payment system technology. It includes digital units of exchange that have a centralized

repository or administrator, are decentralized without a centralized repository or administrator, or may be created or obtained by computing or manufacturing effort. Virtual currency does not include digital units used:

1. solely in online gaming platforms with no other market or application or
2. exclusively in a consumer affinity or rewards program that (a) can be used only as payment for purchases with the issuer or another designated merchant and (b) cannot be converted into, or redeemed for, fiat currency.

§§ 1, 3 & 4 — VIRTUAL CURRENCY CUSTODY AND CONTROL RESTRICTIONS

The act imposes two restrictions on virtual currency transmitters handling virtual currency. First, it prohibits them from selling, transferring, assigning, lending, hypothecating, pledging, or otherwise using or encumbering virtual currency stored, held, controlled, maintained by, or under the custody or control of the licensee on a person's behalf, except for the sale, transfer of ownership, or assignment at the person's direction.

Second, it limits existing law's provisions allowing virtual currency transmitters to use authorized delegates to provide money transmission services on their behalf. Regardless of those authorizations, the act prohibits these transmitters from directly or indirectly using or engaging any other person, including a virtual currency control services vendor, to store or hold virtual currency for or on behalf of a customer, unless the other person is a licensed money transmitter, a qualified bank or credit union, or approved by the banking commissioner to do so.

Under the act, a "virtual currency control services vendor" is a person who controls virtual currency under an agreement with another person who assumes control of this currency on a third person's behalf.

§§ 1 & 4 — VIRTUAL CURRENCY TRANSACTION DISCLOSURES AND RECEIPTS

The act extends many existing disclosure requirements to cover virtual currency transmitters. Specifically, it extends those that had only applied to virtual currency kiosk owners and operators when establishing a relationship with a customer before entering into an initial virtual currency transaction.

The act also extends to virtual currency transmitters most of the existing disclosure requirements (1) when opening an account for a new customer before entering into an initial virtual currency transaction (e.g., on customer's liability for unauthorized transactions, customer's right to stop payment, and information disclosed to third parties) and (2) before each virtual currency transaction (e.g., transaction amount, fees and charges, and warning that the transaction may not be undone).

As under existing law for virtual currency kiosk owners and operators, the act requires virtual currency transmitters to ensure that each customer acknowledges receipt of all applicable disclosures. The act also extends to virtual currency transmitters the existing receipt requirements that apply once a virtual currency transaction is completed.

§ 2 — PROPERTY INTERESTS OF CLAIMANTS AGAINST LICENSEES

Under existing law, licensees that engage in the business of money transmission in Connecticut by receiving, transmitting, storing, or maintaining custody or control of virtual currency on behalf of another person must at all times hold virtual currency of the same type and amount owed or obligated to the other person. The act specifies that this virtual currency is a property interest of any claimants against the licensee on a proportional basis and in the type and amount to which the claimants are entitled, without regard to when the claimants became entitled or the licensee obtained control.

§ 6 — MONEY TRANSMISSION ACT ADVERTISING RESTRICTIONS

The act adds a restriction on advertising by money transmission licensees. It specifically prohibits them from including any statement or claim in their solicitations or advertisements that funds deposited with them are eligible for Federal Deposit Insurance Corporation (FDIC) protections. Existing law already prohibits licensees from including any statement or claim that is deceptive, false, or misleading. (The FDIC generally only supervises and insures certain banks and savings associations, which are exempt from the Money Transmission Act.)

However, the act allows solicitations and advertisements by licensed money transmitters to include a statement or claim that funds deposited with them are eligible for FDIC protections if the (1) funds are placed in a deposit account at an FDIC-insured depository institution in a way that qualifies the fund for deposit insurance coverage under applicable federal law and (2) statement or claim clearly identifies the institution, accurately describes the extent and conditions of the coverage, and does not suggest or imply that the transmitter or any nondeposit product, virtual currency, or digital asset is FDIC-

insured.

§ 7 — MINORS' ACCESS TO MONEY SHARING APPLICATIONS

Generally, the act prohibits any licensee, beginning on October 1, 2025, from allowing anyone to sponsor, open, or establish a money sharing application account for a minor unless the licensee (1) receives an attestation from the person stating that he or she is the minor's parent or legal guardian and (2) either receives a copy of the person's driver's license or other valid government-issued identification or verifies the person's identity according to the federal Bank Secrecy Act and its regulations. The act also requires, with exceptions, licensees to delete a minor's money sharing application account within 30 business days after receiving a request to do so from the minor or the minor's parent or legal guardian.

Under the act, a "money sharing application" is an Internet-based service or application that is (1) owned or operated by a licensee, (2) used by a consumer in Connecticut, and (3) primarily intended to allow users to send and receive money. Under the act, a "minor" is a consumer younger than age 18, and a "consumer" is a state resident and generally excludes anyone acting in a commercial or employment context.

General Procedures and Exceptions

When responding to requests to delete a minor's account, the act generally requires licensees to stop processing the minor's personal data within the 30-business-day response period after receiving the request.

By law and under the act, "personal data" is any information that is linked, or reasonably linkable, to an identified or identifiable individual, excluding de-identified data or publicly available information. "De-identified data" is generally data that cannot reasonably be used to infer information about, or otherwise be linked to, a specific individual or his or her device, and "publicly available information" is generally information that is lawfully available through federal, state, or municipal government records, or widely distributed media (CGS § 42-515). (PA 25-113, § 5, specifies that "publicly available information" does not include certain biometric data.)

Under the act, licensees do not have to follow these account deletion and personal data processing requirements if other applicable law, such as Connecticut's laws on consumer data privacy and online monitoring, allow or require them to preserve a minor's account or personal data.

Additionally, the act allows licensees to extend the time to delete an account and stop processing personal data by an additional 30 business days if (1) it is reasonably necessary to do so based on the complexity and number of, presumably, additional requests from the requestor, and (2) the licensee informs the requestor about the extension and reason for it within the initial 30-business-day response period.

As part of deletion requests, the act allows requestors to also ask licensees for all data associated with the minor's account. Under the act, this must at least include an itemization of each account transaction and the identity of who opened the account. Licensees must provide the data within the deletion timeframe above.

Relatedly, the act requires licensees to (1) establish one or more secure and reliable ways for minors and their parents and legal guardians to submit requests to delete minors' accounts and (2) describe them in a notice given to consumers who have a money sharing application account with the licensee. Licensees that provide a mechanism to initiate a process to delete an account are deemed to be in compliance with this provision.

Inability to Authenticate Requests

In addition to the exceptions above, the act allows licensees to ignore requests they cannot authenticate if they notify the requestor that they cannot authenticate the request and will not be able to do so until the requestor provides additional reasonably necessary information. Under the act, to "authenticate" is to use reasonable means and make a commercially reasonable effort to determine if the requestor is the minor for the account or the minor's parent or legal guardian.

PA 25-85—sHB 6875
Banking Committee

AN ACT CONCERNING THE CONNECTICUT UNIFORM SECURITIES ACT

SUMMARY: This act makes three changes to the state's securities laws.

First, the act expands the Department of Banking (DOB) commissioner's enforcement authority over registered securities broker-dealers, broker-dealer agents, investment advisers, and investment adviser agents by allowing him to censure them or impose a bar for the same reasons existing law allows him to deny, suspend, or revoke a registration or restrict or condition securities or investment advisory activities (e.g., certain statutory noncompliance or criminal convictions, subject to certain federal orders, insolvency, or supervision failure). The commissioner's expanded authority also covers the registrants' partners, officers, and directors, and any person who directly or indirectly controls them. By law, these enforcement actions are subject to prior notice, an opportunity for a hearing, and written findings of fact and conclusions of law.

Second, the act requires securities issuers that propose to offer or sell in a Tier 2 offering, within 21 days before the initial sale of securities in Connecticut, to file a notice of filing and certain related documents with DOB and pay a $250 filing fee.

Lastly, the act creates a state broker-dealer registration exemption for merger and acquisition (M & A) broker-dealers, which parallels a federal exemption under the Securities Exchange Act.

EFFECTIVE DATE: Upon passage

TIER 2 NOTICE FILING FORM AND FEE

The act requires securities issuers that propose to offer or sell in a Tier 2 offering, within 21 days before the initial sale of securities in Connecticut, to file the following with the DOB and pay a $250 filing fee:

1. completed Regulation A – Tier 2 notice filing form and, if the DOB commissioner requests them, copies of all documents filed with the Securities and Exchange Commission (SEC) related to the form and
2. consent to service of process if the consent is not on the notice filing form.

Under the act, the initial notice filing is effective for 12 months after its filing with the DOB. For each additional 12-month period that continues the same offering, the issuer may renew its notice by filing a renewal notice filing form and paying a $250 renewal fee by the notice filing expiration date.

Federal securities laws require security offerings and sales to be registered with the SEC or meet an exception. Regulation A is an exception that applies to public offerings, which includes two tiers. A "Tier 2" offering is one of up to $75 million in a 12-month period.

M & A BROKER-DEALER EXEMPTION

The act codifies a federal registration exemption for M & A broker-dealers (see 15 U.S.C. § 78o). These broker-dealers work for sellers or buyers in securities transactions solely as part of an ownership transfer of an "eligible privately held company" (generally a company that meets specified registration, filing, and size requirements) under certain conditions. For example, the broker-dealer must reasonably believe that the person acquiring the assets will control the company or its business (such as having the right to vote or direct the sale of 25% of its voting shares) and be active in its management. Previously, they had to be registered in Connecticut as regular broker-dealers.

Under the act, the exemption does not apply to an M & A broker-dealer that does the following:

1. receives, holds, transmits, or has custody of the funds or securities to be exchanged by the parties to the transaction;
2. engages, on an issuer's behalf, in a public offering of any class of securities (a) that is, or should be, registered with the SEC or (b) to which the issuer files or must file, certain periodic information, documents, and reports;
3. engages on behalf of any party in a transaction involving a "shell company" (i.e. one with no or nominal operations and no or nominal assets, only cash or cash equivalent assets, or a combination of cash or cash equivalents and nominal other assets) but not a "business combination related shell company" (i.e. a shell company only used to change a non-shell company's domicile in the United States or to complete certain business combinations);
4. provides financing related to an eligible privately held company's ownership transfer;
5. helps any party get financing from an unaffiliated third party without complying with associated laws and disclosing compensation in writing to the party;

6. represents both the buyer and seller in the same transaction without giving clear, written disclosure as to the parties the broker-dealer represents and having written consent from both parties;
7. facilitates a transaction with a group of buyers that the broker-dealer helped form to acquire the eligible privately held company;
8. engages in a transaction that involves the transfer of ownership of an eligible privately held company to a passive buyer or group of them;
9. binds a party to an eligible privately held company's ownership transfer; or
10. was subject to certain court or regulatory actions such as a securities- or finance-related criminal conviction or court injunction, a DOB or SEC cease and desist order, a registration revocation, or certain other sanctions (which also applies to the actions of the broker-dealer's officers, directors, members, managers, partners, control persons, or employees).

PA 25-103—SB 1255
Banking Committee

AN ACT CONCERNING THE COMMUNITY BANK AND COMMUNITY CREDIT UNION INVESTMENT PROGRAM ESTABLISHED BY THE STATE TREASURER

SUMMARY: This act expands the pool of financial institutions eligible to participate in the treasurer's Community Bank and Credit Union Initiative by (1) adding federal banks and out-of-state banks and (2) reinstating federal credit unions, which were removed by PA 23-126.

Under this initiative, the treasurer has the authority to invest up to $300 million, based on available cash, with community banks and community credit unions (CGS § 3-24k). The financial institutions participating in the initiative originate loans to individuals and small-to-medium sized companies and provide banking services in underserved markets.
EFFECTIVE DATE: July 1, 2025

PA 25-104—sSB 1256
Banking Committee

AN ACT CONCERNING THE ORGANIZATION, ADMINISTRATION AND RECEIVERSHIP OF CERTAIN FINANCIAL INSTITUTIONS

SUMMARY: This act makes several changes that affect the applications and operations of different types of Connecticut-chartered or -organized financial institutions. Specifically, it:

1. increases from $15,000 to $20,000 the application fee to organize a Connecticut bank (by law, assessment of this fee explicitly includes applications for conditional preliminary approval of an expedited bank, but not the organization of an interim Connecticut bank) (§ 1);
2. increases, from $1 million to $1.5 million, the minimum amount of deposit assets that trust banks and innovation banks must keep (§ 2);
3. exempts innovation banks from one of several existing (a) factors for assessing whether an application to organize a Connecticut bank serves the public interest (i.e. the population of the area to be served) and (b) considerations for approving a Connecticut bank's main office relocation (i.e. the public's convenience and need for the proposed relocation) (§§ 2 & 3);
4. decreases, from 30 to 15 days, the deadline for submitting written objections to a proposed name change of a capital stock Connecticut bank, mutual savings bank, or mutual savings and loan association after its application to do so is published (§ 4); and
5. requires receivers, when liquidating an innovation bank, to consider the innovation bank's credit conditions instead of the credit conditions in the innovation bank's locality (§ 5).

The act also makes conforming and technical changes, including removing obsolete language.
EFFECTIVE DATE: July 1, 2025

PA 25-115—sSB 1257
Banking Committee
Judiciary Committee

AN ACT CONCERNING CONSUMER CREDIT AND COMMERCIAL FINANCING

TABLE OF CONTENTS:

§§ 1-5 & 14 — SURETY BOND CANCELLATIONS

Requires all surety bond cancellations to be done electronically for bonds issued to certain banking department regulated entities

§§ 6-11 — SURETY BOND UPDATES

Requires certain banking licensees to update their surety bonds when they change their legal names instead of when they change their office names or addresses

§§ 12 & 17-19 — FINANCE ACTIVITY REQUIRING LICENSURE

Expands what constitutes sales finance company, small loan, and mortgage servicing activity requiring licensure to include when someone receives any payments (including fees) in connection with certain contracts or loans as applicable; makes a similar expansion for education loan servicing licensees and registrants

§§ 13 & 14 — MORTGAGE LENDER REGISTRATION ON NMLS

Requires licensed mortgage lenders to register on NMLS as "exempt mortgage servicer registrants" before acting as mortgage servicers and authorizes the banking commissioner to suspend, revoke, or refuse to renew these registrations

§§ 15 & 19 — SERVICING PRIVATE STUDENT EDUCATION LOANS

Extends private student education loan servicing requirements to any person servicing them instead of just private student education loan servicers

§ 16 — ENFORCEMENT OVER REGISTRATIONS

Extends existing enforcement law so that the banking commissioner may suspend, revoke, or refuse to renew registrations he issued

§ 20 — REGISTRATIONS FOR MORTGAGE LICENSE SPONSORS

Creates a registration timeline and fee requirements for exempt registrants that sponsor the licensing of a mortgage loan originator or a loan processor or underwriter

§§ 21-23 — COMMERCIAL FINANCING REGISTRATION AND ENFORCEMENT

Increases the base renewal fee for commercial financing registrants from $500 to $1,000 and specifies that the banking department may consider certain misconduct by registrants' employees and agents against registrants

§ 24 — PRIVATE EDUCATION LENDER AND PRIVATE EDUCATION LOAN CREDITOR REGISTRATION AND ENFORCEMENT

Codifies the $900 fee amounts for private education lender and private education loan creditor registrations and authorizes the banking commissioner to bar violators from engaging in any banking activity for up to 10 years instead of just from acting as these lenders or creditors

§ 25 — SHARED APPRECIATION AGREEMENT DISCLOSURES

Establishes written disclosure requirements for mortgage lenders offering to make residential loans in which the lender receives an interest in the property's appreciated value

§§ 26-29 — ADDITIONAL TECHNICAL CHANGES

Makes several technical changes in different banking laws

SUMMARY: This act makes assorted changes to the state's banking laws that principally affect licensees and registrants involved with, among other things, mortgages, private student education loans, and commercial financing. A section-by-section analysis follows.
EFFECTIVE DATE: October 1, 2025, unless otherwise specified below.

§§ 1-5 & 14 — SURETY BOND CANCELLATIONS

Requires all surety bond cancellations to be done electronically for bonds issued to certain banking department regulated entities

The act generally requires surety companies to give all their cancellation notices electronically for the bonds they issue to certain banking department regulated entities. More specifically, it requires them to give written cancellation notices through the "system" (i.e. the Nationwide Multistate Licensing System and Registry (NMLS) (see § 28)).

The act applies to bonds issued to the following banking department licensees and others it regulates:

1. mortgage lenders, mortgage correspondent lenders, and mortgage brokers, and specific entities and individuals exempt from licensing as such (e.g., federally insured banks and credit unions (and certain subsidiaries)) (see CGS §§ 36a-492(a) & 36a-487(a) and (b));
2. mortgage loan originators (see CGS § 36a-492(a));
3. money transmitters (see CGS §§ 36a-597 & 36a-602(a));
4. debt adjusters (see CGS §§ 36a-656 & 36a-664(a));
5. debt negotiators (see CGS § 36a-671d(a));
6. consumer collection agencies (see CGS § 36a-802(a)); and
7. mortgage servicers, including certain mortgage lenders acting as servicers but exempt from licensing as such.

The act's requirement replaces prior law, which (1) only allowed surety companies to send cancellations electronically if the bond was issued electronically on NMLS and (2) otherwise required them to send cancellations by certified mail.

By law, cancellations must be sent to the bond's principal and the banking commissioner at least 30 days before the cancellation date.

§§ 6-11 — SURETY BOND UPDATES

Requires certain banking licensees to update their surety bonds when they change their legal names instead of when they change their office names or addresses

The act modifies the circumstances for when certain licensees must update their surety bonds with the banking commissioner. It specifically applies to the following:

1. mortgage lenders, mortgage correspondent lenders, mortgage brokers, and lead generators (see CGS § 36a-490(b)(1));
2. money transmitters (see CGS § 36a-598(d)(1));
3. debt adjusters (see CGS §§ 36a-656 & 36a-658(a));
4. debt negotiators (see CGS § 36a-671(b));
5. mortgage servicers (see CGS § 36a-719a(a)); and
6. consumer collection agencies.

Under existing law, a licensee may change the name or office address on its most recent filing with NMLS if, at least 30 calendar days beforehand, it files the change with the system and the commissioner does not disapprove of the change in writing or request more information within the 30-day period.

Generally, under prior law, the licensee also had to give the commissioner a bond rider or endorsement, or addendum, as applicable, that reflected the new name or address. The act instead only requires licensees to give the commissioner a bond rider to their surety bonds when they change their legal names.

§§ 12 & 17-19 — FINANCE ACTIVITY REQUIRING LICENSURE

Expands what constitutes sales finance company, small loan, and mortgage servicing activity requiring licensure to include when someone receives any payments (including fees) in connection with certain contracts or loans as applicable; makes a similar expansion for education loan servicing licensees and registrants

The act expands the types of activities that require someone to obtain certain licenses and registrations under the state's banking laws. Existing law generally prohibits anyone from engaging in the business of a sales finance company or acting as a mortgage servicer without a license (see CGS §§ 36a-536 & 36a-718). Similarly, certain small loan related actions are prohibited without a license.

Under the act, sales finance company, small loan, and mortgage servicing activity requiring licensure includes when someone receives any payments (including fees) in connection with, respectively, a retail installment contract or installment loan contract, small loan, and residential mortgage loan, instead of just principal and interest payments under one.

The act also makes a similar expansion affecting certain education loan servicers. Existing law generally prohibits anyone from acting as a private student loan servicer without a banking department license or acting as a federal student loan servicer unless they are registered as such on NMLS (see CGS §§ 36a-847 & 36a-847a). The act changes what is considered "servicing" for these servicers to include receiving any payment, rather than just scheduled periodic ones, and maintaining account records for and communicating with a borrower about his or her loan during any period that payments are not required, instead of periods outside of scheduled periodic payments.

Lastly, the act makes technical and conforming changes.

§§ 13 & 14 — MORTGAGE LENDER REGISTRATION ON NMLS

Requires licensed mortgage lenders to register on NMLS as "exempt mortgage servicer registrants" before acting as mortgage servicers and authorizes the banking commissioner to suspend, revoke, or refuse to renew these registrations

Existing law exempts certain mortgage lender licensees from having to obtain a separate license to act as a mortgage servicer if they meet certain conditions. The act generally carries this exemption forward but further requires these lenders to register on NMLS as "exempt mortgage servicer registrants" before acting as mortgage servicers. It relatedly authorizes the banking commissioner to suspend, revoke, or refuse to renew these registrations.

Generally, under prior law, any person licensed as a mortgage lender in Connecticut was exempt from mortgage servicer licensure if (1) they acted as a mortgage servicer from their lender licensed main office or branch office, (2) they satisfied certain bonding requirements, and (3) their lender license was not suspended. The act modifies the third condition by requiring that their NMLS-associated registration is not suspended.

Lastly, the act makes technical and conforming changes.

Exempt Mortgage Servicer Registration Conditions and Oversight

Under the act, exempt mortgage servicer registrations must generally expire at the close of business on December 31 of the year in which they were approved, unless renewed. However, any registration approved on or after November 1 must expire at the close of business on December 31 of the following year. Renewal applications must be filed on NMLS between November 1 and December 31 of the year in which the registration expires.

The act requires each applicant for an initial registration or renewal to meet the supplemental mortgage servicer surety bond, fidelity bond, and errors and omissions coverage requirements that existing law applies to mortgage lenders exempt from mortgage servicer licensure. It further requires applicants to pay to NMLS any required fees or charges and makes all fees nonrefundable.

The act also expressly authorizes the banking commissioner to suspend, revoke, or refuse to renew any exempt mortgage servicer registration or take any other action under his licensing and registration enforcement authority (see § 16 below). He may only exercise this authority if he finds that the registrant no longer meets the requirements for registration or if the registrant or any control person, trustee, employee, or agent of the registrant (1) made any material misstatement in an application; (2) committed any fraud or misappropriated funds; or (3) violated any Connecticut banking statute, banking department regulation or order, or any other law applicable to the conduct of the registrant's business.

Additionally, the act extends to exempt mortgage servicer registrants automatic suspension provisions that existing law applies to mortgage servicer licensees. It specifically requires the commissioner to automatically suspend the registration

when an exempt registrant's (1) surety or fidelity bond or errors and omissions coverage is cancelled or (2) fidelity bond or errors and omissions coverage expires or is no longer in effect. However, no automatic suspension or inactivation may occur if, before the bond or coverage cancellation or expiration takes effect, the (1) principal submits a letter of reinstatement of the bond or coverage, or a new bond or coverage, or (2) exempt registrant ceased business in Connecticut and surrendered its registration. After a registration is automatically suspended, the commissioner must (1) give the registrant notice of the suspension, pending proceedings for revocation or refusal to renew, and an opportunity for a hearing in accordance with state banking law, and (2) require the registrant to take or refrain from taking any action the commissioner deems necessary.

§§ 15 & 19 — SERVICING PRIVATE STUDENT EDUCATION LOANS

Extends private student education loan servicing requirements to any person servicing them instead of just private student education loan servicers

The act extends existing law's requirements on private student education loan servicers so that they also apply to private education lenders, private education loan creditors, and any other person servicing a private student education loan (subject to certain exemptions specified below). Generally, under these requirements, the entities must give borrowers and cosigners certain information about (1) borrower and cosigner rights and responsibilities, (2) cosigner release eligibility, and (3) parameters for the cosigner release application process.

The act adds a new requirement that any person that makes or extends a private student education loan on or after October 1, 2025, provide options for cosigner release on the loan if certain criteria are met, including the borrower making 12 consecutive on-time payments or the cosigner becoming totally and permanently disabled.

Additionally, the act modifies which entities are subject to constraints that prior law only applied to private student education loan servicers. These include prohibitions on any (1) restriction that permanently prevents a borrower or cosigner from qualifying for a cosigner release and (2) requirement that a borrower make more than 12 consecutive timely payments to be eligible for a cosigner release. Starting October 1, 2025, the act specifically prohibits any person that makes, extends, or owns at least one private student education loan, including any private education lender or private education loan creditor, from directly or indirectly taking these actions.

Also starting on that date, the act likewise applies to any person that makes, extends, or owns at least one private student education loan existing law's prohibitions on (1) refusing to release the cosigner from his or her obligation to repay the loan when notified that the cosigner is totally and permanently disabled and (2) requiring that a new cosigner be added to the loan after the original cosigner has been released. Prior law applied these prohibitions unless the loan agreement's terms expressly prohibited them. The act does not carry that exception forward (i.e. it prohibits these actions regardless of the loan agreement's terms).

Lastly, the act makes minor, technical, and conforming changes.

Application

Under the act, "servicing" generally is:

1. receiving any payments from a student loan borrower on a student education loan;
2. applying these payments to a loan;
3. maintaining account records for and communicating with the borrower about the loan during the period when no payments are required;
4. interacting with a borrower to service a loan, including by helping a borrower prevent loan defaults; or
5. performing other administrative services on a loan.

By law, a "private student education loan" is any student education loan that is not (1) made under the William D. Ford Federal Direct Loan Program or purchased by the U.S. Department of Education and (2) owned by the U.S. Department of Education.

Under existing law, a "private student education loan servicer" is any person, wherever located, responsible for servicing private student education loans to student loan borrowers who live in Connecticut.

A "private education lender" is any person engaged in the business of making or extending private education loans. A "private education loan creditor" is any person to whom a private education loan is sold or assigned or who otherwise acquires one. By law, private education lenders do not include banks or out-of-state banks; Connecticut, federal, or out-of-state credit unions; the banks' or credit unions' wholly owned subsidiaries; operating subsidiaries whose owners are wholly owned by the same bank or credit union; or the Connecticut Higher Education Supplemental Loan Authority (CHESLA).

Certain banks and these credit unions are similarly exempt from the definition of private education loan creditors, as are consumer collection agencies; private student loan servicers; and local, state, and federal departments and agencies. Relatedly, a "private education loan" is credit (1) extended expressly, in whole or part, for a borrower's postsecondary educational expenses, regardless of whether it is provided by the educational institution a student attends, and (2) not made, insured, or guaranteed under certain federal laws (i.e. not a federally issued education loan). It excludes loans secured by real property (CGS § 36a-856(a)(5)).

By law, unchanged by the act, the above requirements for private student education loans do not apply to banks, out-of-state banks with a physical presence in Connecticut, and credit unions; their wholly owned subsidiaries; operating subsidiaries where the owners are wholly owned by the bank or credit union; or CHESLA.

§ 16 — ENFORCEMENT OVER REGISTRATIONS

Extends existing enforcement law so that the banking commissioner may suspend, revoke, or refuse to renew registrations he issued

Existing law authorizes the banking commissioner to suspend, revoke, or refuse to renew any license he issues under state law according to notice and hearing procedures. This law also generally establishes processes for him to follow when these licenses are surrendered or expire as well as when applications for them are withdrawn. The act extends this collective enforcement authority to registrations issued by the commissioner. By law, these provisions do not apply to the state's securities laws.

§ 20 — REGISTRATIONS FOR MORTGAGE LICENSE SPONSORS

Creates a registration timeline and fee requirements for exempt registrants that sponsor the licensing of a mortgage loan originator or a loan processor or underwriter

Existing law exempts several different entities from being licensed as a mortgage lender, mortgage correspondent lender, or mortgage broker (e.g., federally insured banks and credit unions) (see CGS § 36a-487(a) to (c)). By law, any person claiming this exemption may register on NMLS as an exempt registrant to sponsor a mortgage loan originator or a loan processor or underwriter. The act creates a timeline and fee requirements for those who register.

Under the act, these registrations must generally expire at the close of business on December 31 of the year in which they were approved, unless renewed. However, any registration approved on or after November 1 must expire at the close of business on December 31 of the following year. Renewal applications must be filed on NMLS between November 1 and December 31 of the year in which the registration expires.

The act requires each applicant for an initial registration or renewal to pay to NMLS any required fees or charges and makes all fees nonrefundable.

§§ 21-23 — COMMERCIAL FINANCING REGISTRATION AND ENFORCEMENT

Increases the base renewal fee for commercial financing registrants from $500 to $1,000 and specifies that the banking department may consider certain misconduct by registrants' employees and agents against registrants

The act makes several registration and enforcement changes affecting certain lenders offering specific types of commercial financing. By law, "commercial financing" is a sales-based financing transaction of $250,000 or less, the proceeds of which are not primarily intended for personal, family, or household purposes (CGS § 36a-861).

The act also makes a technical change.

EFFECTIVE DATE: July 1, 2025, except the technical change is effective upon passage.

Registration

Under existing law, commercial financing providers and brokers must register with the banking commissioner as he prescribes (CGS §§ 36a-861 & 36a-870). In practice, they register with NMLS. The act aligns their renewal registration fee amount with their existing initial registration fee amount (i.e. increasing the former from $500 to $1,000). The act also requires initial and renewal registrants to pay their registration fees to NMLS along with any other required fees or charges.

It also specifies that these fees are nonrefundable.

The act also modifies the expiration dates of these registrations. Under prior law, they had to be renewed by September 15 annually or they expired. The act instead requires renewal applications to be filed with the commissioner between November 1 and December 31 of the year in which the registration expires. It generally expires registrations, unless renewed, at the close of business on December 31 of the year when the registration was approved, unless it was approved on or after November 1, in which case the registration expires at the close of business on December 31 of the following year.

Enforcement

The act makes several minor changes to the banking commissioner's enforcement powers over commercial financing registrants. Among other things, it specifies that the commissioner may suspend, revoke, or refuse to renew any commercial financing registration or take other enforcement actions authorized under existing law if he finds that the registrant or any control person, trustee, employee, or agent of the registrant took certain actions. Specifically, this applies if they (1) made any material misstatement in the registration application; (2) committed any fraud or misappropriated funds; or (3) violated any statute, regulation, or order related to them or any other law applicable to the conduct of the registrant's business. (Existing law already prohibits anyone from making untrue statements of material fact or engaging in fraud in connection with any activity under the commissioner's jurisdiction (CGS § 36a-53b).)

§ 24 — PRIVATE EDUCATION LENDER AND PRIVATE EDUCATION LOAN CREDITOR REGISTRATION AND ENFORCEMENT

Codifies the $900 fee amounts for private education lender and private education loan creditor registrations and authorizes the banking commissioner to bar violators from engaging in any banking activity for up to 10 years instead of just from acting as these lenders or creditors

The act makes several registration and enforcement changes to the law governing private education lenders and private education loan creditors.

Registration

Under prior law, private education lenders and private education loan creditors generally had to register with the banking commissioner and pay a fee as he prescribed, which could include registering using NMLS and paying any of its fees. In practice, these lenders and creditors register with NMLS. The act codifies the $900 registration and renewal fee amounts they currently must pay NMLS. It also (1) specifically requires initial and renewal registrants to pay their registration fees to NMLS along with any other required fees or charges and (2) specifies that these fees are nonrefundable.

The act also modifies the expiration dates of these annual registrations. It sets the same registration renewal deadlines as for various other licenses and registrations, including commercial financing registrations (see §§ 21-23 above).

Enforcement

Under existing law, anyone who violates the law governing private education lenders and private education loan creditors and causes a consumer financial harm because of it may be barred from acting in certain capacities for up to 10 years by the banking commissioner.

Under prior law, the commissioner could bar them from acting as a private education lender or a private education loan creditor or as a stockholder, officer, director, partner, or other owner or employee of a lender or creditor. The act instead authorizes him to bar violators from engaging in any activity requiring a license or registration under Connecticut's banking laws or acting as a stockholder, officer, director, partner, or other owner or employee of an entity requiring a state banking license or registration.

Prior law did not specify a process for the commissioner to handle these bars. The act requires him to give these people notice and an opportunity for a hearing before barring them. Specifically, he must send notice by registered or certified mail, return receipt requested, or by any express delivery carrier that provides a dated delivery receipt, or by personal delivery according to existing law. The notice is deemed received on the earlier of the date of actual receipt or seven days after mailing or sending, and in the case of an email notice, it is deemed received according to existing law.

Under the act, the notice must include a:

1. statement of the time, place, and nature of the hearing;
2. statement of the legal authority and jurisdiction under which the hearing is to be held;
3. reference to the particular statutes, regulations, rules, or orders allegedly violated;
4. short and plain statement of the matter; and
5. statement indicating that the person may file a written request for a hearing within 14 days of receiving the notice.

If a hearing is requested within this time frame, the commissioner must hold one on the matters asserted in the notice unless the person fails to appear. After the hearing, the commissioner must determine whether to issue an order barring the person and the order's term. He may also issue an order if the person does not request a hearing within the deadline or fails to appear at the hearing. Regardless, the act prohibits issuing any order unless it is done according to the Uniform Administrative Procedure Act.

The act also makes similar changes as it does for commercial financing enforcement (see §§ 21-23 above) and applies them against private education lender and private education loan creditor registrants and any control person, trustee, employee, or agent of them.

§ 25 — SHARED APPRECIATION AGREEMENT DISCLOSURES

Establishes written disclosure requirements for mortgage lenders offering to make residential loans in which the lender receives an interest in the property's appreciated value

The act requires mortgage lenders who the state's banking laws require to be licensed and who offer to make a shared appreciation agreement to give certain written disclosures within three business days after a prospective borrower applies for the agreement.

By law, a "mortgage lender" is generally someone in the business of making residential mortgage loans. A "shared appreciation agreement" is a nonrecourse obligation in which money is advanced to a consumer in exchange for an equity interest in a dwelling, residential real estate, or a future obligation to repay when a certain event happens, such as a transfer of ownership, maturity date, borrower's death, or other circumstance outlined and explicitly agreed to (CGS § 36a-485).

The act's required disclosures include, among other things, an informational statement, the agreement and transaction details, the method of determining the property's fair market value, the interest charged, and repayment examples.

Written Disclosures

The act requires the following statement to be given clearly, conspicuously, and in at least 12-point font:

> "You are not required to complete this agreement merely because you have received these disclosures or have signed a loan application. If you obtain this loan, the lender will have a mortgage and shared interest in your home. You could lose your home, and any money you have put into it, if you do not meet your obligations under the loan. You may wish to consult an attorney."

The following must also be disclosed:

1. financial information relevant to the proposed shared appreciation agreement, including whether repayment terminates it, such as through the mortgage lender receiving some or all of the sale proceeds for the dwelling or residential real estate (collectively referred to as "property" below for the purposes of this public act summary) that is the subject of the agreement;
2. agreement and transaction details, including the mortgage lender's contact information, transaction amount, cash sum to be paid to the prospective borrower, starting value for appreciation sharing, term of the agreement, and property's estimated current fair market value;
3. the method of determining the property's current fair market value and its final value when the agreement is terminated;
4. the interest charged, if applicable;
5. the limit of the mortgage lender's share of appreciation or equity in the property; and
6. an advisory that the prospective borrower consult his or her tax advisor on the agreement's potential tax implications.

Additionally, repayment examples for the proposed shared appreciation agreement must be given based on at least the following:

1. settlement of the agreement after 5, 10, 15, and 30 years, in each case up to the maximum term of the agreement;

2. no change in the property's market value; and
3. changes in its market value (a) over the agreement's term at a 10% total depreciation rate, 3.5% total appreciation rate, and 5.5% total appreciation rate and (b) reflecting the actual average appreciation or depreciation rate for all dwellings or residential real estate in Connecticut during the period equal to the term of the agreement and that occurred immediately before it.

Lastly, information and corresponding calculations for the proposed agreement must be included on the following, if applicable:

1. calculated appreciation amount;
2. appreciation-based charge;
3. accrued or charged interest;
4. principal amount to be repaid;
5. mortgage lender's total calculated share of appreciation or equity and any limit to that share; and
6. for each of the repayment scenarios specified above, the actual amount of money to be paid by the prospective borrower to the lender, including any unconditional administrative fees or reimbursement of protective advances that must be paid at the time of the agreement's settlement, and the total cost to the borrower expressed as an annual percentage rate to allow him or her to compare, under each repayment scenario, the cost at the time of the agreement's settlement with the cost of a traditional mortgage loan.

§§ 26-29 — ADDITIONAL TECHNICAL CHANGES

Makes several technical changes in different banking laws

The act makes several technical changes in different banking laws.

PA 25-155—sSB 1396
Banking Committee
Appropriations Committee

AN ACT CONCERNING EARNED BUT UNPAID WAGE OR SALARY INCOME ADVANCES

SUMMARY: Subject to several restrictions, this act exempts certain salary advances under $750 to Connecticut employees (i.e. "earned but unpaid wage or salary income advances") from the small loan lending law's annual percentage rate (APR) and finance charge requirements. In doing so, the act allows for these advances to exceed the law's 36% APR cap, but it caps the total finance charge for them at (1) $4 per advance and (2) $30 per month.

The act specifically applies to advances for wage, salary, compensation, or other income on an hourly, project-based, piecework, or other basis that borrowers earn for working for an employer or acting as an independent contractor for someone obligated to pay them for their services.

Under the act, providers of these advances must, among other things, give borrowers certain disclosures and previous advance information, verify income, offer ways to receive no-cost advances, and reimburse certain banking fees. It prohibits them from taking certain actions, generally concerning fees or charges, borrower payments, and collection practices.

Lastly, the act makes minor, technical, and conforming changes, including explicitly exempting a wage that an employer directly pays to an employee before a regular pay day from the small loan lending law's scope.
EFFECTIVE DATE: October 1, 2025

EARNED BUT UNPAID WAGE OR SALARY ADVANCE PROVIDERS

The state's small loan lending law generally applies to loans, extensions of credit, or the purchase of, or an advance of money on, a borrower's future source of money (e.g., future pay or salary) of up to $50,000 and with an APR exceeding 12%. In calculating the APR, it includes charges and fees assessed to a borrower as part of the transaction (e.g., finance charges).

The act exempts an earned but unpaid wage or salary income advance from the law's provisions on APR and finance charges (e.g., the 36% cap), but imposes caps of $4 per transaction and $30 per month. This applies to an advance to a Connecticut borrower that is (1) less than $750 and (2) made by an earned but unpaid wage or salary income advance

provider licensed under the small loan lending law. But the amount advanced cannot exceed the amount of unpaid income the consumer earned in a particular pay period. The act also prohibits people exempt from licensure from receiving payments on, acquiring, or advertising a small loan for a person who must be licensed that violates the act's provisions on income advances.

Provider Responsibilities

The act obligates income advance providers to give borrowers certain disclosures, verify borrower income, reimburse overdraft or nonsufficient funds (NSF) fees in certain situations, prevent more than one income advance from being made against the same unpaid wage or salary income, and schedule payments for advances or finance charges on a single date within a certain timeframe after the advance.

It also requires the providers to develop and implement policies and procedures to quickly respond to questions and complaints from borrowers.

Borrower Disclosures. Under the act, before offering or providing an income advance to a borrower, the provider must clearly and fully disclose (1) any associated finance charge; (2) its cancellation policy; and (3) how to submit complaints about the provider to the banking department on the department's website, including giving its link.

And each time a provider solicits, charges, or receives a finance charge claimed to be voluntarily charged, agreed to, or paid, the act requires it to clearly and conspicuously inform the borrower of the following:

1. the finance charge is voluntary;
2. the borrower can select a finance charge of zero dollars; and
3. the amount and frequency of income advances that a borrower may request or receive is not contingent on paying or agreeing to the voluntary finance charge, or having previously paid a finance charge.

Under the act, providers must electronically have readily available for a borrower the date, amount, and finance charge of each income advance the borrower received during the last 12 months. They must similarly have available the total of all (1) income advances the borrower received for the current pay period, (2) finance charges for the advances, and (3) earned but unpaid wage or salary income for the pay period that has not been advanced to the borrower.

Income Verification and Advance Limitations. The act requires providers to verify that a borrower's earned but unpaid income at least equals the amount of the income advance. They can do this by using one of the following:

1. payroll data from the borrower's employer,
2. electronic payroll data the borrower affirmatively authorizes the provider to access, or
3. any similar data or other reasonable method the banking commissioner approves.

The act requires providers to implement ways to prevent an income advance to a borrower who already received one from another provider against the same income. These measurers may include (1) policies and procedures requiring a review and analysis of data the provider has or controls on at least a six-month basis to identify an instance or pattern of a borrower receiving advances from multiple providers for a single pay period that exceeds the borrower's earned but unpaid income for that period and (2) any similar measures the banking commissioner requires.

Relatedly, under the act, providers must require borrowers to (1) attest that they understand that they may not receive more than one income advance from more than one provider against the same income or (2) give a similar attestation the banking commissioner approves.

Finance Charges and Fees. The act requires that providers allow borrowers to cancel an income advance application, service, subscription, or program for free at any time.

It also requires them to (1) offer to all borrowers at least one way per transaction to get the advance at no cost and (2) clearly explain how to use the no-cost option. If the provider charges or receives a finance charge, it must offer an approved borrower (1) an advance that is at least 75% of the borrower's earned but unpaid income for the pay period or (2) not more than one advance for the pay period.

Bank Fee Reimbursement and Payment Scheduling. Under the act, a provider must fully reimburse a borrower for any overdraft or NSF fee the borrower is charged by a depository institution that it caused by trying to be paid an income advance repayment amount or finance charge before the date or in a different amount than it told the borrower.

Relatedly, the act requires providers to schedule repayment of an income advance amount or finance charge in a single payment on a date that corresponds with the date of the borrower's next scheduled employer paycheck or direct deposit. However, this date cannot be more than 34 days after the borrower received the income advance. The act also requires the provider to reschedule repayment if (1) the borrower asks to reschedule it, (2) the borrower's paycheck or direct deposit funds are not available, or (3) there is a payroll or similar error. In these cases, the repayment must occur over no more than three installments and on a later date or dates that the borrower agrees to when agreeing to the income advance.

Prohibited Actions

The act prohibits certain actions by these income advance providers, generally concerning fees and charges, borrower payments, and collection practices.

By law, for violations of the small loan lending laws, the banking commissioner may suspend, revoke, or refuse to renew a license; issue cease and desist orders; issue civil penalties; order restitution; or seek an injunction in court. The actions are generally subject to prior notice and a hearing.

Fees and Charges. The act disallows (1) charging or receiving a total finance charge that exceeds the act's $4 or $30 caps; (2) charging a late or deferral fee, interest, or any other penalty or charge for a borrower's late repayment of or failure to repay an income advance or finance charge; (3) setting a voluntary finance charge of greater than zero as a default option; and (4) seeking a voluntary finance charge before telling the borrower how much he or she is approved to request. It also bars sharing any part of a finance charge paid by a borrower with an employer.

Borrower Repayments. The act prohibits (1) requesting repayment of an income advance or finance charge from a borrower before the date of the borrower's next scheduled paycheck or direct deposit from the employer or (2) accepting repayment by a credit or charge card.

Credit Review & Collection Practices. The act prohibits requiring a credit report or score or other credit-related information to determine a borrower's eligibility for an income advance. It also prohibits reporting any information about a borrower's nonpayment for an income advance or finance charge to a consumer reporting or consumer collection agency.

Under the act, the following actions by an income advance provider to compel or try to compel a borrower to repay an income advance or finance charge are banned:

1. using unsolicited telephone calls,
2. filing a lawsuit against a borrower,
3. using a third party for collection on the provider's behalf, and
4. selling an outstanding amount to a consumer collection agency for collection.

PA 25-60—SB 1213
Committee on Children

AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR REVISIONS TO STATUTES RELATING TO CHILDREN

SUMMARY: This act makes technical changes to statutes on children-related matters.
EFFECTIVE DATE: July 1, 2025

PA 25-68—sHB 6183
Committee on Children

AN ACT CONCERNING THE APPOINTMENT OF THE CHILD ADVOCATE

SUMMARY: The act makes various changes related to the Office of the Child Advocate (OCA), including:

1. extending the child advocate's term from four to five years;
2. establishing a specified reappointment process for the child advocate that generally requires OCA's advisory committee (see BACKGROUND) to evaluate the advocate's performance and recommend whether he or she should be reappointed; and
3. requiring the advisory committee to (a) submit its annual evaluation on the child advocate's effectiveness, which it must complete under existing law, to the governor and the Judiciary, Children, and Human Services committees and (b) post it on OCA's website.

The act also makes minor, technical, and conforming changes.
EFFECTIVE DATE: July 1, 2025

CHILD ADVOCATE REAPPOINTMENT PROCESS

Existing law allows the child advocate to be reappointed at his or her term's conclusion. The act establishes a specified reappointment process. Under the act, at least 12 months before the advocate's term ends, OCA's advisory committee must submit a preliminary report evaluating the advocate's performance. Additionally, at least six months before the advocate's term ends, the committee must submit a final report once again evaluating his or her performance and recommending reappointment or appointment of a new advocate.

The act requires the advisory committee to give these reports to the governor, the child advocate, and the Judiciary, Children, and Human Services committees. Within 90 days after receiving the final report, the governor must accept or reject the committee's recommendation. If he does not do so, the committee's recommendation is deemed accepted.

If the governor reappoints the child advocate (or the reappointment recommendation is deemed accepted), the advocate must be referred to the General Assembly for confirmation. If the governor does not reappoint (or the recommendation not to reappoint is deemed accepted), a new child advocate must be appointed based on existing law's appointment and confirmation procedure (see BACKGROUND).

BACKGROUND

OCA Advisory Committee

By law, OCA's advisory committee consists of seven members appointed one each by the governor, Senate president pro tempore, House speaker, and House and Senate majority and minority leaders. Each committee member serves a five-year term and can be reappointed. The advisory committee's responsibilities include an annual evaluation of OCA's effectiveness.

Child Advocate Appointment and Confirmation

Under existing law, following a vacancy in the child advocate position, OCA's advisory committee gives the governor a ranked list of three to five candidates from which to choose. If the governor does not select one, the candidate ranked first is automatically designated.

The designated candidate is then referred to the General Assembly for confirmation. If the General Assembly is not in session, the designated candidate serves as acting child advocate until the General Assembly meets to vote on the appointment.

PA 25-82—HB 5003
Committee on Children
Education Committee
Appropriations Committee

AN ACT CONCERNING EARLY CHILDHOOD CARE AND EDUCATION

TABLE OF CONTENTS:

§ 1 — EARLY CARE AND EDUCATION PROGRAM PORTAL

Requires OEC to establish and maintain an electronic portal available through a mobile application and OEC's website that provides information on the availability of, and allows enrollment in, early childhood programs

§ 2 — CARE 4 KIDS PROSPECTIVE PAYMENT SYSTEM

Requires OEC to implement a prospective payment system for Care 4 Kids

§ 3 — REPORTING REQUIREMENTS FOR CARE 4 KIDS PROVIDERS

Expands reporting requirements for Care 4 Kids providers

§ 4 — DATA-SHARING AGREEMENT AND FISCAL MAP ON FUNDING FOR CHILDREN

Conditionally requires OEC to enter into a data-sharing agreement to create a fiscal map of funding and spending for children in Connecticut

§ 5 — STUDY ON CHILD CARE CENTER AND FAMILY CHILD CARE HOME LIABILITY INSURANCE

Requires OEC, the Insurance Department, and the attorney general to study liability insurance for child care centers and family child care homes

§ 6 — REPORT ON BACKGROUND CHECKS FOR EARLY CHILDHOOD EDUCATORS

Requires OEC, in consultation with DESPP, to develop a report on background checks for early childhood educators, including ways to improve processing time

§ 7 — LARGE FAMILY CHILD CARE HOME ENDORSEMENT

For FYs 26–29, allows family child care homes to serve a maximum of 12 children (rather than nine) if the OEC grants the licensee a large family child care home endorsement; limits the program to no more than 30 endorsements a year

§ 8 — PILOT PROGRAM TO DISTRIBUTE CHILD CARE SERVICES AND OTHER ASSISTANCE PROGRAM INFORMATION

Requires the OEC commissioner to develop and administer a one-year pilot program to give certain information to expectant mothers receiving prenatal care in hospitals and from obstetric services providers

SUMMARY: This act makes numerous additions and changes to the early childhood care and education laws, as described in the section-by section analysis that follows.
EFFECTIVE DATE: Upon passage, except as noted below.

§ 1 — EARLY CARE AND EDUCATION PROGRAM PORTAL

Requires OEC to establish and maintain an electronic portal available through a mobile application and OEC's website that provides information on the availability of, and allows enrollment in, early childhood programs

The act requires the Office of Early Childhood (OEC), by July 1, 2028, to establish and maintain an electronic portal available through a mobile application and OEC's website that provides information on the availability of early childhood program slots in the state and collects data for analysis by OEC.

The act requires the portal to at least include:

1. a way for parents and guardians to submit information for referral and enrollment in an early childhood program;
2. a way for OEC to manage payments to early childhood programs;
3. information on slot availability in early childhood programs, including free or subsidized slots, in each town and on a regional and statewide basis;
4. a way for early childhood program providers to efficiently enter slot availability and enrollment information into the portal;
5. portal access through a mobile application or website; and
6. opportunities for families to apply for child care subsidies or other assistance.

In developing the portal, OEC must (1) enter into memoranda of understanding with other state agencies to link data collected by the other state agencies with the functions of the portal and (2) seek input from early childhood programs and parents and guardians of children enrolled in early childhood programs.

EFFECTIVE DATE: July 1, 2025

§ 2 — CARE 4 KIDS PROSPECTIVE PAYMENT SYSTEM

Requires OEC to implement a prospective payment system for Care 4 Kids

The act requires OEC, by July 1, 2027, to implement a prospective payment system (payment based on enrollment rather than attendance) for Care 4 Kids to comply with federal law. Care 4 Kids receives federal dollars from the Child Care and Development Fund (CCDF) administered by the U.S. Department of Health and Human Services. (The CCDF is the largest federal funding source for child care, with funds distributed to states, tribes, and territories to help them administer child care assistance programs for low-income working families.)

§ 3 — REPORTING REQUIREMENTS FOR CARE 4 KIDS PROVIDERS

Expands reporting requirements for Care 4 Kids providers

The act expands the information that all child care providers (whether licensed or exempt from licensure) must give OEC to maintain their eligibility to receive Care 4 Kids provider payments to include certain business information.

By law, they must already provide the following:

1. the name, address, appropriate identification, Social Security number, and telephone number of the provider and all adults who work for or live at the location where care is provided;
2. the name and address of the child's doctor, primary care provider, and health insurance company;
3. whether the child is immunized and had health screenings according to federal early screening requirements; and
4. how many children the provider cares for.

The act requires them also to include the (1) provider's business entity type and (2) names of the provider's officers, directors, and owners, or, in the case of a provider affiliate that is receiving payments, the names of the affiliate's officers, directors, and owners.

EFFECTIVE DATE: July 1, 2025

§ 4 — DATA-SHARING AGREEMENT AND FISCAL MAP ON FUNDING FOR CHILDREN

Conditionally requires OEC to enter into a data-sharing agreement to create a fiscal map of funding and spending for children in Connecticut

The act conditionally requires the OEC commissioner, by October 1, 2025, to enter into a data-sharing agreement with the Children's Funding Project (CFP) to create a fiscal map showing a comprehensive view of state funding and spending

for children in Connecticut. However, OEC does not need to do this if CFP charges a direct fee for its services. (CFP is a national non-profit organization that focuses on financial strategies for funding programs for infants, toddlers, and youth for governments and other organizations.)

§ 5 — STUDY ON CHILD CARE CENTER AND FAMILY CHILD CARE HOME LIABILITY INSURANCE

Requires OEC, the Insurance Department, and the attorney general to study liability insurance for child care centers and family child care homes

The act requires OEC, in collaboration with the Insurance Department and the attorney general, to jointly study liability insurance for child care centers and family child care homes. The study must (1) assess liability insurance's prevalence, appropriateness, and affordability and (2) examine factors contributing to increasing liability insurance costs.

OEC must submit a report on the study's findings and any recommendations to the Children, Education, and Insurance and Real Estate committees by July 1, 2026.

§ 6 — REPORT ON BACKGROUND CHECKS FOR EARLY CHILDHOOD EDUCATORS

Requires OEC, in consultation with DESPP, to develop a report on background checks for early childhood educators, including ways to improve processing time

The act requires OEC, in consultation with the Department of Emergency Services and Public Protection (DESPP), to develop a report on background checks for early childhood educators.

The report must examine the average processing time for background checks, ways to improve processing speed, and options for improving the convenience and ease of fingerprinting and submitting background check materials. It must also assess the possibility of educators sharing fingerprint and background check results with multiple prospective employers.

The act requires OEC to submit a report on its findings and recommendations to the Children, Education, and Public Safety and Security committees by July 1, 2026.

§ 7 — LARGE FAMILY CHILD CARE HOME ENDORSEMENT

For FYs 26–29, allows family child care homes to serve a maximum of 12 children (rather than nine) if the OEC grants the licensee a large family child care home endorsement; limits the program to no more than 30 endorsements a year

The act allows family child care homes, where licensed child care is provided in a private family home, to serve a maximum of 12 children (rather than nine) if the OEC grants the licensee a large family child care home endorsement.

By law, the individual licensee of a family child care home can serve up to six children, including the provider's own children who are not in school full-time. The law also permits an additional three children, including the provider's own children, if an assistant or a substitute staff member is present (CGS § 19a-77).

The act creates a limited window, FY 26 to FY 29, when the OEC commissioner can approve a large family child care home endorsement for a family child care home licensee who received their license before June 30, 2025. With the endorsement, the licensee can provide care for up to 12 children, including his or her own, as long as (1) the home is operated and staffed in conformance with OEC regulations and (2) a commissioner-approved additional assistant or substitute staff member is present when the licensee is providing care for more than nine children.

Conditions for Approval

Under the act, applicants cannot be approved for an endorsement without submitting a proper application and having an inspection. An application must include a copy of the current fire marshal certificate of compliance with the Fire Safety Code, and written verification of compliance with local zoning and building requirements and local health ordinances. The commissioner may require an applicant to comply with additional conditions relating to the health and safety of the children who will be served in the home.

The act requires the family child care home seeking the endorsement to have at least 35 square feet of useable indoor space and 75 square feet per child of outdoor space.

Limitations

The act limits the commissioner to granting no more than 30 endorsements in any year. Any endorsement issued under the act will expire on June 30, 2029, except the commissioner may suspend or revoke an endorsement under her existing statutory authority.

EFFECTIVE DATE: July 1, 2025

§ 8 — PILOT PROGRAM TO DISTRIBUTE CHILD CARE SERVICES AND OTHER ASSISTANCE PROGRAM INFORMATION

Requires the OEC commissioner to develop and administer a one-year pilot program to give certain information to expectant mothers receiving prenatal care in hospitals and from obstetric services providers

The act requires the OEC commissioner, in consultation with the social services commissioner, to develop and administer a one-year pilot program for FY 26 to disseminate information to expectant mothers receiving prenatal care in hospitals or from obstetric service providers in the state. It must include information about licensed child care services, early intervention programs, and financial assistance programs available to expectant mothers.

Program Development

To create the program, the OEC commissioner must develop:

1. criteria to select hospitals and obstetric services providers that serve geographically diverse areas of the state, with preference given to hospitals and providers that serve a high proportion of low-income families and are located in areas where the availability of child care services does not meet the demand;
2. requirements to distribute the documents compiled as per the act (see below) to patients receiving prenatal care, including a requirement that information be provided during the first trimester of pregnancy whenever possible; and
3. a system to track and report how many documents are given to patients receiving care from each selected hospital and provider each month.

Participating Hospitals and Providers and Required Documents

The commissioner must (1) select three hospitals and two providers using the act's criteria and (2) compile documents for distribution to patients receiving prenatal care from those selected.

The documents must be tailored to each individual hospital or provider and contain the following:

1. a list of all licensed child care centers, group child care homes, and family child care homes located in the municipalities in which most of the prenatal patients served by the hospital or provider live, including contact information and website addresses, if available;
2. a list of OEC early intervention programs, including program descriptions, contact information, and website addresses, if available; and
3. information on financial assistance programs available to families, including instructions on how to apply.

Document Dissemination

By January 1, 2026, the OEC commissioner must electronically send the compiled documents to the administrator of each hospital and office manager or other responsible party for each participating provider. From January 1, 2026, to December 31, 2026, a copy of the documents tailored to a participating hospital or provider must be distributed to each patient receiving prenatal care.

Survey of Participants

The act requires the OEC commissioner, from January 1, 2026, to December 31, 2027, to administer a parent or guardian survey for those with a child enrolled in child care services or an OEC early intervention program to determine whether they enrolled because of the pilot program. The survey is optional for parents and guardians and the commissioner must determine how it will be conducted.

Report

By June 1, 2028, the OEC commissioner must submit a report to the Committee on Children that includes an analysis of the pilot program's efficacy and any legislative recommendations to expand the program or implement it statewide and permanently.

PA 25-102—sSB 1216
Committee on Children

AN ACT CONCERNING SCHOOL EMERGENCY RESPONSE SYSTEMS

SUMMARY: This act specifically allows the school security infrastructure competitive grant program to be used for reimbursing the purchase of hardware associated with emergency response communications systems and personal emergency communication devices

Under existing law, the Department of Emergency Services and Public Protection, the Department of Administrative Services, and the State Department of Education collectively administer this grant program. The program reimburses approved applicants, within certain limits, for (1) developing or improving security infrastructure, based on a required security assessment, and (2) training school personnel in operating and maintaining the new or improved security infrastructure or purchasing portable entrance security devices. Eligible entities include, among others, towns (for their public schools), private schools, and certain licensed child care centers.
EFFECTIVE DATE: July 1, 2025

PA 25-116—sSB 1311
Committee on Children

AN ACT CONCERNING THE RECOMMENDATIONS OF THE DEPARTMENT OF CHILDREN AND FAMILIES

SUMMARY: This act makes various changes in the child welfare laws regarding the Department of Children and Families (DCF), including:

1. explicitly naming the expedited child placement process "emergency placement," and adding the definition for emergency placement (§ 1);
2. authorizing DCF to allow post-majority age (over 18) youth to voluntarily re-enter DCF care under certain conditions and with juvenile court approval (§ 2);
3. allowing DCF to share records without receiving permission that are otherwise confidential with the Department of Development Services for abuse and neglect investigations involving people with intellectual disabilities, and with the Office of Policy and Management for labor relations investigations conducted for DCF (§ 3);
4. allowing a child who requires special education and is placed at a DCF-licensed facility to remain in placement at the facility until he or she turns 22 (§ 4);
5. requiring the DCF commissioner, in consultation with caregivers, to develop a foster parent bill of rights and incorporate it into department policy (§ 5); and
6. adopting a new Interstate Compact on the Placement of Children, which replaces the current compact when it is adopted by 35 jurisdictions (to date, 19 have adopted the compact; see BACKGROUND) (§ 6).

EFFECTIVE DATE: July 1, 2025, except the interstate compact takes effect when 35 jurisdictions enact it.

§ 1 — EMERGENCY CHILD PLACEMENT

By law, a child can be placed with a relative or fictive kin caregiver (a person at least 21 years old who has a significant emotional connection with the child but is not related by birth, adoption, or marriage) who is not DCF-licensed or -approved when the placement is deemed in the child's best interest, if DCF does a basic family assessment, including a home visit. As part of this process, the commissioner must order a criminal history and child abuse registry check of anyone 18 years old or older living in the home after the placement is approved.

The act specifies that these placements are "emergency placements," defined as the DCF placement of a child in the home of a relative or fictive kin caregiver due to the sudden unavailability of the child's primary caretaker.

The act also makes technical and conforming changes.

§ 2 — SERVICES POST MAJORITY STATUS

By law, youth who reach age 18 (majority age) can voluntarily opt to remain in DCF care to continue receiving agency support up to age 21. (DCF refers to this as Services Post Majority status.) The act allows youth age 18 who have left DCF care to request reentry into agency care, provided they do so at least 60 days before they turn 21.

The DCF commissioner must consider the request under the same statutory conditions under which she would consider a request for a youth still in DCF care who applied to stay in care after turning 18. In addition to the age requirement, the youth must be enrolled (1) full-time in a secondary education program or an approved program for an equivalent credential, (2) full-time in a postsecondary or vocational educational institution, or (3) in a commissioner-approved program or activity to promote or remove barriers to employment. The commissioner has discretion to waive the requirement for full-time enrollment or participation based on compelling circumstances.

Under the act, upon determining the youth is eligible, DCF may request that the youth enter into a written agreement detailing the terms of the voluntary reentry.

DCF must seek a determination whether reentry into care is in the youth's best interest by filing a motion in the juvenile court that had jurisdiction over the youth's original case within 60 days of executing the agreement with the youth. The court must determine if there is an appropriate permanency plan, and it may hold a hearing on the motion. (If the court approves reentry, this allows DCF to claim federal Title IV-E reimbursement for the services DCF provides to these youths.)

§ 4 — YOUTH IN DCF-LICENSED CHILD CARE FACILITIES

The act allows someone placed at a DCF-licensed child care facility who requires special education to stay in the facility receiving services until the end of the school year in which he or she turns 22. (This means, for example, if the person turns 22 in January, he or she could finish out the school year.) The change conforms with the existing state special education law requiring school boards to provide special education until the child graduates from high school or until the end of the school year when the child reaches age 22, whichever is first. (The special education law was changed in 2023 to conform with the federal court ruling *A.R.* v. *Connecticut State Board of Education* (5 F.4th 155 (2d Cir. 2021)).)

By law, child care facilities are DCF-licensed congregate residential settings. The DCF commissioner can petition a court for permission to place a child committed to her custody in such a facility if the child cannot be satisfactorily cared for in a foster home because he or she has developmental or physical disabilities, mental illness, emotional issues, or behavioral disorders.

§ 5 — FOSTER PARENT BILL OF RIGHTS

The act requires the DCF commissioner, in consultation with caregivers, to develop a foster parent bill of rights and include it in department policy by January 1, 2026. The bill of rights must be consistent with applicable federal and state laws and include, at a minimum, (1) a statement of the principles and values that are its basis and (2) the rights and obligations of caregivers, children in foster care, and DCF.

By law, and under the act, "caregivers" are (1) DCF-licensed foster care providers, (2) people approved by a licensed child placing agency to provide foster care, (3) relative or fictive kin caregivers, or (4) licensed child placing agency operators or officials.

§ 6 — INTERSTATE COMPACT ON THE PLACEMENT OF CHILDREN

The act replaces the prior Interstate Compact on the Placement of Children with a new one crafted by the Association of Administrators of the Interstate Compact on the Placement of Children (see BACKGROUND). The new compact includes provisions intended to expedite the safe placement of children across state lines. It outlines the responsibilities of child welfare agencies in the sending and receiving states, and further clarifies each state's jurisdiction and obligations in the placement process. It also provides more detail about the circumstances in which the compact does and does not apply. The new compact also includes, or expands on, several additional provisions, as outlined in the table below.

New Provisions Under the New Compact

Prior Compact Law	*Act's Compact*
Noncustodial Parents	
• Does not address out-of-state, noncustodial parent placements; does not define noncustodial parent	• Clarifies when placement with an out-of-state, noncustodial parent can be made in the context of a dependency proceeding; adds definition of noncustodial parent (Art. II & III (b)(5))
Administrative Reviews	
• Does not include an appeals process for, or administrative review of, a receiving state's child placement denial	• Provides for administrative review of the receiving state's child placement denial to be conducted in the receiving state under its applicable Administrative Procedures Act (Art. VI (c))
Compact Rules	
• No provisions on enacting compact rules	• Authorizes the commission to enact rules to implement the compact; requires proposed rules to be published before being finalized; the public must have the opportunity to comment; and comments will be added to the record and made publicly available (Art. XI)
Dispute Resolution and Enforcement	
• No provisions on dispute resolution or enforcement	• Dispute resolution between member states: mediation and binding dispute resolution
• Sets penalties for illegal placements as allowed under state law; constitutes grounds for revocation or suspension of authority to place or care for children	• Enforcement options against defaulting member states: (1) remedial training and technical assistance; (2) written notice of default including a means of addressing the default; (3) by a majority vote of the members, initiating legal action in federal court; and (4) other remedies under state law or official or professional conduct regulations (Art. XII (b) & (c))

Instead of each member state appointing an officer to regulate compact affairs within the state and collectively having rulemaking authority, the new compact creates the Interstate Commission for the Placement of Children ("commission"), which consists of one commissioner from each member state appointed by the executive head of the state child welfare agency (in Connecticut the DCF commissioner). Commissioners representing a member state each have the authority to vote on policy matters governed by the compact binding the state.

The commission oversees the administration of the compact, including dispute resolution, rulemaking, compact enforcement and amendment, and commission financing through assessments of member states.

The new compact does not go into effect until it is adopted by 35 jurisdictions (which include U.S. states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other U.S. territory). So far, it has been adopted by 19 states (see BACKGROUND).

The new compact includes 18 articles. The following is a summary of key provisions.

Purpose (Art. I)

The compact's purpose is, among other things, to:

1. provide a process and operating procedures for children (people under age 18) being placed outside of their resident state to be timely placed in safe and suitable homes;
2. facilitate ongoing placement supervision, service delivery, and communication between the states;
3. address making and enforcing of administrative rules that will implement its provisions, including regulating the relevant activities of the member states;
4. provide for uniform data collection and sharing between member states;
5. coordinate various interstate compacts that affect the children's placements and services they receive;
6. establish continuing legal jurisdiction and responsibility as if these placements were within the state; and
7. provide for issuing guidelines together with Indian tribes for interstate cases involving Indian children, as federal law allows.

Definitions (Art. II)

The following are selected definitions from the new compact.

1. "Approved placement" means the public child placing agency in the receiving state has determined that the child's placement is safe and suitable.
2. "Placement" is the act by a public or private child placing agency intended to arrange for the care or custody of a child in another state.
3. "Private child placing agency" is any private person or agency, foundation, corporation, institution, or charitable organization facilitating or involved in a child's interstate placement that is not part of, or acting for, state or local government.
4. "Public child placing agency" is any government child welfare or child protection agency, or private entity under contract with the agency, facilitating or involved in a child's interstate placement.

Applicability (Art. III)

The compact specifically applies to the interstate placement of a child:

1. under the sending state's court authority due to allegations or findings of abuse or neglect (but if the placement is to a residential facility, the compact requires only notice to the receiving state before the placement happens);
2. adjudicated delinquent or unmanageable under the sending state's laws and subject to the sending state's ongoing court jurisdiction if the child is being placed in (a) a residential facility in another member state and is not covered under another compact or (b) another member state and the determination of whether the placement and services required are safe and suitable are not provided under another compact; or
3. whose placement by a public or private child placing agency is a preliminary step to a possible adoption.

A residential facility is a facility providing care that substitutes for parental responsibility or foster care and is beyond that needed for assessment or treatment of an acute condition. The definition does not include institutions that are primarily educational, hospitals, or other medical facilities.

The compact specifies various situations in which a child is moved out of his or her original state that are exempt from the compact's oversight, including when a parent with legal authority over the child places the child with a relative or a nonrelative in the receiving state. For the nonrelative placement, the exemption applies if the placement does not involve adoption. If the child is placed with a relative who is the noncustodial parent, under the compact the (1) noncustodial parent must prove to the satisfaction of the sending state court that he or she has a substantial relationship with the child and (2) sending state court must make a written finding that the placement is in the best interests of the child.

A noncustodial parent is a person who, when the court proceedings begin, is not the subject of abuse or neglect allegations and does not have sole legal custody of the child (but may have joint custody).

Jurisdiction (Art. IV)

Under the compact, the sending state generally retains jurisdiction over a child regarding custody matters and disposition of the child's case just as it would have if the child had remained in the sending state. This includes the power to order the return of the child to the sending state.

When an issue of child protection or custody is before a receiving state court, it must confer with the court of the sending state to determine the most appropriate place for adjudication.

The compact allows a sending state court to relinquish jurisdiction in some situations, including if the child is reunified with the parent in the receiving state who was alleged or found to have committed abuse or neglect, provided the receiving state child placement agency agrees or, among other things, the child is adopted or reaches the age of majority under the sending state's laws.

If the sending state court terminates its jurisdiction, it must notify the receiving state's court. The compact does not prohibit the receiving state from taking emergency jurisdiction for the child's protection.

Adoption. Generally, the relevant laws of the state where an adoption is pending solely govern all adoption-related issues and the court where the adoption proceeding is filed has jurisdiction over all substantive adoption issues. But the compact permits some exceptions to this, including when the (1) child is a ward of another court that established jurisdiction before the child was placed, (2) child is in a public agency's legal custody from the sending state, or (3) court in the sending state has otherwise appropriately assumed jurisdiction over the child.

Under the compact, a receiving state's public child placing agency must approve final adoption decrees as approved placements before they can be entered in any jurisdiction.

Placement Evaluation (Art. V)

The compact includes requirements for both public and private child placing agencies. It also authorizes the

commission to develop standards for assessing the safety and suitability of interstate placements.

Public Agencies. Public agency placements require the public child placing agency to submit a written assessment request to the receiving state. The "assessment" is an evaluation of a prospective receiving state placement by a public child placing agency to determine if the placement meets the child's individual needs, including the child's safety and stability, health and well-being, and mental, emotional, and physical development.

The assessment procedures and the assessment request must contain the required information and be in a form that the Interstate Commission's rules require. Also, the public child placing agency placement approval must be done as required by the rules. The compact allows either the sending state or the receiving state to request more information before finalizing a placement.

Private Agencies. Regarding placements by a private child placing agency, the compact requires a request for approval of the placement and specific content along with the request. This required content includes (1) a request of approval, signed by the requestor, identifying the child, one or both birth parents, one or both adoptive parents, and the supervising agency; (2) a home study; (3) a signed legal risk acknowledgment signed by the prospective adoptive parents; (4) the appropriate consents or relinquishments; and (5) certifications by an attorney or the appropriate adoption agency official that the consent and relinquishment comply with the law.

Placement Authority (Art. VI)

Under the compact, a child may only be placed in the receiving state if that state's public child placing agency approves it. If the agency does not approve the proposed placement, it must provide written documentation of that, as required by the commission rules, and any interested party with standing may ask for an administrative review of the determination. The review and any further judicial appeal are done in the receiving state under its Administrative Procedures Act.

If a decision to deny a placement is overturned in review, the placement is deemed approved if all administrative or judicial remedies have been exhausted.

Placing Agency Responsibilities (Art. VII)

The compact outlines the financial responsibilities of the sending and receiving states in interstate placements.

The public child placing agency in the sending state is responsible for the ongoing financial support and maintenance for the child during the placement, unless otherwise provided by the receiving state. It is also financially responsible for services for the child, as determined by the sending state's public child placing agency, beyond those for which the child is eligible in the receiving state.

The compact requires that the receiving state only have financial responsibility for (1) any assessment it conducts and (2) supervision at the level necessary to support the placement as agreed upon by the public child placing agencies of the receiving and sending states.

It also specifies (1) the financial responsibility regarding placements by private child placing agencies before a possible adoption and (2) certain duties of public child placing agencies in the receiving state, such as timely reports and assessments during the placement.

Duties of All Member States. Each member state must (1) establish a central state compact office responsible for state compliance with the compact and the commission rules and (2) provide for coordination among its government branches on participating in, and complying with, the compact and commission activities through a new advisory council or an existing body or board.

Interstate Commission for the Placement of Children (Arts. VIII & X)

The compact creates the commission, which consists of one commissioner from each member state who is appointed by the executive head of the state child welfare agency (in Connecticut, the DCF commissioner). Commissioners have the authority to vote on policy matters governed by the compact and binding the state.

The compact addresses other organizational and procedural aspects of the commission, including the requirement for an executive committee with authority to administer the commission's day-to-day operations and specifics regarding quorums and additional, non-voting members of the commission (the commission may, through bylaws, identify interested organizations that may have non-voting members on the commission).

The commission elects from among its members a chairperson and a vice chairperson of the executive committee and other necessary officers. The officers each have authority and duties as may be stated in the bylaws.

Commission Powers, Duties, Organization, and Operation (Arts. IX & X)

Powers and Duties. The compact charges the commission with the authority to make rules and take necessary actions to achieve the goals and obligations detailed in the compact, including enforcing compact compliance and providing dispute resolution among the member states.

The compact gives the commission specified organizational powers including to (1) establish a budget and make expenditures, (2) accept donations and grants, and (3) adopt a seal and governing bylaws. It also requires the commission to annually report to member states' legislatures, governors, judicial branches, and state advisory councils on its activities during the preceding year.

Organization and Operation. The compact requires the commission to adopt bylaws within the first year, which must include provisions on how the commission will make its information and records available to the public. It requires the commission to meet at least once each calendar year and allows the chairperson to call additional meetings. It also requires the chairperson to call an additional meeting if a majority of the member states requests it. It requires the commission meetings to be publicly noticed and open to the public, except for situations that require closed meetings, as allowed under the compact.

The compact authorizes the commission's executive committee to appoint a staff director who will serve as commission secretary and not be a voting member. The director may hire staff as the commission authorizes.

The compact gives the director and staff immunity from civil suits and liability for any claim for damage, loss, or personal injury relating to actions occurring due to employment with the commission, with exceptions for criminal acts or intentional or willful and wanton misconduct. The commission must defend the director, employees, and members in any related civil liability action. Also, employees will be held harmless, to the extent not covered by the state involved or the commission, in the event of a settlement or judgement.

Rulemaking (Art. XI)

The compact requires the commission to make and publish binding rules with a rule becoming binding on the date specified with the publishing of the final version of the rule. Before finalizing a rule, the commission must publish a proposed rule and invite the public to comment on it. The compact also sets procedures to petition for court review of a binding rule and for member states to reject a rule.

Specifically, among other items, the rules must address:

1. transition rules;
2. forms and procedures;
3. rulemaking;
4. visitation;
5. progress reports and supervision;
6. mediation, arbitration, and dispute resolution; and
7. enforcement.

The compact also sets conditions on when the commission may issue emergency rules.

Under the compact, the rules governing the existing compact remain in effect for 24 months after the first meeting of the commission created under the act, after which they become null and void.

Oversight, Dispute Resolution, and Enforcement (Art. XII)

Oversight. The compact charges the commission with overseeing the administration and operation of the compact.

The executive, legislative, and judicial branches of state government in each member state must enforce the compact and the commission's rules and take necessary actions to fulfill the compact's purposes and intent. The act states the compact and its rules are binding in the compacting states as provided for in the compact. Additionally, courts must take judicial notice of the compact and the rules in any proceeding in a member state related to the compact's subject matter.

Dispute Resolution. The commission must, upon the request of a member state, attempt to resolve disputes relevant to the compact that arise among member states and between member and nonmember states. The commission must create a rule providing for both mediation and binding dispute resolution for disputes among compacting states. The costs of the mediation or dispute resolution will be the responsibility of the involved parties.

Enforcement. The compact gives the commission tools to address member states that have defaulted in their obligations or responsibilities under the compact. These include (1) remedial training and technical assistance; (2) written notice of the default and how it may be addressed; (3) by a majority vote of the members, initiating legal action in federal court against a defaulting member; or (4) other remedies under state law or official or professional conduct regulations. The legal action

can seek injunctive relief and damages.

Financing the Commission (Art. XIII)

The commission may levy and collect an annual assessment from each member state to cover the cost of its operations and activities, including its staff. The commission's annual budget must be approved by its members each year. The aggregate annual assessment amount will be allocated based on a formula the commission develops.

The commission may not (1) incur obligations before securing the funds needed to meet them or (2) pledge the credit of any member state, except with the authority of the member state.

Its receipts and disbursements are subject to the audit and accounting procedures set in its bylaws and must be annually audited by a certified or licensed public accountant.

Member States and Compact Amendments (Art. XIV)

Under the compact, any state may become a member state and the compact takes effect when at least 35 states have enacted it. The commission may propose amendments to the compact, but an amendment will be made only when the member states unanimously enact it into law.

Withdrawal and Dissolution and Severability (Arts. XV & XVI)

The compact addresses how a state can withdraw from the compact (by legislation repealing the statute that enacted the compact into law) and related steps needed for withdrawal.

The compact is dissolved and null and void when the withdrawal or default by a state means there is only one state remaining as a member.

The compact's provisions are severable, meaning if any phrase, clause, sentence, or provision is deemed unenforceable, the remaining provisions continue to be enforceable.

Effect of Compact on Other Laws (Art. XVII)

The compact specifies that it does not prevent the enforcement of any other law of a member state, as long as the law is consistent with the compact.

All lawful actions of the commission, including its rules and bylaws and all agreements between the commission and member states, are binding on the member states.

If any provision of the compact exceeds the constitutional limits imposed on a member state's legislature, the provision is deemed ineffective to the extent of the conflict with the provision in question.

Indian Tribes (Art. XVIII)

The compact allows the commission to craft guidelines to permit Indian tribes to use the compact to fully participate in it.

BACKGROUND

Association of Administrators of the Interstate Compact on the Placement of Children

The association is an organization of members from the 50 states, the District of Columbia, and the U.S. Virgin Islands; it carries out the rules and terms of the compact.

Member States

To date, the following 19 states have adopted the interstate compact:

Alaska	Kentucky	Nevada
Colorado	Louisiana	New Hampshire
Delaware	Maine	New Mexico
Florida	Minnesota	Ohio
Georgia	Missouri	Oklahoma
Indiana	Nebraska	Vermont
		Wisconsin

PA 25-6—SB 1404
Commerce Committee

AN ACT CONCERNING CONFORMING ADJUSTMENTS TO SUPPORT THE TRANSITION TO A RELEASED-BASED CLEANUP PROGRAM

SUMMARY: This act makes changes related to the state's transition from its transfer-based approach to property remediation (the Transfer Act) to a release-based approach.

Under prior law, the release-based approach took effect when the Department of Energy and Environmental Protection (DEEP) commissioner adopted regulations for the program (release-based clean-up regulations or RBCRs). The act makes the release-based approach effective when the RBCRs take effect, rather than on their adoption date. (The regulations were approved by the Regulation Review Committee on April 22, 2025, and received by the secretary of the state on May 6, 2025. They take effect on March 1, 2026.) The act also exempts releases that are subject to the release-based cleanup law from having to meet the environmental hazards notification law's requirements once the RBCRs take effect.

Additionally, on the date the RBCRs take effect, the act sunsets the state's voluntary remediation program and replaces it with a new "voluntary parcel-wide remediation program." The prior voluntary remediation program was a way for property owners to expedite the remediation of eligible contaminated properties. The new program is similar but incorporates specified requirements of the release-based cleanup laws and RBCRs. Among other things, it allows eligible properties to qualify for (1) additional time to complete certain investigation activities, (2) reduced fees under the RBCRs, and (3) increased liability protections.

EFFECTIVE DATE: Upon passage, except the environmental hazard notification provisions take effect October 1, 2025.

ENVIRONMENTAL HAZARD NOTIFICATION LAW

By law, Connecticut's environmental hazard notification law requires property owners to notify DEEP when they become aware of significant environmental hazards that pose a potential health risk to exposed individuals or the environment. It also requires technical environmental professionals to notify their clients and the property owners if they find contamination while investigating or remediating pollution. The law sets specific thresholds that trigger its notification requirements based on the nature and severity of the potential risk.

The act exempts from these notification requirements releases that are subject to the release-based cleanup law, as of the date the RBCRs take effect (March 1, 2026). Under the act, releases at properties that are exempt from the release-based cleanup law continue to be subject to the environmental hazard notification law. These include certain releases at properties that are part of an existing DEEP or Department of Economic and Community Development brownfields program (specifically, releases (1) discovered before the applicable brownfields program's remediation requirements are fully met or (2) that occurred before, but are discovered after, satisfying the brownfields program's remediation requirements).

The notification requirements also continue to apply to municipalities and Connecticut brownfield land banks that must report significant environmental hazards when performing an environmental site assessment or investigation under a specified liability protection program (the municipal access liability relief law).

VOLUNTARY PARCEL-WIDE CLEANUP PROGRAM

LEPs

Similar to the existing voluntary remediation program, the act authorizes state-licensed environmental professionals (LEPs) to conduct certain activities on property that was, or may have been, subject to a "release" under the release-based clean-up laws to enter the site into the voluntary parcel-wide cleanup program. (A release is generally an unauthorized spill or discharge of oil, petroleum, chemicals, or hazardous waste into water or on land.) Specifically, the act allows LEPs, according to prevailing standards and guidelines, to conduct a parcel-wide investigation to determine the:

1. presence or absence of a petroleum product, chemical, or hazardous waste spill at the parcel, including sampling soil and groundwater ("Phase II environmental site assessment"), and
2. extent of a spill on the parcel, including making a reasonable estimate of the remediation costs ("Phase III investigation").

As under the prior voluntary remediation program, LEPs employed by municipalities may, without liability, enter property to perform an environmental site assessment or investigation if the property owner is unknown or the property is subject to a tax lien. The act additionally allows them to do so as they may under an existing law (presumably, the law that sets conditions under which an LEP may enter a property without liability to assess or investigate it).

The act does not affect anyone's ability to provide services similar to LEP services on property that is not being remediated under the voluntary parcel-wide remediation program.

Eligible Properties

Under the act, starting on the date the RBCRs take effect, a parcel is eligible for this program if:

1. it is not subject to the Transfer Act;
2. it is not subject to any DEEP order, consent order, or stipulated judgment regarding the parcel's contamination; and
3. a parcel-wide Phase II environmental site assessment started either before the release's discovery or within 60 days after its discovery, and a "release remediation closure report" (required under the proposed RBCRs) was not previously prepared for the parcel.

Additionally, the act requires any immediate actions the RBCRs require to be completed within the manner and timeframe specified for the parcel to be eligible.

Timeline and Procedure for Entering the Program

Under the act, the releases identified by these parcel-wide Phase II assessments, either through "multiple lines of evidence" or a laboratory analysis of land and water samples, are considered discovered for purposes of the release-based cleanup law and the RBCRs. (Under the RBCRs, "multiple lines of evidence" are two or more types of observable facts that tend to show the truth of a matter asserted.)

The LEP must notify the commissioner about the intent to enter the voluntary parcel-wide cleanup program, on a DEEP-prescribed form, by the earliest deadline the RBCRs set for reporting these releases. The form must at least (1) include the date the Phase II assessment started, (2) describe the investigation involved, and (3) identify each release discovered.

Exceptions to the Release-Based Cleanup Law and RBCRs

Under the act, eligible releases that enter the voluntary parcel-wide remediation program qualify for specified exceptions to the release-based cleanup law and the RBCRs.

Cleanup Tier Characterization. The RBCRs generally require releases to be assigned to a cleanup tier within one year after their discovery, with assignments based on the risk the releases pose to human health and the environment (§ 22a-134tt-6). Under the act, for the releases identified by the Phase II assessments described above, any investigation or characterization that must be done to assign them to a tier must be completed and submitted to the DEEP commissioner within two years after the assessment began.

The act allows the commissioner to audit this submission and set a schedule for completing additional investigation or characterization if she determines the first was inadequate. She may subject releases to the release-based cleanup laws if further investigation or characterization is not timely completed.

Grouping Releases for Tier Assignment. Under the act, after this tier characterization ends, releases must be grouped and assigned to the environmental professional supervised cleanup tier with the longest remediation timeline. (Under the RBCRs, only specified cleanup tiers are supervised by LEPs or other qualified professionals, as applicable.)

Fees. If releases are grouped, they must be considered a single release when calculating any fee assessed under the RBCRs. (The RBCRs set (1) tier assignment fees and (2) annual fees that apply until a release is verified, with certain exceptions for specified properties.)

Remediation Deadlines. The act extends by one year any remediation deadline set under the RBCRs for these grouped releases.

Covenant Not to Sue

The act makes parcels remediated under this program eligible for a "covenant not to sue" allowed under existing law (CGS § 22a-133aa) if the DEEP commissioner approved a detailed written remediation plan for the property that meets the release-based cleanup law's remediation standards.

This law establishes conditions under which DEEP and a prospective purchaser or owner of a contaminated property may enter into an agreement that DEEP will not require remediation of previously unknown contamination from a release that predates the covenant's effective date and is found to exist after DEEP deems the remediation complete.

Expedited Permits

As under the prior voluntary remediation program, the DEEP commissioner must expedite the process for issuing any permits required to remediate parcels under this program.

BACKGROUND

Related Act

PA 25-54 makes various other changes related to the state's transition to a release-based approach to property remediation including (1) establishing conditions under which a property covered by the Transfer Act may be remediated under the RBCRs' requirements and (2) exempting release data available or created before the RBCRs take effect on March 1, 2026, from triggering the release-based requirements.

PA 25-13—HB 5008
Commerce Committee

AN ACT ESTABLISHING THE CONNECTICUT-PUERTO RICO TRADE COMMISSION

SUMMARY: This act establishes a 23-member Connecticut-Puerto Rico Trade Commission within the Legislative Department to do the following between Connecticut and Puerto Rico:

1. advance bilateral trade and investment,
2. initiate joint action on policy issues of mutual interest,
3. promote business and academic exchanges,
4. encourage mutual economic support and infrastructure investment, and
5. address other issues the commission determines.

To carry out its duties, the act also authorizes the commission to (1) obtain necessary assistance and data from any executive department, board, commission, or agency in the state; (2) perform necessary and appropriate acts; and (3) accept gifts, donations, or bequests.

The act requires the commission, starting by February 1, 2027, to annually report to the governor, Department of Economic and Community Development commissioner, and Commerce Committee on its activities during the prior year. At a minimum, the report must include recommendations for policy and legislative changes needed to carry out the commission's duties.

EFFECTIVE DATE: Upon passage

MEMBERSHIP AND MEETINGS

Members

Under the act, the commission includes the following 23 members:

1. two members each appointed by the six top legislative leaders;
2. two Commerce Committee members, one each appointed by the committee chairpersons;
3. the two Commerce Committee ranking members, or their designees;
4. three members appointed by the governor;
5. one representative of a Connecticut public college or university, appointed by the governor;
6. one Connecticut chamber of commerce representative, appointed by the governor; and
7. two representatives of Puerto Rican or Puerto Rican-American communities in the state from different political parties, appointed by the governor.

Under the act, commission members must be (1) currently or formerly involved in organizations promoting Puerto Rican affairs or (2) interested in trade relations between Connecticut and Puerto Rico.

Appointments

The act requires appointing authorities to make their initial appointments by October 1, 2025, and fill any vacancies. Those occurring other than by term expiration must be filled for the unexpired term balance.

All members, except those appointed by the governor, may be legislators.

Terms

Under the act, members generally serve four-year terms, until their successors are appointed, except as follows:

1. initial gubernatorial and House majority and minority leader appointments terminate on September 30, 2028;
2. initial House speaker, Senate president pro tempore, and Senate majority and minority leader appointments terminate on September 30, 2029; and
3. initial and subsequent Commerce Committee chairperson appointments are coterminous with appointing committee chairperson.

Under the act, members serve without compensation but are reimbursed, within available funds, for necessary expenses incurred performing their duties.

Leadership and Meetings

The act requires the House speaker and Senate president pro tempore to select the commission's chairpersons from among its members. The chairpersons must schedule and hold the commission's first meeting by November 1, 2025.

Under the act, the commission may meet as often as the chairpersons or a majority of the commission members deem necessary. Members who miss three consecutive meetings or 50% of the meetings in a calendar year are deemed to have resigned. A majority of members is a quorum for conducting business.

The act requires the chairperson of the legislature's Black and Puerto Rican caucus, in consultation with the Office of Legislative Management, to appoint administrative staff to serve in this capacity for the commission.

PA 25-54—HB 7085
Commerce Committee

AN ACT CONCERNING A REVIEW OF AND A TRANSITION TO THE RELEASE-BASED CLEANUP PROGRAM AND RELATED REGULATIONS

TABLE OF CONTENTS:

§ 1 — RBCRS WORKING GROUP AND EVALUATION

Requires the working group established to advise DEEP on developing RBCRs to continue meeting after the regulations are adopted to evaluate the release-based cleanup program's implementation and review and make recommendations on related laws and regulations, including lower bounds provisions; modifies the working group's membership starting March 1, 2026; requires the DEEP and DECD commissioners to (1) convene the group quarterly until February 1, 2030, and (2) report on the working group's findings and recommendations twice to the Commerce and Environment committees

§§ 2 & 3 — REMEDIATING TRANSFER ACT PROPERTIES UNDER THE RBCRS

Establishes conditions under which a property covered by the Transfer Act may be remediated under the RBCRs' requirements

§ 4 — EXEMPTION OF RELEASES DISCOVERED BEFORE MARCH 1, 2026, FROM RBCRS' REQUIREMENTS

Exempts release data available or created before the RBCRs take effect on March 1, 2026, from triggering the release-based requirements

§ 5 — PROHIBITION ON REOPENING A REMEDIATION ON CERTAIN RESIDENTIAL PROPERTIES

Prohibits the DEEP commissioner from reopening a property's remediation if she determines that there is a violation of the release-based remediation law if the property is used only as an owner-occupied single-family home

§ 6 — RESIDENTIAL ACTIVITY RESTRICTIONS

Establishes a process for imposing a residential activity restriction on a parcel for purposes of determining the application of and compliance with the RBCRs, allowing the RBCRs' criteria for industrial or commercial property to be used when determining certain remediation requirements

BACKGROUND

SUMMARY: This act makes 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; see BACKGROUND). A section-by-section analysis follows.
EFFECTIVE DATE: October 1, 2025, unless otherwise noted below.

§ 1 — RBCRS WORKING GROUP AND EVALUATION

Requires the working group established to advise DEEP on developing RBCRs to continue meeting after the regulations are adopted to evaluate the release-based cleanup program's implementation and review and make recommendations on related laws and regulations, including lower bounds provisions; modifies the working group's membership starting March 1, 2026; requires the DEEP and DECD commissioners to (1) convene the group quarterly until February 1, 2030, and (2) report on the working group's findings and recommendations twice to the Commerce and Environment committees

The act requires the existing working group established to advise the Department of Energy and Environmental Protection (DEEP) commissioner on developing the RBCRs to continue meeting after the regulations are adopted. The act clarifies that the Department of Economic and Community Development (DECD) commissioner (1) must jointly lead the working group with the DEEP commissioner and (2) may consult a representative from the brownfields working group while carrying out this group's duties. It also specifies the number of representatives to serve as members from each stakeholder group represented on the working group and makes various other changes to the group's membership, as described below.

Under the act, once the RBCRs are adopted, the working group must meet at least quarterly until February 1, 2030, to do the following:

1. evaluate the release-based cleanup program's implementation and efficacy and give related advice and feedback to the DEEP and DECD commissioners and
2. review and make recommendations on the laws and regulations related to release-based remediation, including the regulations' lower bounds provisions.

The act specifies data the working group must consider and requires it to seek public comment and stakeholder input while conducting its review and developing its recommendations. It also allows the working group to review and assess any DEEP-issued RBCRs guidance documents and recommend whether the documents should be adopted as regulations.

The DEEP and DECD commissioners must report to the Commerce and Environment committees on the working group's findings and recommendations twice, first by February 1, 2028, and then by February 1, 2030.
EFFECTIVE DATE: Upon passage

Working Group Membership

Prior law indicated various stakeholder groups and organizations that must be represented in the working group's membership but did not specify a required number of total members or representatives from each. Beginning when the RBCRs take effect (March 1, 2026), the act modifies the working group's stakeholder members as shown in the following table. In doing so, it (1) requires the DEEP and DECD commissioners to mutually select and agree upon the stakeholder members, (2) generally retains the existing stakeholder groups that make up the working group's membership but specifies the number of representatives for each, and (3) removes certain representatives and adds others from Connecticut's business and industry and banking industry associations. The act also adds two members to the working group, chosen, one each, and mutually agreed upon by, the DEEP and DECD commissioners.

Act's Changes to RBCRs Working Group Stakeholder Members

Existing Stakeholders Retained (Number Required Under the Act)
Environmental transaction attorneys (two)
Commercial real estate brokers (two; but act requires that they be from a professional organization representing residential and commercial real estate brokers)
Licensed environmental professionals (LEP) (one)
Environmental advocacy groups representatives (one)
Environmental Professionals Organization of Connecticut representatives (two)
Municipal representatives (two, but the act requires one from a municipality with a population of at least 75,000 and one from a municipality with a population of up to 75,000)
Brownfields Working Group representatives (two)
Stakeholders Eliminated Under the Act
Connecticut Manufacturers' Collaborative representatives
Connecticut Conference of Municipalities and Connecticut Council of Small Towns representatives
Council on Environmental Quality representatives
Any other interested members of the public the DEEP commissioner designates
Stakeholders Added Under the Act (Number Required)
Connecticut business and industry association representative (two)
Banking industry association representative (one)

In total, under the act, the working group must have 27 members, including the 15 stakeholders listed above, the two members mutually agreed upon by the commissioners, the eight chairs and ranking members of the Commerce and Environment committees, and the DEEP and DECD commissioners or their designees.

RBCRs Evaluation

Data. The act specifies data the working group must consider when completing its RBCRs evaluation, including the:

1. total number and type of releases reported;
2. number and type of releases reported on residential properties and the status of these releases, including the timeframe and effort needed to complete remediation;
3. percentage of releases discovered through multiple lines of evidence;
4. number of remediation verifications and certificates submitted;
5. duration between the discovery and remediation of a release;
6. types and number of releases assigned to a tier for long-term cleanup management;
7. percentage of releases assigned to a group at the time of tiering;
8. number of audits conducted;
9. number of enforcement actions taken, including the number and amount of assessed fines and penalties;
10. expedited closure processes, if any, for heating oil spills at owner-occupied single-family homes;
11. number of sites remaining to be remediated under the Transfer Act and any identified compliance barriers; and
12. cost of compliance for releases on parcels with owner-occupied single-family homes and one- to four-family homes, to the extent data is available.

Lower Bounds Provisions. The act requires the working group to evaluate the RBCRs' lower bounds provisions, which are the standards for the minimum amount of a substance that is considered a release requiring remediation. The group must consider the following:

1. whether, based on available data regarding the (a) number and type of these releases in the release-based cleanup program; (b) concentration at which the releases were discovered; and (c) releases' risk to human health and the environment, additional lower bounds provisions for volatile organic substances or releases discovered in groundwater are necessary;
2. the impact of the RBCRs' pollutant mobility criteria on lower bounds;
3. the lower bounds provisions' financial impact to homeowners, if any;
4. if modifications to the lower bounds provisions may be needed to balance the protection of human health and the cost to homeowners;
5. differences between Connecticut's RBCRs and similar regulations in neighboring states; and
6. the frequency and types of testing required to determine if a release is below the lower bounds criteria.

§§ 2 & 3 — REMEDIATING TRANSFER ACT PROPERTIES UNDER THE RBCRS

Establishes conditions under which a property covered by the Transfer Act may be remediated under the RBCRs' requirements

Procedural Requirements for Remediating Transfer Act Properties Under the RBCRs

The act sets conditions under which a property covered by the Transfer Act may be remediated under the RBCRs' requirements and the certifying party may receive a letter from DEEP indicating that it has no further obligations under the Transfer Act's remediation requirements.

Cataloguing the Releases. Specifically, the act authorizes any certifying party who has investigated a Transfer Act establishment and certified a Form III or Form IV (i.e. submitted specified filings under the Transfer Act) for the property according to prevailing standards and guidelines to submit an LEP-prepared report to the commissioner cataloguing each release the investigation discovered. (Under existing law, a "certifying party" is responsible for investigating and remediating a parcel covered by the Transfer Act.)

After receiving the LEP report, the act allows the DEEP commissioner to audit it, but she must start the audit within 90 days after receiving the report and complete it within one year of the same date. Once she completes the audit, she can either accept or reject the LEP report. She must send her determination and any written audit findings to the respective certifying party and LEP.

Addressing the Releases. The act allows the certifying party to address each of the catalogued releases (1) 90 days after submitting the report or (2) when the commissioner accepts the report, whichever is later. If the catalogued release will be addressed according to the RBCRs, the certifying party must, within one year after submitting the report, (1) submit a release remediation closure report for each of the releases or (2) assign them to the appropriate cleanup tier as specified under the RBCRs. Releases may be grouped for their tier assignments.

A "release remediation closure report" is a report verified by an LEP that demonstrates compliance with the RBCRs. Under the RBCRs, the closure report indicates that the cleanup standards have been satisfied and no further action is required regarding the release (Conn. Agencies Regs. § 22a-134tt-12).

Opting Out. The act allows a certifying party, within one year after submitting the LEP report, to voluntarily opt to have the catalogued releases remediated under the Transfer Act requirements rather than the RBCRs. To do so, the certifying party must notify the commissioner of his or her decision in writing.

DEEP Transfer Act Letter. Once the certifying party has submitted a release remediation closure report for each of the catalogued releases, he or she may ask the DEEP commissioner to issue a letter indicating that the certifying party has no further obligations under the Transfer Act's remediation requirements. The commissioner must issue this letter if she determines that a release remediation closure report has been submitted for each catalogued release and (1) she accepted the report or (2) any audit period specified in the RBCRs has expired. The commissioner must also issue this letter, subject to the same requirements, if:

1. one or more certifying parties investigated the entire parcel on which one or more establishments is or was located;
2. the certifying parties submitted a report cataloguing the releases, as described above; and
3. a release remediation closure report was submitted for each of these releases.

Form III or Form IV Verifications

The act allows a parcel owner to submit a Form III or Form IV verification even if the owner is not a certifying party. It also allows any certifying party to use this verification to show compliance with the Transfer Act, as long as at least one year has passed since the owner submitted the verification and the DEEP commissioner has not started an audit or has completed it.

Transfer Act Verification for a Portion of an Establishment

Under the Transfer Act, a certifying party may satisfy specified remediation requirements (i.e. Form III or Form IV) by submitting an LEP's verification for any portion of an establishment for which the certifying party has completed remediation. Under the act, an LEP-verified release remediation closure report for the release, or for each of the releases if there is more than one release on the establishment, is considered a verification for these purposes.

The act also defines "portion" for purposes of the Transfer Act as a (1) defined geographic area making up a part of a parcel or (2) release, as long as its nature and extent has been determined by an investigation done according to prevailing standards and guidelines.

§ 4 — EXEMPTION OF RELEASES DISCOVERED BEFORE MARCH 1, 2026, FROM RBCRS' REQUIREMENTS

Exempts release data available or created before the RBCRs take effect on March 1, 2026, from triggering the release-based requirements

Prior law specified that, on its own, release data available or created before the RBCRs' adoption does not trigger the release-based requirements. The act instead ties this exemption to release data available or created before the RBCRs take effect (i.e. March 1, 2026). In doing so, it exempts from the RBCRs' requirements any release identified during environmental investigations from the RBCRs' adoption date (i.e. May 6, 2025) to March 1, 2026.
EFFECTIVE DATE: Upon passage

§ 5 — PROHIBITION ON REOPENING A REMEDIATION ON CERTAIN RESIDENTIAL PROPERTIES

Prohibits the DEEP commissioner from reopening a property's remediation if she determines that there is a violation of the release-based remediation law if the property is used only as an owner-occupied single-family home

The existing release-based remediation law and RBCRs establish circumstances under which a remediation may be reopened, including if the DEEP commissioner determines that there is a violation of the release-based remediation law. The act prohibits the DEEP commissioner from reopening a property's remediation on this basis if it is only used for an owner-occupied single-family home.

§ 6 — RESIDENTIAL ACTIVITY RESTRICTIONS

Establishes a process for imposing a residential activity restriction on a parcel for purposes of determining the application of and compliance with the RBCRs, allowing the RBCRs' criteria for industrial or commercial property to be used when determining certain remediation requirements

The RBCRs establish remediation standards specific to the type of property on which a release occurs (e.g., residential vs. commercial or industrial property). The act establishes a process for imposing a residential activity restriction on a parcel for purposes of determining the application of and compliance with the RBCRs. In doing so, it allows the RBCRs' criteria for industrial or commercial property to be used to calculate RBCR exemptions or determine if remediation obligations, including those for characterization, are met. The act defines "residential activity" as any activity at a (1) place intended for people to live (e.g., house, apartment, condominium, nursing home, or dormitory); (2) primary or secondary school, preschool, day care center, playground, or outdoor recreational area; or (3) hospital, but only for purposes of complying with the RBCRs' volatilization criteria (i.e. criteria to identify situations where contaminates in groundwater and soil vaporize and travel into another building and cause a health risk).

Under the act, residential activity must be considered restricted on a parcel when a release is discovered if (1) the respective parcel is not available or used for residential activity and (2) the person who created or is maintaining the release notifies the commissioner of the restriction within 30 days after the release is discovered. Notification to the commissioner must:

1. identify the release's date and approximate location,
2. describe the current use of the parcel where the release was discovered,
3. contain the owner's certification that (a) no residential activity is being conducted on the parcel and (b) residential activity will be restricted, and
4. be verified by an LEP.

The person who created or is maintaining the release must inspect the parcel for residential activity and submit an updated notification to the commissioner annually until the release is remediated.

The act specifies that an imposed residential activity restriction does not relieve a person from complying with the RBCRs' requirement to record an environmental use restriction. If a release is exempt from the RBCRs because residential activity has been restricted under the act, an environmental use restriction must be recorded within 30 months after the release's discovery. If the environmental use restriction is not recorded, the residential activity restriction does not apply, and the release must be remediated to the RBCRs' standards for residential activity.

BACKGROUND

RBCRs

The DEEP commissioner, with advice and feedback from a working group of agency officials, legislative leaders, and stakeholder members, developed RBCRs, which the Legislative Regulation Review Committee approved on April 22, 2025. Under existing law, the adoption of these regulations transitions the state from the Transfer Act to a release-based approach. The regulations were adopted May 6, 2025, and take effect March 1, 2026.

Related Act

PA 25-6 makes various other changes related to the state's transition to a release-based approach to property remediation including (1) making the new approach effective when the RBCRs take effect, rather than on their adoption date, and (2) creating a new voluntary parcel-wide remediation program.

PA 25-62—SB 1455
Commerce Committee

AN ACT CONCERNING CERTAIN BUSINESS REPORTING REQUIREMENTS

SUMMARY: By law, employers subject to the state's unemployment compensation laws must submit quarterly wage reports to the Department of Labor that include certain information about their paid employees. This act eliminates a provision that would have allowed these employers, beginning with the third quarter of 2026, to also include data on each employee's occupation, hours worked, and primary worksite's zip code.
EFFECTIVE DATE: July 1, 2025

PA 25-109—sSB 1402
Commerce Committee

AN ACT MODIFYING THE REGULATORY FLEXIBILITY ANALYSIS OF REGULATIONS AFFECTING SMALL BUSINESSES

SUMMARY: This act expands the information that must be included in the regulatory flexibility analysis that agencies must prepare before adopting regulations that directly affect small businesses.

Under the act, the analysis must include whether small businesses, to comply with the proposed regulation, may be required to (1) keep records for a period of time, (2) change or provide an additional employee benefit, or (3) change a product the small business manufactures or its packaging. By law, the analysis must already indicate whether small businesses may be required to take other specific actions, including implementing additional recordkeeping procedures, hiring additional employees or professionals, or paying additional taxes and fees.

Generally, these analyses must be prepared by state boards, commissions, departments, or officers authorized by law to make regulations or to determine contested cases. Agencies must include these analyses in any fiscal note they prepare to estimate the proposed regulation's fiscal impact on the state, municipalities, and small businesses. Under this law, a "small business" is a business entity that (1) is independently owned and operated and (2) employs fewer than 250 full-time employees or has gross annual sales of less than $5 million. The agency may define "small business" to include a greater number of full-time employees, up to the applicable federal standard or 500, whichever is less.
EFFECTIVE DATE: July 1, 2025

PA 25-149—sSB 1179
Commerce Committee

AN ACT ESTABLISHING THE CONNECTICUT COMMUNITY MAKERSPACE INITIATIVE PROGRAM

SUMMARY: This act 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 (grants, loans, or other financing) to entities establishing or expanding makerspaces that may serve as self-sustaining models in Connecticut. A makerspace must use financial assistance provided under the pilot program for costs related to establishment or expansion, such as planning activities, operational costs, and capital expenditures, but may not use it for personnel costs.

Under the act, a "makerspace" is a community space (1) providing entrepreneurs access to tools, technology, or educational materials; (2) where prototyping, creation, production, or assembly of tangible items happens; and (3) supporting the development of educational opportunities for personal growth, workforce training, and early-stage business ventures.

EFFECTIVE DATE: July 1, 2025

MAKERSPACES PILOT PROGRAM

Development and Funding

Under the act, the DECD commissioner must explore funding options for the program, including public-private partnerships, grants, and federal or state funds. The act caps funding at (1) $250,000 for any applicant per fiscal year and (2) $5 million for the pilot program in total.

The act requires DECD to use $1 million from previously authorized Manufacturing Assistance Act (see BACKGROUND) bonds for the pilot program and allows the department to use up to 10% of this amount for pilot program administration costs.

Applications

The act requires the DECD commissioner to establish the pilot program's eligibility criteria and application process, and applications for program participation must be submitted in a form the commissioner prescribes. Under the act, applications must include (1) a description of the makerspace the applicant wants to establish or expand and that may serve as a self-sustaining model, (2) the requested amount of financial assistance, and (3) any other information the commissioner deems necessary.

Reporting Requirements

Under the act, the DECD commissioner must require pilot program participants, within two years after receiving funding, to report to DECD on the progress of establishing or expanding their makerspace and any other information the commissioner deems necessary. Beginning by January 1, 2027, the commissioner must annually report an evaluation of the pilot program's operation and effectiveness to the Commerce Committee.

BACKGROUND

Manufacturing Assistance Act (MAA)

MAA provides grants, loans, loan guarantees, credit extensions, and other types of financing to small and large businesses, nonprofit corporations, municipalities, and regional councils of government for a range of projects (CGS § 32-220 et seq.). These include developing facilities, acquiring new machines and equipment, diversifying local and regional economies, and supporting research and development. MAA is administered by DECD and supported by general obligation bond funds.

PA 25-165—sHB 7166
Commerce Committee
Finance, Revenue and Bonding Committee

AN ACT CONCERNING THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT'S RECOMMENDATIONS FOR REVISIONS TO CERTAIN COMMERCE AND TAX CREDIT STATUTES

SUMMARY: This act makes the following changes in tax credit- and economic development-related laws:

1. allows a single member limited liability company (LLC) that meets specified employment and industry criteria to earn research and development (R&D) and research and experimental expenditures (R&E) tax credits, and allows the LLC's corporate owner to claim the credits the LLC earned (§§ 1 & 2);
2. makes several changes to the state's film tax credit programs, including exempting production companies that produce an interactive website from specified eligibility criteria, and repealing the digital animation tax credit (§§ 3, 4 & 10-13);
3. authorizes the Department of Economic and Community Development (DECD) to set up and administer a program to sell Connecticut brand merchandise and advertising space for Connecticut businesses, and directs the program's proceeds to the Tourism Fund (§ 5);
4. modifies the eligibility criteria and parameters for DECD's grant program for employing people with intellectual disability (§ 6);
5. exempts tax credit programs administered by DECD or Connecticut Innovations, Inc. (CI) from nonrelocation agreement requirements (§ 7);
6. expands the purposes for which DECD can convey state-owned property under its control to include property to be used primarily for cultural or historical attractions or sites (§ 8); and
7. allows the state, within available appropriations, to provide financial assistance, lend staff, and make in-kind contributions to nonprofits for specified purposes (§ 9).

EFFECTIVE DATE: July 1, 2025, unless otherwise noted below.

§§ 1 & 2 — R&D AND R&E TAX CREDITS FOR QUALIFYING LLC

The act allows a single member LLC that meets specified employment and industry criteria to earn R&D and R&E credits. To qualify for the tax credits, the LLC must (1) have over 3,000 employees in Connecticut and (2) be engaged in manufacturing, with expertise in mechatronics, alignment and sensor technology, and optical fabrication. If the LLC is disregarded as an entity separate from its owner for federal income tax purposes, the LLC's employee count includes its employees and those of its owner.

By law, R&D and R&E tax credits apply only against the corporation business tax (for which an LLC is not liable). Under the act, if the taxpayer earning the credit is a single member LLC that is disregarded as an entity separate from its owner, its owner may claim the credit if it is subject to the state corporation business tax. In doing so, the act allows a corporation that is the sole owner of an LLC that meets the criteria described above and earns R&D and R&E tax credits to claim those credits against its tax liability. (PA 25-168, §§ 58 & 59, contains identical provisions.)

EFFECTIVE DATE: Upon passage, and applicable to income and tax years beginning on or after January 1, 2025.

§§ 3 & 4 — FILM AND DIGITAL MEDIA PRODUCTION AND FILM INFRASTRUCTURE TAX CREDITS

Eligibility Criteria for Interactive Websites

To qualify for the film and digital media production tax credit under existing law, eligible production companies must (1) conduct at least 50% of their principal photography days in Connecticut or (2) incur at least 50% or at least $1 million of their post-production costs in the state. The act exempts eligible production companies that produce an interactive website for public distribution or exhibition from these requirements.

Under existing law and the act, an "interactive website" is a website with production expenses or costs that (1) exceed $500,000 per income year and (2) are primarily (a) interactive games or end user applications or (b) animation, simulation, sound, graphics, story lines, or video created or repurposed for distribution over the internet. It excludes websites used primarily for institutional, private, industrial, retail or wholesale marketing, or promotional purposes, or containing obscene content.

Administrative Changes

The act:

1. requires all eligible production companies to apply to DECD for a film and digital media production credit voucher within 90 days after completing an independent certification of their production costs, rather than within 90 days after incurring their last production expense;
2. specifies that the administrative fee DECD charges to cover the department's costs to analyze film and digital media and film infrastructure tax credit applications is nonrefundable; and
3. allows, rather than requires as under prior law, DECD to adopt regulations to administer these film tax credit programs.

EFFECTIVE DATE: July 1, 2025, and the film and digital media tax credit provisions apply to applications open or filed on or after that date.

§§ 3 & 10-13 — REPEAL OF DIGITAL ANIMATION TAX CREDIT

The act eliminates the digital animation tax credit, which under prior law, was available for eligible companies with in-state studio facilities and 200 or more in-state employees that incurred eligible production expenses and costs in Connecticut. The credit had the same three tiers as the film and digital media production tax credit (10% to 30%, based on eligible expenditures) and could be applied against the corporation business and insurance premiums tax. Total annual credits were capped at $15 million, but no credits have been issued under this program since 2016. The act also makes conforming changes. (PA 25-168, §§ 63-66 & 68, contains the same provisions.)

EFFECTIVE DATE: Upon passage, except a conforming change to the film and digital media production tax credit statutes is effective July 1, 2025, and applicable to applications open or filed on or after that date.

§ 6 — WORKFORCE INCENTIVE GRANT PROGRAM

Eligibility Criteria

Prior law required the DECD commissioner, within available appropriations, to set up a grant program for nonprofit organizations employing a workforce of at least 10% people with intellectual disability. The act specifies that this program is a workforce incentive, rather than development, program. It expands eligibility for the grants to all employers, rather than just nonprofits, and requires employers to meet the following eligibility criteria to qualify:

1. have a workforce, at the time of application, composed of at least 5% people with intellectual disability that have been employed for at least six months in the prior calendar year and are paid at least minimum wage and
2. provide them with competitive integrative employment, as specified under federal regulations (i.e. generally at comparable pay and benefits as provided to people without disabilities).

The act also modifies the purposes for which the grants may be awarded to include programmatic costs, rather than start-up costs. The grants may also be awarded for infrastructure and expansion costs, as allowed under existing law.

Grant Amounts

By law, the maximum grant amounts DECD may award under the program are capped at $25,000 and $75,000, depending on the percentage of the workforce comprised of people with intellectual disability. The act lowers these percentages, as shown in the table below. In doing so, it also caps at 30% the percentage of an employer's workforce that may be comprised of people with intellectual disability to qualify for the grants.

Maximum Grant Amounts

Maximum Grant Amount	***Workforce % Comprised of People With Intellectual Disability***	
	Prior Law	***Act***
$25,000	10% to 30%	5% to 20%
75,000	Greater than 30%	21% to 30%

§ 7 — DECD NONRELOCATION AGREEMENTS

The act exempts DECD- and CI-administered tax credit programs from the types of financial assistance subject to nonrelocation agreement requirements.

The law generally requires DECD and CI to require nonrelocation agreements as a condition of any financial assistance they provide. As part of these agreements, businesses must agree (1) not to relocate from Connecticut for 10 years after receiving the assistance, or during the term of a state loan or loan guarantee, whichever is longer and (2) that if they relocate within Connecticut during this same period, they must offer their current employees jobs at the new location if available. If they relocate outside of Connecticut before the period expires, they have to repay the entire amount of the assistance plus 5%.

§ 8 — CONVEYANCES OF CERTAIN STATE-OWNED PROPERTY UNDER DECD CONTROL

Existing law authorizes the DECD commissioner to convey (sell, exchange, lease, or enter into agreements on) state property under the agency's control if it will be used primarily for manufacturing or economic base businesses or business support services. The act additionally allows him to convey this property if it will be used primarily for cultural or historical attractions or sites. As under existing law, (1) these conveyances are subject to approval from the administrative services commissioner, Office of Policy and Management secretary, and State Properties Review Board and (2) the DECD commissioner must consult with the municipality where property is located before he disposes of it.

§ 9 — STATE ASSISTANCE TO NONPROFITS FOR SPECIFIED PURPOSES

The act allows the state, within available appropriations, to provide financial assistance, lend staff, and make in-kind contributions to any nonprofit in Connecticut for the following purposes:

1. providing technical assistance and business expertise to new companies located, or planning to locate, in Connecticut and
2. promoting economic growth and business expansion here by collecting, organizing, and disseminating information, expertise, and other resources for individuals and groups to use.

PA 25-8—SB 1286
Education Committee

AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR TECHNICAL REVISIONS TO THE EDUCATION AND EARLY CHILDHOOD STATUTES

SUMMARY: This act makes technical changes to the education and early childhood statutes.
EFFECTIVE DATE: Upon passage

PA 25-67—HB 5001
Education Committee
Appropriations Committee

AN ACT CONCERNING THE QUALITY AND DELIVERY OF SPECIAL EDUCATION SERVICES IN CONNECTICUT

TABLE OF CONTENTS:

§ 1 — DEFINITION OF "CHILD REQUIRING SPECIAL EDUCATION" AND OTHER TERMS

Allows children with developmental delays to qualify for special education through age eight without falling under a specific disability category; defines certain terms used later in the act

§ 2 — PROHIBITION ON INCREASING CHARGES FOR SPECIAL EDUCATION SERVICES DURING THE SCHOOL YEAR

Generally prohibits a charging entity from increasing its costs to a school board for special education services beginning with the 2025-26 school year; permits increases in some situations

§§ 3 & 24 — ESTABLISHING A RATE SCHEDULE FOR DIRECT SPECIAL EDUCATION SERVICES AND REQUIRING PRIVATE CONTRACTS TO CONFORM TO THE SCHEDULE

Sets separate paths to establish rates for (1) public special education providers and any provider of related services and (2) private special education providers

§ 4 — BILLING STANDARDS FOR SPECIAL EDUCATION TRANSPORTATION COSTS

Requires SDE to develop and update billing standards for the costs that special education transportation providers charge; beginning with the 2027-28 school year, requires all costs that transportation service providers charge for special education transportation services align with SDE's billing standards

§ 5 — DEFINING REASONABLE COSTS FOR SPECIAL EDUCATION SERVICES

Beginning July 1,2025, prohibits the presumption that "reasonable costs" for special education services are the actual cost incurred by special education providers; beginning July 1, 2026, makes the "reasonable costs" for these services the charges allowed under the rate schedule the act creates

§§ 6 & 7 — NEW SPECIAL EDUCATION GRANT

Entitles each school board to a new special education and expansion development (SEED) grant; imposes restrictions on how the funds must be used; creates a penalty for improper use; requires school boards to annually report on how grant funds are spent; exempts the grant from a district's minimum budget requirement (MBR) calculation

§ 8 — LICENSURE STANDARDS FOR PRIVATE SPECIAL EDUCATION PROVIDERS

Requires SDE to develop licensure standards for private special education providers and submit them to the Education Committee by January 1, 2026

§ 9 — UNANNOUNCED ON-SITE VISITS OF SPECIAL EDUCATION PROVIDERS

Requires (1) SDE to make unannounced on-site visits at RESCs and private special education providers; (2) the education commissioner to notify the providers about the site visit findings and any required corrective actions; (3) providers to show proof of compliance within 30 days after receiving the finding; (4) a provider to be fined up to $100 a day for each day of noncompliance; and (5) SDE to notify school boards about the findings and necessary compliance proof

§ 10 — TRANSFERRING OUT-OF-DISTRICT SPECIAL EDUCATION STUDENTS

Prohibits certain entities from further transferring out-of-district special education students except in certain circumstances

§ 11 — MODEL CONTRACTS FOR STUDENT PLACEMENT WITH A PRIVATE SPECIAL EDUCATION PROVIDER OR RESC

Requires SDE to prepare model contracts to be used when placing a student with an approved private special education provider or with a RESC; requires SDE to make the model contracts available to school boards by July 1, 2026

§ 12 — REPORT ON SPECIAL EDUCATION STUDENT PLACEMENTS

Requires school boards to annually report on information related to special education student placements where the board is paying any portion of the cost

§ 13 — FUNCTIONAL BEHAVIOR ASSESSMENTS BEFORE OUT-OF-DISTRICT PLACEMENT

Generally requires school boards to do a functional behavior assessment and develop or update a behavioral intervention plan before placing a student out of district

§ 14 — REPORT ON BEHAVIORAL HEALTH ISSUES AFFECTING SPECIAL EDUCATION STUDENTS

Requires the Transforming Children's Behavioral Health Policy and Planning Committee to submit a report to the Education Committee and Committee on Children on behavioral health issues affecting special education students

§ 15 — BUILDING EDUCATIONAL RESPONSIBILITY WITH GREATER IMPROVEMENT NETWORKS COMMISSION

Creates new study requirements for the BERGIN Commission related to special education; generally extends the commission's end date to July 1, 2030; adds 20 additional members to the commission

§ 16 — SPECIAL EDUCATION WORKLOAD ANALYSIS MODEL

Requires SDE to develop a proposed statewide special education workload analysis model for teachers and school service providers and submit it to the BERGIN Commission and Appropriations and Education committees by July 1, 2026

§ 17 — SDE REPORT ON CT-SEDS

Requires SDE to develop a report on the functions of CT-SEDS and submit it to the BERGIN Commission and Education Committee by January 1, 2026

§§ 18 & 19 — DUE PROCESS HEARINGS

Makes several changes on due process hearings, including (1) generally requiring all claims to be disclosed before the start of the hearing, (2) requiring hearing officers to consider all evaluations presented, (3) generally limiting hearings to four days' duration, and (4) requiring hearing officers' written decisions to include specific findings of fact related to educating students with disabilities with their nondisabled peers

§ 20 — SPECIAL EDUCATION PROGRAM SUPERVISION

Specifies that the education commissioner supervises approved private special education providers

§ 21 — CHANGES TO THE IEP FORM

Requires SDE to remove the portion of the state's IEP form that is used to list the people who will implement the IEP

§ 22 — SPECIAL EDUCATION AND EXCESS COST GRANT PROJECTIONS DATA REPORTING

Requires SDE to (1) annually make certain disaggregated, student-level, and statewide data available on its website and (2) submit excess cost grant projections to the Appropriations and Education committees and the Office of Fiscal Analysis on January 30 and March 30 each year

§ 23 — DYSLEXIA REPORT

Requires the Office of Dyslexia and Reading Disabilities to report to the Education Committee on recent developments and best practices on dyslexia evaluations, interventions, and student outcomes and on teacher preparation capacity

§ 25 — TRANSITIONAL COLLEGE READINESS AND REMEDIAL SUPPORT PROGRAM OFFERINGS AT HIGHER EDUCATION INSTITUTIONS

Requires the Board of Regents for Higher Education to continue offering certain transitional college readiness, embedded remedial support, and intensive remedial support programs at the state's public higher education institutions (PA 25-99 narrows this provision to only one academic year)

§ 26 — PRIVATE PROVIDER ENROLLMENT REPORT

Requires special education private providers to submit an annual report on their enrollment to SDE

SUMMARY: This act makes numerous changes to special education laws and funding. A section-by-section analysis follows.

EFFECTIVE DATE: July 1, 2025, unless otherwise noted below.

§ 1 — DEFINITION OF "CHILD REQUIRING SPECIAL EDUCATION" AND OTHER TERMS

Allows children with developmental delays to qualify for special education through age eight without falling under a specific disability category; defines certain terms used later in the act

The act allows children with developmental delays to qualify for special education through age eight without falling under a specific disability category under the federal Individuals with Disabilities Education Act (IDEA; see *Background — IDEA*).

Under prior law, a "child requiring special education" included children experiencing a developmental delay only if they were age three through five; the act increases this range to age three through eight. By law, a "developmental delay" is a significant delay in physical, communication, cognitive, social-emotional, or adaptive development measured by appropriate diagnostic methods.

The IDEA requires states to provide special education to qualifying students that fall within specified disability categories. It also allows states, at their discretion, to include three- through nine-year-olds (or any subset of that age range) with developmental delays in their definition of children requiring special education (20 U.S.C. § 1401 (3)(B)). States that do so (1) agree to provide a free appropriate public education (FAPE) to these students and comply with the IDEA's requirements and (2) can count these students as children with a disability for determining IDEA grants.

The act also defines other terms explained below in context.

Background — IDEA

The IDEA is the main federal law governing special education (20 U.S.C. § 1400 et seq.; 34 C.F.R. § 300.1 et seq.). It authorizes grants to states and school districts and attaches a series of conditions to funding, which states agree to adhere to by accepting funding. The IDEA guarantees students with qualifying disabilities the right to a FAPE tailored to their unique needs and implemented under a planning document called an Individualized Education Program (IEP). It also requires school districts to identify and evaluate students who may need special education, educate students with disabilities with their nondisabled peers as much as possible, and follow certain procedural safeguards, among other things.

The IDEA's definition of disability is categorical and education-specific. To be a "child with a disability" under the IDEA (and to qualify for special education services), a child must (1) have a disability that falls under one of the listed categories and (2) need special education and related services because of it. The categories are autism, deaf-blindness, hearing impairment (including deafness), intellectual disability, developmental delay (for certain ages), orthopedic impairment, serious emotional disturbance, specific learning disability, speech or language impairment, traumatic brain injury, vision impairment, multiple disabilities, and other health impairments (20 U.S.C. § 1401 (3); 34 C.F.R. § 300.8(c)).

§ 2 — PROHIBITION ON INCREASING CHARGES FOR SPECIAL EDUCATION SERVICES DURING THE SCHOOL YEAR

Generally prohibits a charging entity from increasing its costs to a school board for special education services beginning with the 2025-26 school year; permits increases in some situations

Beginning with the 2025-26 school year, the act generally prohibits a charging entity (see below) from increasing its charges to a local or regional board of education ("school board") for special education services required under a student's IEP, except in response to a change in the student's IEP.

The act also allows the State Department of Education (SDE) to permit a charging entity to increase its charges for special education services upon request if there is a substantial increase in costs for the (1) services being provided for a student or (2) charging entity's operation. The education commissioner must determine the process for these requests, including any required documentation proving the increase. The commissioner must review each request and issue a written decision approving or denying it within 60 days of receipt.

Under the act, a "charging entity" is an approved private provider of special education services, a regional educational service center (RESC), a magnet school operator, a state charter school, an educational cooperative agreement, a school board operating an outplacement program, or a special education transportation services provider, or as part of the Open Choice interdistrict public school attendance program.

§§ 3 & 24 — ESTABLISHING A RATE SCHEDULE FOR DIRECT SPECIAL EDUCATION SERVICES AND REQUIRING PRIVATE CONTRACTS TO CONFORM TO THE SCHEDULE

Sets separate paths to establish rates for (1) public special education providers and any provider of related services and (2) private special education providers

The act establishes (1) one way to determine the rates for public provider special education services and for related services provided by either a public or private provider ("charging entity," see above) and (2) another way to determine the rates for private provider special education services.

Related Services and Public Provider Special Education Services Rates

The act requires SDE, in consultation with the Office of Policy and Management (OPM), to set a rate schedule by January 1, 2028, for (1) special education services, excluding special education transportation, provided by a public special education services provider and (2) related services that a charging entity provides under an IEP.

Under the act "related services" are developmental, corrective, and other supportive services as needed to help a special education student benefit from special education, including speech, behavioral, and occupational therapies but not special education transportation services. "Special education transportation services" are transportation services to and from special education outplacements by a provider of special education transportation services.

In establishing the rate schedule, SDE must (1) consult with stakeholders and education officials in other states experienced in rate setting and (2) consider charging entity operating expenses, the costs that school boards pay, the educator-to-student ratio, staff professional qualifications, and any other considerations SDE finds relevant.

The rate schedule must include billing standards that describe how the charging entity's operational expenses should be proportionally and appropriately attributed to the services. SDE must, at least biennially, review the rate schedule and billing standards and may revise them as necessary.

By December 31, 2027, SDE must set individual rates for each special education and related service. However, the act allows SDE to do so as early as July 1, 2025.

If the rates are set earlier than the act's deadline, the act requires SDE to notify each school board about the rate. SDE must post it on the department's website no later than January 1 of the year after they were set, and the posted rate will

become effective on the following July 1. Otherwise, it must post the rates and complete these notifications before January 1, 2028, and the rates go into effect July 1, 2028.

Service Charges to Align With Established Rates. If SDE sets rates for public provider special education services and charging entity related services before the December 31, 2027, deadline, then charged rates must align with the rates SDE sets as long as they were posted on or before January 1 of the prior school year. Otherwise, starting with the 2028-29 school year, the rates must align with the rates SDE sets as long as the rates were posted on or before January 1 of the prior school year as required by the act.

Under the act, any amount charged to and paid by a school board for services over the rate schedule amount is ineligible for an excess cost grant reimbursement or the act's new special education expansion development grant (see § 7).

Private Provider Special Education Services Rates and General Assembly Approval

The act establishes a separate process to develop rates for private special education service providers that includes submitting proposed rates to the General Assembly for a vote.

The act requires the education commissioner to consult with approved nonprofit and approved for-profit private special education service providers to develop proposed individual rates for each special education service, excluding transportation services. As with the process described above for public providers, SDE must develop the rates by December 31, 2027, but may develop them as early as July 1, 2025.

In addition to consulting with providers, the commissioner must follow the same process mentioned above, including (1) consulting with stakeholders and education officials in other states experienced in rate setting and (2) considering specified data. Billing standards must accompany the rates.

Once rates are developed, the commissioner must submit all proposed rates by the following January 1 to the General Assembly for approval or disapproval. If the General Assembly fails to approve or disapprove the proposed rates by the March 15 following submission, they are deemed approved. Any proposed rate that the General Assembly approves or is deemed approved becomes effective on the following July 1.

Reporting Requirements

The act sets reporting requirements for the provider rates. For the window during which SDE has discretion to set rates, the department must submit a report on any rates that have been established under the act by January 1, 2026, and by January 1, 2027, to the Appropriations and Education committees. Starting by January 1, 2028, SDE must annually submit the required rate schedule to the same two committees.

Contracts Must Conform to Rate Schedule (§ 24)

The act requires that any contract between a private provider and a school board entered into or amended on or after July 1, 2026, that is subject to the act's rate setting requirements, be in alignment with the rates or rate schedule as appropriate.

EFFECTIVE DATE: July 1, 2025, except the provision requiring school board contracts with private providers to be in alignment with the rates or rate schedule is effective July 1, 2026.

§ 4 — BILLING STANDARDS FOR SPECIAL EDUCATION TRANSPORTATION COSTS

Requires SDE to develop and update billing standards for the costs that special education transportation providers charge; beginning with the 2027-28 school year, requires all costs that transportation service providers charge for special education transportation services align with SDE's billing standards

By January 1, 2027, the act requires SDE to develop, and update as necessary, billing standards for the costs that special education transportation service providers charge to school boards for special education transportation services to and from outplacements. The department must notify each school board about the billing standards and post them on SDE's website.

Beginning with the 2027-28 school year, all costs that special education transportation service providers charge to school boards for these services must align with the SDE's billing standards.

Beginning by January 1, 2027, SDE must annually submit the billing standards to the Education Committee.

§ 5 — DEFINING REASONABLE COSTS FOR SPECIAL EDUCATION SERVICES

Beginning July 1,2025, prohibits the presumption that "reasonable costs" for special education services are the actual cost incurred by special education providers; beginning July 1, 2026, makes the "reasonable costs" for these services the charges allowed under the rate schedule the act creates

Beginning July 1, 2025, the act prohibits a presumption that "reasonable costs" are the actual cost incurred for providing special education and related services under a student's IEP.

Then, beginning July 1, 2026, the act requires the "reasonable costs" of providing special education and related services under a student's IEP to be the amounts that can be charged to a school board by a charging entity under the act's rate schedule (see § 3).

The act specifies that the definition applies when determining the reasonable costs of providing special education and related services under the laws for:

1. charter school operators charging the school district where a student lives (CGS § 10-66ee(d)(7));
2. special education private providers, school boards, or other public or private agencies or institutions determining what the school district will pay the provider (CGS § 10-76d(d));
3. excess cost grant calculations when determining the grant eligibility threshold (CGS § 10-76g);
4. expenses of Advisory Board for Special Education members (CGS § 10-76i);
5. state agency placement for non-special education reasons (CGS § 10-253(b));
6. magnet school operators charging back to the school district where a student lives (CGS § 10-264*l*(h); and
7. Open Choice Program determination of what a receiving school district can charge the school district where the student lives (sending school district) (CGS § 10-266aa(i)).

§§ 6 & 7 — NEW SPECIAL EDUCATION GRANT

Entitles each school board to a new special education and expansion development (SEED) grant; imposes restrictions on how the funds must be used; creates a penalty for improper use; requires school boards to annually report on how grant funds are spent; exempts the grant from a district's minimum budget requirement (MBR) calculation

Beginning with FY 26, the act entitles each school board to the SEED grant the act creates. Each district is entitled to its fully-funded grant based on a formula. However, if the total amount of the grant calculation for FY 26 exceeds the amount appropriated in the budget, then the amounts payable to a school board must be reduced proportionately.

Under the act, the grants must be paid directly to school boards and the funds must be spent only for special education purposes. If a school board gets an increase in its special education grant over the previous year, it must increase its budgeted special education appropriation by the amount of the increase. Funds from the grant cannot be used to replace previously existing special education funding.

Under the act, "special education purposes" are:

1. directly providing special education and related services to students;
2. Tier 2 interventions (targeted interventions for students who need help but usually have not been identified as needing special education);
3. academic and behavioral interventions;
4. hiring and salaries for special education teachers, paraeducators, and behavioral and reading specialists who work directly with students;
5. equipment purchases and maintenance; and
6. curriculum materials.

The act specifically excludes (1) administrative functions or operating expenses related to providing special education and related services or (2) services provided by a third-party contractor.

Grant Calculation

Under the act, the fully funded grant for each school district results from multiplying the foundation amount by the base aid ratio by the special education needs student count for the fiscal year before the year in which the grant is to be paid. (This method is similar to the Education Cost Sharing (ECS) grant that every town receives.) Beginning in FY 26, each school district is entitled to the new special education grant in an amount equal to its fully funded grant.

Specifically, the factors in calculating the grant include the:

1. foundation amount of $11,525 per student (the same figure used in the ECS formula);
2. base aid ratio for each town, which is a measurement of town property and income wealth (the same formula used in ECS, see *Background — Base Aid Ratio*); and
3. special education needs student count, which is 50% of the number of resident students (students enrolled in public schools in a town as of October 1 at the town's expense) who are special education students.

The grant must be calculated using the data of record as of the December 1 before the fiscal year the grant is to be paid, adjusted for the difference between the final entitlement for the prior fiscal year and the preliminary entitlement for that same year (as calculated using the data of record as of the December 1 before the fiscal year when the grant was paid).

Grant Payment Schedule

Under the act, the comptroller must pay grants to school boards, upon certification by the education commissioner, in installments during the fiscal year as follows: 25% of the grant in October, 25% in January, and the balance generally in April. The balance must be paid in March rather than April to any board that has not adopted the uniform fiscal year and that would not otherwise get the final payment within its fiscal year.

Penalty for Failing to Follow Grant Requirements

The act sets penalties for school boards, including regional boards of education, that do not (1) use the funds exclusively for special education or (2) increase their budgeted appropriation for special education from one year to the next by their grant increase amount. It also subjects them to penalties for using grant funds to replace other existing special education funding.

Upon the State Board of Education's (SBE's) determination that a school board failed in any fiscal year to meet these requirements, the board must forfeit twice the amount of the improper use or shortfall. SDE must withhold the amount forfeited from the grant payable to the school board in the second fiscal year immediately following the failure by deducting the amount from the board's special education and expansion development grant payment. But the act allows SBE to waive the forfeiture (1) upon agreement with the school board that the board must increase its special education appropriation during the fiscal year in which the forfeiture would occur by an amount at least equal to the forfeiture or (2) for other good cause shown.

While the grant is not designed specifically for regional boards of education, presumably they could receive some of the grant funding passing through one of the local boards that make up the regional district. This would then make the regional board obligated to meet the grant requirements.

Required Reporting

The act requires local and regional boards, beginning by July 15, 2026, to annually submit an expenditure report to the education commissioner with a summary and itemization of how SEED grant funds were spent during the prior fiscal year to directly provide special education and related services to students. It must include whether the grant was used to hire any new special education teachers, paraeducators, or behavioral or reading specialists. Boards getting grants less than $10,000 in a fiscal year are exempt from the reporting requirement for that year.

Grant Exempted From a Town's MBR

By law, when a town or school district receives additional state funding for education over what it received in the previous year, it must be added to the town's MBR for education. Generally, a town cannot decrease its MBR for education from one year to the next, and an increase in state grant funds cannot be used to decrease the town's financial support for education (there are certain exceptions).

Beginning with FY 26, the act exempts a school district from including the amount it receives for the SEED grant in its MBR calculation for the following fiscal year. So, this grant will not increase a town's MBR.

Background — Base Aid Ratio

By law, the base aid ratio is a measure of town wealth (measured by property wealth and income level) used in the ECS formula. There is a minimum of 10% base aid ratio for alliance districts and priority school districts and a minimum 1% base aid ratio for all other towns.

§ 8 — LICENSURE STANDARDS FOR PRIVATE SPECIAL EDUCATION PROVIDERS

Requires SDE to develop licensure standards for private special education providers and submit them to the Education Committee by January 1, 2026

The act requires SDE to develop licensure standards for private special education providers in the state. These standards must at least include:

1. the application and review process for getting licensed;
2. defined periods for both initial licensure and license renewal;
3. minimum requirements tailored to the specific types of special education services provided; and
4. licensure fees, set at $5,000 for each initial application and $1,500 for each renewal.

By January 1, 2026, SDE must submit the licensure standards and any legislative recommendations necessary for implementation to the Education Committee.

By law, the education commissioner approves private special education providers in the state. The approval process, detailed in state regulations, includes a site visit by SDE staff and requires the provider to, among other things, (1) agree to implement each student's IEP; (2) participate in and contribute to the planning and placement team (PPT) for each student; (3) complete periodic reviews and evaluations of each student; and (4) have various policies and procedures, including to permit staff of the sending school board to visit the facility and observe the students. The regulations also give SBE or the education commissioner the power to suspend or revoke approvals when acting on the board's behalf.

§ 9 — UNANNOUNCED ON-SITE VISITS OF SPECIAL EDUCATION PROVIDERS

Requires (1) SDE to make unannounced on-site visits at RESCs and private special education providers; (2) the education commissioner to notify the providers about the site visit findings and any required corrective actions; (3) providers to show proof of compliance within 30 days after receiving the finding; (4) a provider to be fined up to $100 a day for each day of noncompliance; and (5) SDE to notify school boards about the findings and necessary compliance proof

Beginning July 1, 2027, the act requires SDE to make annual unannounced on-site visits of randomly selected sites of RESC special education programs or private special education providers providing services under a contract with a school board. The private providers are included regardless of whether they are approved by the education commissioner.

Each site visit must at least include:

1. reviewing documentation of employee qualifications and compliance with certification and in-service training requirements relevant to each employee;
2. reviewing compliance with criminal history and child abuse and neglect registry checks for each employee as required under state law (see § 21, which expands who must undergo these checks);
3. administering a service quality questionnaire to the parents or legal guardians of students receiving services from the RESC or the private provider; and
4. reviewing student outcomes, including attendance data and restraint and seclusion rates.

Site Visit Findings and Corrective Actions

Within 10 business days after the site visit, the education commissioner must notify the RESC or private provider in writing about the site visit findings and any required corrective actions.

Each RESC or private provider that receives written findings with required corrective actions must submit written proof of compliance with the corrective actions to SDE within 30 days after receiving the findings.

Penalties for Failing to Submit Proof of Compliance

Under the act, any RESC or private provider that does not submit proof of compliance by the deadline must be fined up to $100 per day for each day of noncompliance with the act's requirements. (Presumably, the fine must be paid to SDE, but the act does not indicate that.) The act prohibits a school board from knowingly placing any additional special education students with a noncompliant RESC or private provider.

Within 15 days after the submission or receipt of the written records required under the act, SDE must post the written records to SDE's online public database in a way that complies with the student record confidentially requirements of the Family Educational Rights and Privacy Act (FERPA, 20 U.S.C. § 1232g). It must also send them to each school board that

has placed a student with the RESC or private provider.

§ 10 — TRANSFERRING OUT-OF-DISTRICT SPECIAL EDUCATION STUDENTS

Prohibits certain entities from further transferring out-of-district special education students except in certain circumstances

The act prohibits entities that receive an out-of-district placement of a special education student through an agreement or contract with a sending school board from transferring the student to any other school or facility, unless certain conditions are met. These entities include school boards, interdistrict magnet school operators, state or local charter school governing councils, and private providers of special education services. Under the act, if one of these entities receives an out-of-district placement, a further transfer is allowed only if the:

1. sending school board initiates a PPT meeting on the issue, or the student's parent or guardian requests it (or the student requests it directly, if over age 18 or emancipated), and
2. PPT finds that the transfer better fits the student's educational needs.

Under the act, a representative of the entity that received the out-of-district placement must be invited to attend and participate in the PPT meeting but cannot request that a PPT meeting be held for this purpose.

§ 11 — MODEL CONTRACTS FOR STUDENT PLACEMENT WITH A PRIVATE SPECIAL EDUCATION PROVIDER OR RESC

Requires SDE to prepare model contracts to be used when placing a student with an approved private special education provider or with a RESC; requires SDE to make the model contracts available to school boards by July 1, 2026

The act requires SDE to prepare model contracts for placing a student with an education commissioner-approved private special education provider or with a RESC. By July 1, 2026, SDE must make the model contracts available to school boards for their use.

Under existing law and unchanged by the act, contracts with private providers must include an explanation of how the tuition or costs for services are calculated and a description of the child's educational program with a statement of goals and objectives.

§ 12 — REPORT ON SPECIAL EDUCATION STUDENT PLACEMENTS

Requires school boards to annually report on information related to special education student placements where the board is paying any portion of the cost

Beginning by June 30, 2026, the act requires each local and regional school board to annually report to SDE information on each special education student placement where the board is paying any portion of the cost.

The report must include:

1. whether the placement resulted from a PPT decision, a settlement agreement, or a special education hearing;
2. whether the placement is with an approved or nonapproved special education services private provider, a RESC, an interdistrict magnet school program operator, a state charter school, a cooperative agreement, a school board operating an outplacement program, or part of the Open Choice Program;
3. the amount being paid by the board;
4. the special education services provided;
5. the location of the facility where the services are being provided;
6. the total number of agreements on special education nondisclosure or waiver of rights (that is, rights under the federal IDEA) the board enters with a student, parent, or guardian during the prior school year; and
7. any other information SDE requests.

Under the act, SDE must disaggregate the information and annually post it on the department's special education data system, in a way that complies with FERPA.

EFFECTIVE DATE: Upon passage

§ 13 — FUNCTIONAL BEHAVIOR ASSESSMENTS BEFORE OUT-OF-DISTRICT PLACEMENT

Generally requires school boards to do a functional behavior assessment and develop or update a behavioral intervention plan before placing a student out of district

Beginning September 1, 2025, the act generally requires school boards to do a functional behavior assessment and make or update a behavioral intervention plan for students with challenging behavior before placing them out of district.

The act (1) exempts a board from the assessment and plan requirements if the time to do them would be a safety risk to any student or staff member at the school and (2) requires SDE, by September 1, 2025, to develop guidance for boards to determine the circumstances under which this exemption applies. No later than two business days after deciding that the exemption applies, a school board must file a notice with SDE describing the reasons behind its decision.

Under the act, functional behavior assessments involve gathering and analyzing data to identify the reasons for a student's behavior that negatively impacts school climate or interferes, or is at risk of interfering, with a student's learning or a student's or staff member's safety.

§ 14 — REPORT ON BEHAVIORAL HEALTH ISSUES AFFECTING SPECIAL EDUCATION STUDENTS

Requires the Transforming Children's Behavioral Health Policy and Planning Committee to submit a report to the Education Committee and Committee on Children on behavioral health issues affecting special education students

By January 1, 2027, the act requires the Transforming Children's Behavioral Health Policy and Planning Committee (see *Background — Transforming Children's Behavioral Health Policy and Planning Committee*) to submit to the Education Committee and Committee on Children a report that examines and makes recommendations about behavioral health issues affecting special education students. To accomplish this, the act requires SDE, in compliance with FERPA, to give the committee all data and information it requests for the report.

Under the act, the report must include the (1) behavioral intervention methods special education private providers use and (2) feasibility and effect of requiring them to use proactive, highly individualized evidence-based interventions like the Assessment of Lagging Skills and Unsolved Problems. It must specifically include the feasibility and effect of requiring the providers' staff to be trained on these interventions, emphasizing problem-solving as a main goal.

Additionally, the act requires the report to have best practices for SDE to monitor and randomly audit the use of physical restraint and seclusion on special education students. It specifically requires best practices on how to:

1. ensure the accuracy and consistency of the annual incident compilation reports SDE receives from school boards;
2. intervene in schools and special education programs that report a high number of incidents;
3. enforce related laws, such as through site visits and reviewing incident reports and parental notifications;
4. train staff and administrators to reduce reliance on these interventions; and
5. develop uniform rules or regulations for using the interventions on any student.

Background — Transforming Children's Behavioral Health Policy and Planning Committee

By law, the Transforming Children's Behavioral Health Policy and Planning Committee evaluates the prevention, early intervention, and behavioral health treatment services available to children from birth to age 18 and makes recommendations on administering the behavioral health care system for children. Its members include, among others, certain legislative committee chairpersons and ranking members and executive branch officials (or their designees) and legislatively-appointed members with certain qualifications (CGS § 2-137).

§ 15 — BUILDING EDUCATIONAL RESPONSIBILITY WITH GREATER IMPROVEMENT NETWORKS COMMISSION

Creates new study requirements for the BERGIN Commission related to special education; generally extends the commission's end date to July 1, 2030; adds 20 additional members to the commission

PA 23-167 created the Building Educational Responsibility with Greater Improvement Networks (BERGIN) Commission to study education funding, accountability measures, financial reporting adequacy, and financial impact to school boards of certain education programs (e.g., magnet school programs).

The act expands the commission's study responsibilities to include the following special education-related topics: the need for new programs and services, peer review of special education programs, Tier 2 interventions, the Connecticut

Special Education Data System (CT-SEDS), respite care access, delivery effectiveness and acknowledgment of meeting standards, the proposed statewide workload analysis model, and service qualification under Medicaid and private insurance. Under the act, reports on these studies are due by December 1, 2026, and must include findings and recommendations. The act allows the commission to form subcommittees to meet these new responsibilities.

The act also extends the due dates of two reports related to the commission's existing study requirements as shown in the table below.

Extended Report Submission Deadlines

Topic	*Recipient*	*Prior Deadline*	*New Deadline*
Education funding for school boards, charter schools, and interdistrict magnet schools	Appropriations and Education committees	February 1, 2024	January 15, 2026
Alliance districts and charter schools	Education Committee	January 15, 2025	January 15, 2026

Under the act, SDE must comply with all data and information requests made by the commission to make the reports required by the act and existing law.

Corresponding to the act's new and extended reporting requirements, the act postpones the commission's end date to the later of when it submits its last report or July 1, 2030, instead of the later of the last report's submission or July 1, 2025.

Previously, the BERGIN commission's members included the House speaker, Senate president pro tempore, SDE commissioner, and OPM secretary (or their designees) and 16 members appointed by legislative leaders. The act adds 20 more members to the commission, including various professionals in the special education field, to be appointed by legislative leaders and the SDE commissioner by July 23, 2025.

EFFECTIVE DATE: Upon passage

New Special Education Studies and Related Reports

Need-Based Special Education. The act requires the commission to do a needs-based study to determine if additional special education programs and services are required to meet statewide demand. It also requires the commission to develop and recommend a new methodology for SDE, in consultation with OPM, to use when reviewing applications from special education private providers to become approved providers (e.g., application and applicant criteria).

To make the determination about additional programs and services, the act requires the commission to review approved and nonapproved public and private special education schools and their offered programs and services, including whether they have a waitlist for these services.

The act requires a report on the study to be submitted to OPM, SDE, and the Appropriations and Education committees.

Peer Review Processes for Special Education. The act requires the commission to study and consider recommendations for creating a peer review process for the special education program in each school district. The process must assess each district periodically and identify best practices for use in other districts with similar special education and student needs. The report for this study must be submitted to SDE and the Education Committee.

Tier 2 Interventions. The act requires the commission to (1) examine the use and implementation of Tier 2 interventions of multitiered systems of supports and scientific research-based interventions in public schools; (2) identify the potential benefits of, or barriers to, implementing them; and (3) make recommendations on improving the implementation. Tier 2 interventions are for students who fail to accomplish the learning benchmarks of Tier 1 (foundational academic) instruction. They consist of short-term, specialized, and typically research-based supports, in addition to Tier I instruction.

As part of the examination, the commission must consider at least the following:

1. requiring SDE to revise existing guidelines to include current research and best practices;
2. requiring mandated training and certification of staff supervising and using these interventions;
3. requiring reading intervention, if the main issue is reading-related, before a special education placement is made; and
4. methods to incentivize school boards to hire more reading intervention teachers.

The commission must submit a report on the study to SDE and the Appropriations and Education committees.

Changes to CT-SEDS. The commission must also review and recommend changes to CT-SEDS, including considering its (1) accessibility and usability by educators, parents, guardians, and students and (2) requirements that exceed statutory and regulatory requirements for IEPs. The recommendations can be developed, in part, based on the findings of SDE's report on CT-SEDS (see § 17 below). The commission must report on the review to SDE and the Education Committee.

Respite Care Access. The act requires the commission to (1) study the access to respite care for families of children with disabilities and (2) submit a report about it to SDE and the Education and Public Health committees. Under the act, the report must (1) assess current respite services availability, (2) identify access and delivery gaps, and (3) evaluate how respite care supports families in keeping children with disabilities safe at home and in their communities.

Delivery Effectiveness and Acknowledgment of Meeting Standards. The act requires the commission to make recommendations for (1) standards for measuring special education delivery effectiveness by school boards and (2) how to publicly acknowledge school districts that consistently meet or exceed these standards, and those that fail to do so. The commission must submit a report on the study to SDE and the Education Committee.

Statewide Workload Analysis Model. The act requires the commission to review and make recommendations for legislation on the implementation of the proposed statewide special education workload analysis model (see § 16 below). The commission must submit a report on the study to the Education Committee.

Service Qualification Under Medicaid and Private Insurance. The act requires the commission, in consultation with Office of Health Strategy, Office of the Healthcare Advocate and Department of Social Services, to study whether certain special education services can be billed to Medicaid or other private insurance. The commission must submit a report on the study to the Education and the Human Services, Insurance and Real Estate committees.

Additions to the Commission's Membership

The act adds 20 members to the BERGIN Commission's membership, who must be appointed by July 23, 2025. These additional members include:

1. three appointed by the House speaker, including a parent of a child receiving special education services, a Disability Rights Connecticut representative, and an individual who can be a General Assembly member;
2. three appointed by the Senate president pro tempore, including a parent of a child receiving special education services, a Connecticut Association of Public School Superintendents representative, and an individual who can be a General Assembly member;
3. three appointed by the House majority leader, including a parent of a child receiving special education services, a special education teacher who is also a Connecticut Education Association member, and an individual who can be a General Assembly member;
4. three appointed by the Senate majority leader, including a special education teacher who is also an American Federation of Teachers-Connecticut member, a Connecticut Council of Administrators of Special Education representative, and an individual who can be a General Assembly member;
5. three appointed by the House minority leader, including a parent of a child receiving special education services, a special education teacher who is also an American Federation of Teachers-Connecticut member, and an individual who can be a General Assembly member;
6. three appointed by the Senate minority leader, including a Connecticut Association of Private Special Education Facilities representative, a special education teacher who is also a Connecticut Education Association member, and an individual who can be a General Assembly member; and
7. two designated by the SDE commissioner.

§ 16 — SPECIAL EDUCATION WORKLOAD ANALYSIS MODEL

Requires SDE to develop a proposed statewide special education workload analysis model for teachers and school service providers and submit it to the BERGIN Commission and Appropriations and Education committees by July 1, 2026

The act requires SDE, in consultation with the BERGIN Commission and the OPM secretary, to develop a proposed statewide special education workload analysis model for teachers and school service providers implementing student IEPs. Under the act, "workload" is the number of students with an IEP that a teacher or provider is responsible for and the time required to implement each one.

The model must set standards that limit the teachers' and providers' workloads and have provisions on the:

1. severity of the student's needs in the IEP;
2. level and frequency of services needed for a student to meet the IEP's goals and objectives; and
3. time required for planning services, evaluations (including classroom observations), coordination of services, staff development, follow-up, and traveling to and from different locations to provide special education and related services.

By July 1, 2026, SDE must submit the proposed statewide workload analysis model to the BERGIN Commission and the Appropriations and Education committees. It must also make the proposed model available through CT-SEDS by September 1, 2026.

§ 17 — SDE REPORT ON CT-SEDS

Requires SDE to develop a report on the functions of CT-SEDS and submit it to the BERGIN Commission and Education Committee by January 1, 2026

The act requires SDE to develop a report on CT-SEDS's functions. The report must:

1. explain each field in the data system's purpose, how the data and information in each field is used, and how each field relates to student outcomes and
2. identify which fields or collected data and information in the system exceed the requirements of the federal IDEA.

By January 1, 2026, SDE must submit the report to the BERGIN Commission and the Education Committee.

§§ 18 & 19 — DUE PROCESS HEARINGS

Makes several changes on due process hearings, including (1) generally requiring all claims to be disclosed before the start of the hearing, (2) requiring hearing officers to consider all evaluations presented, (3) generally limiting hearings to four days' duration, and (4) requiring hearing officers' written decisions to include specific findings of fact related to educating students with disabilities with their nondisabled peers

The federal IDEA and related state statute and regulations establish procedures for resolving special education-related disputes between school districts and parents or guardians, including the right to request and receive a due process hearing before an SDE-appointed impartial hearing officer.

Parents or guardians may make a written request for one of these hearings if a school district (1) proposes or initiates a change in a child's identification, evaluation, or educational placement, or refuses to change or initiate such a change, or (2) refuses or fails to provide FAPE to the child. School boards may similarly request this hearing, including for instances when a parent or guardian refuses consent for special education evaluations (34 C.F.R. § 300.507(a) and CGS § 10-76h(a) & (b)). The act makes several changes to due process hearing procedures.

Disclosure in Prehearing Conferences

By law, parties in a dispute must (1) participate in a prehearing conference to resolve the issues, if possible, and to narrow the scope and (2) disclose specified information at least five business days before the hearing.

Existing law requires parties to disclose (1) documentary evidence they will present at the hearing, (2) a list of witnesses they plan to call at the hearing, and (3) all completed evaluations and recommendations based on the offering party's evaluations that they will use at the hearing. The act additionally requires the parties to disclose all claims they will raise at the hearing and allows a hearing officer to bar parties from raising those they did not.

Weighing Evaluations

By law, hearing officers must hear all testimony relevant to the dispute by the party requesting the hearing and any other directly involved party. Officers may hear additional testimony they deem relevant. The act specifies that the hearing officers must consider all evaluations presented and used during the hearing.

Length of Hearing

The act requires hearing officers to limit the time period for offering testimony and arguments to four days, unless there is good cause for presenting additional testimony or arguments. The hearing officer must issue a written decision to allow additional testimony or arguments.

Hearing Officer Decision

Under existing state law, a due process hearing officer has the authority to:

1. confirm, modify, or reject a student's identification, evaluation, or educational placement or the provision of FAPE to the student;
2. determine the appropriateness of educational placements where the parent or guardian (or child, in some circumstances) has placed the student in a program other than the one prescribed by the PPT (known as "unilateral placement"); or
3. prescribe alternative special education programs for the student.

The federal IDEA requires hearing officers to make decisions on substantive grounds based on a determination as to whether the student received FAPE (20 U.S.C. § 1415 (f)(3)(E)(i)), and state law requires the decision to be issued in writing, generally within 45 days after the hearing begins. The act requires this written decision to include specific findings of fact that generally relate to IDEA's requirement that a student be educated in the least restrictive environment (LRE, see *Background — Least Restrictive Environment*). Specifically, the decision must have findings of fact determining:

1. whether the district has made reasonable efforts to accommodate the child in a regular classroom;
2. the educational benefits available to the child in a regular classroom (with appropriate supplementary aids and services), compared to the benefits of being in a special education classroom;
3. whether the child's inclusion in the classroom may have negative effects on classmates' education; and
4. whether the school has included the child in programs with nondisabled students to the maximum extent appropriate.

Background — Least Restrictive Environment

The IDEA requires that students with disabilities be educated with their nondisabled peers to the maximum extent appropriate; this is known as the LRE requirement. Special classes, separate schooling, or other removal of students with disabilities may happen only if the nature or severity of a student's disability makes it so that education in a regular classroom environment cannot be achieved satisfactorily with supplementary aids and services (20 U.S.C. § 1412 (a)(5); 34 C.F.R. § 300.114(a)).

§ 20 — SPECIAL EDUCATION PROGRAM SUPERVISION

Specifies that the education commissioner supervises approved private special education providers

By law, the education commissioner approves and supervises programs and facilities in any agency or school that provides training for children requiring special education and that receive state funds. The act specifies that this includes the commissioner supervising approved special education private providers. It also makes conforming changes.

§ 21 — CHANGES TO THE IEP FORM

Requires SDE to remove the portion of the state's IEP form that is used to list the people who will implement the IEP

The act requires SDE, by January 1, 2026, to update the state's IEP form to remove the requirement to list the people who will implement the IEP.

§ 22 — SPECIAL EDUCATION AND EXCESS COST GRANT PROJECTIONS DATA REPORTING

Requires SDE to (1) annually make certain disaggregated, student-level, and statewide data available on its website and (2) submit excess cost grant projections to the Appropriations and Education committees and the Office of Fiscal Analysis on January 30 and March 30 each year

Data Posting

Starting by February 28, 2026, the act requires SDE to annually make certain disaggregated, student-level, and statewide data available on its website. The act specifies that the data must exclude any personally identifiable information and comply with the FERPA.

The act requires SDE to post disaggregated data on the special education and expansion development grant the act creates (see § 7 above), specifically the (1) total number of special education students statewide and in each district, (2) state aid percentage, and (3) total grant each school board received.

Under the act, SDE must post student-level data on students included in each school board's December 1 filing for the excess cost grant. The data must at least include:

1. the school district;
2. its net current expenditures per pupil threshold and total anticipated costs above this threshold;
3. the total anticipated costs for transportation, tuition, and room and board (if any);
4. the facility code; and
5. grant type category.

SDE must also post statewide student population data on students included in the excess cost grant filings, including the:

1. number of students by multilingual learner status, qualifying primary disability, and facility;
2. number of students in the age categories of (a) 3 and 4, (b) 5 to 12, (c) 13 to 18, and (d) 19 and older; and
3. average number of tuition days.

Excess Cost Grant Projections

The act requires SDE to submit excess cost grant projections to the Appropriations and Education committees and the Office of Fiscal Analysis twice each year, on January 30 and March 30, with the first submissions due in 2026. Specifically, it must submit:

1. the total amount each school board is eligible to be paid under the excess cost grant program;
2. each board's net current expenditures per pupil threshold, tier reimbursement percentage, and capped payment amount;
3. the number of students with expenses projected to exceed 4.5 times the net current expenditures per pupil threshold, for each board and statewide; and
4. the number of students with expenses projected to exceed three times the board's net current expenditures per pupil threshold for each child the board previously outplaced, but for whom the board is now providing direct in-district special education and related services without the assistance of a third-party contractor who is not employed by the board.

§ 23 — DYSLEXIA REPORT

Requires the Office of Dyslexia and Reading Disabilities to report to the Education Committee on recent developments and best practices on dyslexia evaluations, interventions, and student outcomes and on teacher preparation capacity

The act requires the Office of Dyslexia and Reading Disabilities within SDE to develop a report on (1) recent developments and evidence-based best practices pertaining to dyslexia evaluations, interventions, and student outcomes in the state and (2) capacity of in-state public and independent higher education institutions to prepare current and aspiring elementary school educators with structured literacy teaching skills. The commissioner must submit the report to the Education Committee by February 1, 2026.

§ 25 — TRANSITIONAL COLLEGE READINESS AND REMEDIAL SUPPORT PROGRAM OFFERINGS AT HIGHER EDUCATION INSTITUTIONS

Requires the Board of Regents for Higher Education to continue offering certain transitional college readiness, embedded remedial support, and intensive remedial support programs at the state's public higher education institutions (PA 25-99 narrows this provision to only one academic year)

The act requires the Board of Regents for Higher Education (BOR) to continue offering, for the fall 2025, spring 2026, and each following semester, every transitional college readiness, embedded remedial support, and intensive remedial support program that they offered at public higher education institutions in the fall 2024 and spring 2025 semesters. (PA 25-99, § 8, narrows this provision by requiring BOR to do so only for the fall 2025 and spring 2026 semesters.)

§ 26 — PRIVATE PROVIDER ENROLLMENT REPORT

Requires special education private providers to submit an annual report on their enrollment to SDE

Beginning January 1, 2026, the act requires approved special education private providers to annually submit a report to SDE on their enrollment, including the:

1. total number of enrolled students;
2. total number of enrolled students organized by each student's state of residence, or prior residence in the case of a residential facility; and
3. special education services provided organized by state of residence.

Additionally, if the provider has a waiting list, the provider must report similar information as described above for students on the waiting list.

Under the act, beginning by February 1, 2026, SDE must annually submit the enrollment data compiled from the reports to OPM, the Office of Fiscal Analysis, and the Appropriations, Education, and Government Oversight committees.

PA 25-93—sSB 1
Education Committee
Judiciary Committee
Appropriations Committee

AN ACT INCREASING RESOURCES FOR STUDENTS, SCHOOLS AND SPECIAL EDUCATION

TABLE OF CONTENTS:

§§ 1-14 & 43 — EARLY CHILDHOOD EDUCATION ENDOWMENT

Establishes the Early Childhood Education Endowment, funds it with transfers of unappropriated surplus, and requires the state treasurer to administer it; creates an advisory board to oversee the endowment's administration; specifies the amount that may be released from the endowment each fiscal year and how those funds may be spent

§ 15 — HEALTH INSURANCE SUBSIDY PROGRAM FOR EARLY CARE AND EDUCATION EMPLOYEES

Requires Access Health CT to study the need for, and then establish, a health insurance subsidy program for FY 27 for employees of early care and education programs; sets requirements for the program and a process for potential funding through the Early Childhood Education Endowment

§ 16 — PRIVATE SPECIAL EDUCATION PROVIDER CONTRACT REQUIREMENTS

Adds new requirements for contracts with private special education providers and conditions on expenditures to be eligible for reimbursement; authorizes placements in nonapproved facilities under certain conditions and specifies when they are eligible for state reimbursement

§ 17 — NEW SPECIAL EDUCATION GRANT FUNDS EXEMPTED FROM SCHOOL DISTRICT MINIMUM BUDGET REQUIREMENT

Exempts in-district or regional special education programming grants from a school district's MBR calculation

§ 18 — TRANSPORTATION ROUTE MAPPING

Requires SDE to conduct an RFI for contractors to create and annually update bus routes for special education students traveling to and from outplacements in the state

§ 19 — NEW COMPETITIVE GRANT TO SUPPORT IN-DISTRICT OR REGIONAL SPECIAL EDUCATION PROGRAMS

Starting in FY 27, creates a new competitive grant program to support in-district and regional special education programs and services; allows school boards to use funds to, among other things, improve existing in-district programs or create new in-district or regional programs for students currently enrolled with private special education providers

§ 20 — CREATION OF SPECIAL EDUCATION PROGRAMS LIST

Requires SDE to create, annually update, and post on its public database a list of certain special education programs throughout the state

§ 21 — CRIMINAL BACKGROUND CHECKS FOR PRIVATE PROVIDER EMPLOYEES

Requires private special education providers to do employee and prospective employee criminal background checks and take related steps

§ 22 — STAFFING CHANGES NOTIFICATIONS

Requires RESCs and private special education providers to notify parents or legal guardians, school boards, and SDE about certain special education staffing changes

§ 23 — MODEL TRANSPORTATION CONTRACT FOR SPECIAL EDUCATION OUTPLACEMENTS

Requires SDE to establish a special education transportation service model contract

§ 24 — SPECIAL EDUCATION FAMILY GUIDE

Requires SDE, in consultation with the Connecticut Parent Advocacy Center, to develop a guide to help families understand special education laws and process

§ 25 — SPECIAL EDUCATION TRAINING, EDUCATION, AND TESTING GRANT PROGRAM

Requires SDE to administer a special education training, education, and testing competitive grant program to give grants to educators and paraeducators who commit to working in an alliance district school for three years

§ 26 — BEHAVIORAL HEALTH SUPPORT SERVICES GRANT PROGRAM

Requires SDE to establish a grant program to help school boards provide support services for special education students who have experienced trauma or have behavioral health needs

§ 27 — OFFICE OF THE EDUCATIONAL OMBUDSPERSON

Establishes the Office of the Educational Ombudsperson to serve students and families from early childhood to adult education; places the office under the direction of a commissioner-appointed ombudsperson and requires it, among other duties, to receive, review, and try to resolve any complaints from students and families

§§ 28 & 29 — INSTRUCTIONAL SUPPORT PARTNERS

Requires school boards to hire or designate an instructional support partner in every school or school building beginning in the 2026-27 school year (PA 25-174 removes the requirement to hire or designate a support partner, instead giving boards discretion to hire or designate one); gives instructional support partners various responsibilities to support teaching staff and students with disabilities and requires them to spend at least 50% of their time performing this position's duties; requires SDE to host quarterly instructional support partner trainings

§ 30 — STUDY ON OVER-IDENTIFICATION OF MINORITY STUDENTS FOR SPECIAL EDUCATION SERVICES

Requires SDE to do a study on the disproportionate or over-identification of minority students for special education services

§ 31 — PRESENTATION OF SDE FIVE-YEAR PLAN UPDATES

Requires (1) the education commissioner to make an annual presentation on the progress of SBE's five-year plan, (2) SBE to use the presentations to inform the plan's implementation, and (3) the progress reports to be published online

§ 32 — SUPERINTENDENTS' ANNUAL REPORT TO BOARD OF EDUCATION

Requires all superintendents to submit information on their district's contracts, workforce development programs, and staff turnover annually to their school board

§ 33 — POSTING DISCONNECTED YOUTH REPORT ONLINE

Requires any state agency that contributes data to the disconnected youth report to post the report on its website

§ 34 — UPDATES TO SDE'S CHRONIC ABSENTEEISM PREVENTION AND INTERVENTION PLAN

Expands SDE's chronic absenteeism prevention and intervention plan by incorporating additional required and permissible components and requiring SDE to review the plan twice a year

§§ 35-37 — UNSPENT FUND ACCOUNT AND EDUCATIONAL EXPENDITURES RESERVE FUND UPDATES

Requires local school boards to create a report on nonlapsing, unspent funds and include similar information in an existing report; similarly updates requirements related to regional school board educational expenditures reserve funds

§§ 38 & 39 — CONTACTING LOCAL HOMELESS EDUCATION LIAISONS BEFORE EXPULSION AND SUSPENSION HEARINGS

Requires districts to contact their local homeless education liaisons prior to an expulsion or suspension hearing to determine if the student is homeless

§ 40 — EARLY CHILDHOOD CABINET MEMBERSHIP

Adds a library consortium member to the Early Childhood Cabinet

§§ 41 & 42 — PHASE-OUT OF COMMISSIONER'S NETWORK OF SCHOOLS

Sunsets the education commissioner's network of schools program by prohibiting more schools from being added to the program after July 1, 2025; permits schools already participating to finish their three-year terms without any extensions (PA 25-175 amends this to allow schools already participating to continue for an additional year or two as allowed under prior law)

SUMMARY: This act makes numerous changes to the education statutes as described in the section-by-section analysis below.
EFFECTIVE DATE: July 1, 2025, unless otherwise stated below.

§§ 1-14 & 43 — EARLY CHILDHOOD EDUCATION ENDOWMENT

Establishes the Early Childhood Education Endowment, funds it with transfers of unappropriated surplus, and requires the state treasurer to administer it; creates an advisory board to oversee the endowment's administration; specifies the amount that may be released from the endowment each fiscal year and how those funds may be spent

Starting July 1, 2025, the act establishes the Early Childhood Education Endowment, funds it with transfers of estimated unappropriated surplus, and requires the state treasurer to administer and invest the money in it. The act also repeals the Early Childhood Care and Education Fund and the related advisory commission. Prior law established this fund to support early childhood education and child care needs, but it was never funded.

The act also creates the Early Childhood Education Endowment Advisory Board to oversee the endowment's administration, specifies how funds may be released from the endowment and how the Office of Early Childhood (OEC) may use them, and requires analyses of the endowment fund's impact.
EFFECTIVE DATE: Upon passage, except a conforming change (§ 14) is effective July 1, 2025.

Transfers to the Endowment (§ 2)

By June 30 each fiscal year, the act requires the treasurer to transfer the estimated amount of current unappropriated surplus, determined by the Office of Policy and Management (OPM) between June 15 and June 30, from the General Fund to the Early Childhood Education Endowment as follows:

1. for FY 25, up to $300 million and
2. for FY 26 and beyond, the entire amount, unless the OPM secretary estimates that the Budget Reserve Fund (BRF) is below its maximum threshold.

If the BRF is estimated to be below 18% of net General Fund appropriations for the upcoming fiscal year (i.e. below its maximum threshold), the transfer must be reduced by the lesser of (1) the amount necessary to increase the BRF to its maximum threshold or (2) the maximum amount of projected surplus. After the reduction, an amount equal to the reduction must be transferred to the BRF.

Under existing law, whenever the comptroller determines that there is a deficit for the immediately preceding fiscal year, funds credited to the BRF are deemed appropriated to fund the deficit. Under the act, before this appropriation occurs, the amount necessary to fund the deficit must be deducted from the amount transferred to the endowment in the preceding fiscal year and credited to the General Fund effective June 30 of the previous fiscal year. If the deficit exceeds the amount transferred in that year, no additional funds from the body of the endowment may be used to fund the deficit.

Release of Endowment Funds and Permissible Uses (§§ 3 & 4)

The act requires the treasurer, in consultation with the Early Childhood Education Endowment Advisory Board, to annually authorize release to OEC of up to (1) 12% of the endowment's total funds for FY 26 and FY 27 and (2) 10% of the total funds for FY 28 and each fiscal year after. The OEC commissioner must spend the released funds as the act requires.

The act specifies how the OEC commissioner may spend these funds each fiscal year, splitting the funds between administrative costs, the health insurance subsidy for early care and education employees (see § 15), expansion costs, and programmatic costs (see table below). Endowment funds must supplement but not supplant any other local, state, or federal funds available for early childhood care and education.

Permissible Use of Released Endowment Funds, by FY

FY	*Administrative Costs*	*Health Insurance Subsidy*	*Expansion and Programmatic Costs*
26	Up to 8% of released amount	$300,000	Remaining balance
27	Up to 12% of released amount	$10 million	Remaining balance
28 and after	Up to 7% of release amount	Remaining balance	

Under the act:

1. administrative costs include (a) personnel costs (such as salaries and fringe benefits for treasurer's office employees who administer the endowment and OEC and State Department of Education (SDE) employees who administer programs that use endowment funds), (b) stipends to parent and program provider members of the Early Childhood Education Endowment Advisory Board (see below), and (c) data and technology (such as payment or parent enrollment portals and memoranda of understanding between OEC and agencies related to child care);
2. expansion costs include expenses to increase early care and education program provider payment rates, increase equitable access and affordability of high-quality early childhood education, extend hours or days of operation, or sustain services previously funded by the endowment; and
3. programmatic costs include those for parent and early care and education program enrollment campaigns, local governance partners, needs assessment technical assistance, facilities program technical assistance, and workforce recruitment and educator scholarships in line with the early childhood priorities of the advisory board and OEC.

Under the act, released endowment funds (1) must not be commingled with state or federal funding received under the child care development block grant and (2) do not lapse if OEC does not spend them and instead revert to the endowment.

Other Spending Conditions (§§ 5, 6 & 9)

Starting in FY 26, the act allows OEC to give released endowment funds to early care and education programs providing child care services or preschool programs operated by school boards that are (1) receiving financial assistance under the Early Start CT program, (2) participating in OEC's quality improvement system, and (3) participating in the federal Child and Adult Care Food Program (unless OEC has granted the program a waiver for participation) or are preschool programs providing free or reduced price lunch.

Beginning July 1, 2027, the act requires that 35% of expanded spaces in early care and education programs funded by the endowment be infant and toddler spaces.

The act also requires OEC, starting July 1, 2026, to submit recommendations to the Early Childhood Education Endowment Advisory Board on indicators for prioritization in a competitive procurement process when considering programs for expansion costs.

Family Contributions for Programs Receiving Funds (§ 7)

Starting with FY 28, the act limits the amount that families must pay for child care services from early care and education programs receiving endowment funds. More specifically, under the act:

1. families with annual gross income under $100,000 are not financially responsible for child care costs and
2. families with incomes above that amount are financially responsible for an amount up to 7% of their income.

Any family contribution a program collects must be reported as OEC prescribes, and the amount must be deducted from the overall rate OEC pays to the program and settled in reconciliation.

Early Childhood Education Endowment Advisory Board (§ 8)

The act establishes the Early Childhood Education Endowment Advisory Board, places it within the treasurer's office for administrative purposes only, and makes it responsible for:

1. overseeing the endowment's administration;
2. ensuring endowment funds are spent according to the act;
3. reviewing all reports and spending plans on the endowment submitted by the treasurer or OEC commissioner;
4. reviewing and assessing the outcomes from spending endowment funds; and
5. preparing and submitting reports and recommendations to the legislature about the endowment's administration and permitted expenditures, including any recommendations for expanding allowed expenditures.

The board consists of (1) the OEC commissioner, the treasurer, the education commissioner, and the OPM secretary, or their designees, and (2) 12 appointed members meeting certain qualifications, as shown in the table below.

Appointed Board Members

Appointing Authority	*Number*	*Qualification*
House Speaker	Two	• OEC parent cabinet member • House member
Senate President Pro Tempore	Two	• Family child care home licensee • Senate member
House Majority Leader	Two	• Early childhood educator • Parent or guardian of a child receiving birth to three services
Senate Majority Leader	Two	• Representative of a philanthropic organization engaged in early childhood or child care issues in the state • Special education teacher or administrator in a public preschool program providing services under the Individuals with Disabilities Education Act
House Minority Leader	One	Representative of a child care center
Senate Minority Leader	One	Preschool educator employed by a local or regional board of education
Governor	Two	• Representative of a corporation with a significant physical presence in the state whose employees may benefit from early childhood education and state child care initiatives • Representative from the Head Start program

Appointments and Meetings. The act requires the various appointing authorities to make appointments to ensure representation for all geographic regions in the state, to the extent practicable, and to make initial appointments by

September 1, 2025. Members serve at the pleasure of the appointing authority, but no longer than the appointing authority's term of office or until the member's successor is appointed and qualified, whichever is longer. Vacancies must be filled by the appointing authority, and any vacancy that occurs other than by a term expiring must be filled for the rest of the unexpired term. Members serve without compensation, but parent and program provider members may receive a stipend for serving.

Under the act, the OEC commissioner or her designee, House member, and Senate member jointly serve as the board chairpersons and must schedule and hold the first meeting by October 1, 2025. The board must meet at least quarterly and host a public hearing before completing its annual report. At the first meeting, and semiannually after that, the treasurer (or his designee) must give the board an actuarial chart that includes a review of the total amount of the endowment's funds, the health of its investments, its anticipated growth, and any recommended models for the timing and rate of drawing down from the endowment.

Annual Report. Starting by January 1, 2026, the board must annually report to the Appropriations; Children; Education; and Finance, Revenue and Bonding committees on (1) the endowment's financial health and actuarial future based on information from the treasurer; (2) expenditures from the endowment; (3) status updates of early care and education programs, early childhood educators, families, and children served; and (4) recommended legislation.

Impact Analysis (§§ 10 & 11)

The act requires OEC, by January 1, 2032, and every five years after that, to prepare an impact analysis on the endowment's operations and the effects that spending from the endowment has had on early child care availability, affordability, and quality. It must include a report on the endowment's solvency prepared by the treasurer and an analysis of the effect of endowment spending on:

1. early care and education programs receiving assistance under Early Start CT,
2. early care and education programs not receiving state financial assistance,
3. families' access to early care and education programs receiving assistance under Early Start CT,
4. tuition and family contribution rates,
5. early childhood educator salaries and benefits, and
6. statewide child care demand.

By July 1, 2031, OEC must submit the impact analysis to the advisory board and the Appropriations; Children; Education; and Finance, Revenue and Bonding committees.

After receiving the impact analysis, and after consulting with the treasurer about the endowment's solvency, the advisory board must develop recommendations on expanding the allowed endowment expenditures. By January 1, 2032, the advisory board must submit the recommendations to the Appropriations; Children; Education; and Finance, Revenue and Bonding committees.

Endowment Requirements (§§ 1 & 12-14)

Under the act, the endowment is an instrumentality of the state performing essential governmental functions. It receives and holds all deposits, contributions, gifts, bequests, endowments, government grants, and other sources of funds, and the earnings on those funds, until released as the act requires.

The act requires that deposits be made in cash and specifies that the endowment is not a state department, institution, or agency, and the state has no claim on endowment funds. The endowment must continue to exist as long as it has deposits or obligations and until terminated by law. Unclaimed assets return to the state upon the endowment's termination, and the act exempts the endowment's property from the law for determining when property held by a fiduciary is considered abandoned.

Under the act, any contract entered into by the endowment, or any obligation of the endowment, is not a state debt or obligation, and the state has no obligation on account of the endowment. Amounts to be paid from the endowment are limited to the amounts deposited in the endowment that are available for the payments. The endowment's deposits may be disbursed only in accordance with the act.

Treasurer's Authority and Powers. Under the act, the state treasurer must receive, maintain, administer, invest, and disburse the endowment's money. On behalf of the endowment and to carry out its purposes, he may:

1. receive and invest the endowment's money as described below;
2. enter into contractual agreements for services for the endowment (such as legal, actuarial, administrative, and consulting agreements) and pay for them with the endowment's assets;
3. get insurance in connection with the endowment's property, assets, activities, or deposits;
4. apply for, accept, and spend public or private gifts, grants, or donations;

5. adopt regulations;
6. sue and be sued;
7. establish funds within the endowment; and
8. take other necessary actions to carry out the act's purposes and incidental to the treasurer's duties under the act.

Memorandum of Understanding. The act requires the treasurer, on the endowment's behalf and for its purposes, to enter into a memorandum of understanding (MOU) with the OEC commissioner to establish information sharing practices for implementing the act's provisions. This MOU must comply with all applicable state and federal laws.

Investment. The act requires the state treasurer to (1) invest the endowment's funds in a reasonable way to achieve its objectives and (2) exercise a prudent person's care and discretion. These requirements apply regardless of existing state laws on the treasurer's investment authority, including the (1) requirement that the treasurer's trust fund investments be reviewed by the Investment Advisory Council and (2) statutory constraints that limit the percentage of state funds invested in common stock and investments in companies doing business in specified countries.

Under the act, the treasurer must consider things like rate of return, risk, maturity, portfolio diversification, liquidity, projected disbursements and expenditures, and expected payments, deposits, and other gifts. The treasurer must not require that the endowment invest in government bonds or other funds he administers. The act requires that the endowment's assets be continuously invested and reinvested, consistent with the endowment's objectives, until they are disbursed for eligible expenditures or spent on the endowment's operational expenses.

It also explicitly subjects the treasurer's endowment investments to the same oversight and requirements that the law establishes for other treasurer-administered funds, such as the Teachers' Pension Fund, the State Employees Retirement Fund, and the Connecticut Municipal Employees' Retirement Fund.

§ 15 — HEALTH INSURANCE SUBSIDY PROGRAM FOR EARLY CARE AND EDUCATION EMPLOYEES

Requires Access Health CT to study the need for, and then establish, a health insurance subsidy program for FY 27 for employees of early care and education programs; sets requirements for the program and a process for potential funding through the Early Childhood Education Endowment

The act requires the Connecticut Health Insurance Exchange (i.e. Access Health CT) to study the need for, and then establish, a health insurance subsidy program for FY 27 for employees of early care and education programs. The act establishes several steps to accomplish this. An early care and education program is a child care services program licensed by OEC.

Study

By January 1, 2026, Access Health CT must study the need for a health benefit plan for early care and education employees to model and estimate the cost of a health insurance subsidy program that would serve them. A health insurance subsidy is a portion of the remaining balance of a qualified health plan's cost after all available income tax credits, employer contributions, and other subsidies are applied.

The study must include, at a minimum, using OEC data and other resources to assess (1) the employee population size and demographics, (2) the number of employees without a health benefit plan coverage, and (3) any other information required to effectively estimate the program cost.

Health Insurance Subsidy Program

For FY 27, Access Health CT and OEC must jointly establish a health insurance subsidy program for early care and education employees using the model required under the act. The act requires the program to allow employees to apply to Access Health CT for a health insurance subsidy that is applied to the cost of a qualified health plan purchased through Access Health CT, whether it is an individual health plan, an employer reimbursement arrangement authorized by federal law, or an employer-provided group health plan. Access Health CT and OEC must jointly develop eligibility criteria for the subsidy that, at a minimum, includes the employee (1) being ineligible for Medicaid and (2) applying for and accepting all available income tax credits, employer contributions, and other applicable health plan subsidies.

The amount of the subsidy will be applied directly to the cost of a qualified benefit plan and cannot be distributed to a participant. A "qualified health plan" is a plan that meets the criteria of the federal Affordable Care Act.

Access Health CT must post the eligibility requirements and the application forms for the subsidy program in a conspicuous location on its website.

Cost and Funding Development

The act requires, by May 1, 2026, Access Health CT to submit a recommendation to the Early Childhood Education Endowment Advisory Board (see § 8 above) for the FY 27 health insurance subsidy amount for participants. The recommendation must be based on the amount allocated for the subsidy in the Early Childhood Education Endowment (see § 1) and the estimated number of program participants for the fiscal year. The act requires the Early Childhood Education Endowment Advisory Board to approve or modify the recommendation by June 30, 2026 (the last day of FY 26).

The act requires OEC to contract with community organizations to coordinate outreach activities for eligible employees to help them with getting health benefit plan coverage, whether through Medicaid or the health insurance subsidy program.

§ 16 — PRIVATE SPECIAL EDUCATION PROVIDER CONTRACT REQUIREMENTS

Adds new requirements for contracts with private special education providers and conditions on expenditures to be eligible for reimbursement; authorizes placements in nonapproved facilities under certain conditions and specifies when they are eligible for state reimbursement

Prior law allowed a school board, in order to meet its obligations to provide special education, to enter (1) an agreement with another school board to provide special education services or (2) a contract with a private special education provider. But it required the contract with the private provider to have certain provisions so the board would be eligible for state reimbursement for certain contract costs. The act keeps these provisions and adds new requirements for these agreements and contracts.

By law, a private special education provider is a private school or private agency or institution, including a group home, getting any state or local funds for providing special education services to any student with an individualized education plan (IEP) or for whom an individual services plan was written by the local school board responsible for the student.

Private Provider Contract Language

Under prior law, to be reimbursement eligible, the private provider contract had to, among other things, explain how the tuition or costs for services provided under the agreement or contract were calculated. The act requires the explanation to be about tuition, rates, and fees, rather than tuition and costs, and requires their calculation to follow the rate schedule developed under PA 25-67, § 3.

Conditions for Grant Reimbursements

Under prior law, a special education reimbursement under the excess cost grant had to include all expenditures a school board incurred under the private provider contract. The act additionally requires the expenditures to comply with the rate schedule from PA 25-67. It also applies this expenditure requirement to the new special education and expansion development grant PA 25-67, § 7 creates.

Nonapproved Facilities

Prior law allowed for a child to remain at a nonapproved facility if the planning and placement team (PPT) or a hearing officer determined that it was appropriate. The act specifies the determination must be based on whether (1) the placement provides an appropriate public education and (2) there is no other charging entity (i.e. provider) able to offer the child a placement that provides this education. It also allows a court to make this determination.

Under the act, expenses a school board incurs for a placement by a PPT in a nonapproved facility will not be reimbursed under the state's excess cost grant or the new special education and expansion development grant. But the cost of a placement made by a hearing officer or court order is eligible for funding under those two grants.

§ 17 — NEW SPECIAL EDUCATION GRANT FUNDS EXEMPTED FROM SCHOOL DISTRICT MINIMUM BUDGET REQUIREMENT

Exempts in-district or regional special education programming grants from a school district's MBR calculation

By law, when a town or school district receives additional state funding for education over what it received in the previous year, it must be added to the town's minimum budget requirement (MBR) for education. Generally, a town is

prohibited from decreasing its MBR for education from one year to the next and an increase in state grant funds cannot be used to decrease the town's financial support for education (there are certain statutory exceptions and flexibilities to this).

Beginning with FY 26, the act exempts a school district from including the amount it receives for the in-district or regional special education programming grant (see § 19) in its MBR calculation for the following fiscal year. Therefore, this grant will not increase a town's MBR.

§ 18 — TRANSPORTATION ROUTE MAPPING

Requires SDE to conduct an RFI for contractors to create and annually update bus routes for special education students traveling to and from outplacements in the state

The act requires SDE to conduct a request for information (RFI) from contractors with certain expertise in transportation route mapping. Specifically, the contractors must have the ability to either (1) create and annually update recommended coordinated bus routes for all special education students traveling to and from special education outplacements in the state or (2) provide access to software or a digital program that allows a state agency to do this.

The bus routes must (1) maximize efficiency and reduce the cost of providing special education and related services and (2) comply with state and federal law.

SDE must report, by July 1, 2027, on the results of the RFI to the Education and Transportation committees.

§ 19 — NEW COMPETITIVE GRANT TO SUPPORT IN-DISTRICT OR REGIONAL SPECIAL EDUCATION PROGRAMS

Starting in FY 27, creates a new competitive grant program to support in-district and regional special education programs and services; allows school boards to use funds to, among other things, improve existing in-district programs or create new in-district or regional programs for students currently enrolled with private special education providers

Purpose

Starting with FY 27, the act creates a new competitive grant program, which SDE must administer within available appropriations, to support in-district and regional special education programs and services for students with disabilities. School boards may use grant funds to:

1. enhance and improve existing in-district special education programs and services,
2. cover start-up costs for creating in-district or regional programs and services for students enrolled with a private provider of special education services, and
3. fund planning and operational expenses related to in-district or regional special education programs and services.

The act explicitly prohibits spending grant funds on special education programs or services provided through a contract with a third party or a private provider of special education services.

Application

Under the act, a school board seeking a grant must apply as SDE prescribes. SDE must develop an application form that must include (1) the program's location, (2) the student population who will be served, (3) the program's or service's staffing and professional development needs, (4) any needed assistive technology and materials or capital improvements, and (5) the program or service budget allocation.

Criteria

SDE must develop the criteria for reviewing and approving grants. It must be based on (1) increasing students' access to high-quality general education instruction and (2) enhancing in-district or regional programming (e.g., through unified classes and increased time with nondisabled peers) for students with intensive needs, including prioritizing applications from school boards for a town designated as an alliance district.

Reporting Requirements

Annually, beginning by September 30, 2027, the act requires any school board that received a grant in the previous fiscal year to submit to SDE a report assessing the grant's impact on student outcomes (including the increased time with

nondisabled peers across the district and the number of outplaced students) and district expenditures, and including any other information SDE requests.

Additionally, beginning by February 1, 2028, SDE must annually submit to the Education Committee a report assessing the grant's impact on student outcomes, including increased time with nondisabled peers and the number of outplaced students.

§ 20 — CREATION OF SPECIAL EDUCATION PROGRAMS LIST

Requires SDE to create, annually update, and post on its public database a list of certain special education programs throughout the state

The act requires SDE, in consultation with the Office of the Child Advocate, to develop a list of certain special education programs in the state by December 1, 2026, and then update it at least annually. The list must include all programs offered by a (1) regional educational services center (RESC), (2) SDE-approved special education private provider, or (3) local or regional board of education (school board) that accepts out-of-district placements.

The list must describe each program's physical location, services provided, ages served, and approved classroom size.

Under the act, beginning by January 15, 2027, SDE must (1) post the list to its online public database and (2) send it to each school board.

§ 21 — CRIMINAL BACKGROUND CHECKS FOR PRIVATE PROVIDER EMPLOYEES

Requires private special education providers to do employee and prospective employee criminal background checks and take related steps

The act adds private special education providers to the list of "nongovernmental school operators" that must require their employees and prospective employees to (1) undergo a check of the Department of Children and Families' (DCF) child abuse and neglect registry and (2) submit to state and national criminal history records checks. The criminal history records checks must be done following state law and the federal National Child Protection Act of 1993 and the federal Volunteers for Children Act of 1998. Among other things, the law allows a nongovernmental school operator to dismiss or terminate an employee if the background check reveals a conviction that the employee had not disclosed.

By law, nongovernmental school operators already include magnet school operators that are not school boards, charter schools, endowed academies that act as public schools, and special education facilities approved by the education commissioner. Approved special education facilities include many private providers, but some private providers are not approved.

§ 22 — STAFFING CHANGES NOTIFICATIONS

Requires RESCs and private special education providers to notify parents or legal guardians, school boards, and SDE about certain special education staffing changes

The act requires RESCs and private special education providers to notify (1) an affected student's parent or legal guardian; (2) the school board that placed a student with the RESC or private provider; and (3) SDE about any staffing changes, including vacancies, long-term (i.e. more than 10 consecutive school days) absences, and assignment of long-term substitutes, that impact how they provide special education services. This notification must be made in writing within five business days after the staffing change occurs and include information on (1) changes in services provided by specialists, (2) any change to student-to-teacher ratios, and (3) a plan to mitigate the staffing change's impact on students.

§ 23 — MODEL TRANSPORTATION CONTRACT FOR SPECIAL EDUCATION OUTPLACEMENTS

Requires SDE to establish a special education transportation service model contract

The act requires SDE to establish a model contract that school boards can use to contract with special education transportation service providers for transportation services to and from special education outplacements. SDE must make the model contract available to school boards by July 1, 2026.

§ 24 — SPECIAL EDUCATION FAMILY GUIDE

Requires SDE, in consultation with the Connecticut Parent Advocacy Center, to develop a guide to help families understand special education laws and process

The act requires SDE, by July 1, 2026, and in consultation with the Connecticut Parent Advocacy Center, to develop, annually update, and post on its website a special education family guide to help parents and guardians understand special education laws and process. The guide must explain the following:

1. the allowable number of days to diagnose a student as requiring special education or related services and hold an initial PPT meeting,
2. the consequences for a school district that fails to (a) meet deadlines for diagnosing a student and holding the first PPT meeting or (b) include appropriate administrators in the PPT process, and
3. options available if an in-home tutor does not attend tutoring sessions.

§ 25 — SPECIAL EDUCATION TRAINING, EDUCATION, AND TESTING GRANT PROGRAM

Requires SDE to administer a special education training, education, and testing competitive grant program to give grants to educators and paraeducators who commit to working in an alliance district school for three years

Beginning in FY 27, the act requires SDE to administer a competitive grant program to help educators and paraeducators cover the costs associated with professional training, education, and testing requirements related to providing special education and related services.

Applicant Eligibility

Under the act, educators and paraeducators, including those enrolled in a teacher preparation program, educator professional certification candidates, teachers and paraeducators employed by a school board, and prospective paraeducators are eligible to apply for a grant, in the way SDE determines. To be eligible for a grant, the recipient must commit to three years of providing special education and related services in an alliance district school.

In administering the program, SDE must develop:

1. criteria for awarding grants that consider the applicant's financial need, prioritizing those with the greatest need, and
2. repayment criteria for grantees who do not work for three years at an alliance district school (under the act, all repaid amounts must be deposited in the General Fund).

Grant Uses

Under the act, a grant may be used toward covering the following:

1. tuition or other fees associated with enrolling in a teacher preparation program offered at the Connecticut State Colleges and Universities,
2. getting or renewing professional certification with an endorsement in special education,
3. paraeducator testing,
4. continuing education credits, and
5. any other education or testing requirements relating to providing special education and related services.

§ 26 — BEHAVIORAL HEALTH SUPPORT SERVICES GRANT PROGRAM

Requires SDE to establish a grant program to help school boards provide support services for special education students who have experienced trauma or have behavioral health needs

The act requires SDE, beginning with FY 26, to establish a grant program to help school boards provide support services for special education students who have experienced trauma or have behavioral health needs. The grant must be available to each school board that partners with a community services provider, including a family service center, to give special education students and their families support services such as trauma-informed care coordination and family outreach. Under the act, the SDE commissioner sets the grant amounts.

By September 1, 2025, SDE must post on its website (1) a description of the grant program, including the funding

available for each grant and (2) the grant program application form.

§ 27 — OFFICE OF THE EDUCATIONAL OMBUDSPERSON

Establishes the Office of the Educational Ombudsperson to serve students and families from early childhood to adult education; places the office under the direction of a commissioner-appointed ombudsperson and requires it, among other duties, to receive, review, and try to resolve any complaints from students and families

The act establishes an Office of the Educational Ombudsperson, within the Office of Governmental Accountability for administrative purposes only, to serve students and their families pursuing preschool, elementary and secondary education, special education, vocational education, and adult education. It places the office under the direction of an educational ombudsperson who the governor appoints. The ombudsperson must have expertise and experience in educational advocacy, special education, and educational law.

The act details the office's specific duties, which include:

1. receiving, reviewing, and attempting to resolve (including through collaboration with schools and educators) any complaints from students and families;
2. compiling and analyzing data on students and young people, through available data systems, including the Connecticut Preschool through Twenty and Workforce Information Network (P20 WIN);
3. helping school employees involved in PPT meetings;
4. giving information to the public, agencies, legislators, and others on students' issues and concerns and making recommendations to resolve them;
5. analyzing and monitoring the development and implementation of federal, state, and local laws, regulations, and policies relating to students and recommending any changes the ombudsperson deems necessary;
6. distributing information on its availability to help students and their families and school boards with educational resource concerns;
7. beginning July 1, 2027, prioritizing the office's efforts on the school districts identified in the act's study on disproportionately or over-identified minority students for special education and related services (see § 30); and
8. taking any other actions needed to fulfill the duties of the office and the ombudsperson the act describes.

Starting by January 1, 2026, the ombudsperson must annually submit a report to the Office of Governmental Accountability and the Children and Education committees on (1) the implementation of the office's creation and work, (2) the ombudsperson position's overall effectiveness, and (3) additional steps that must be taken for to increase the ombudsperson's effectiveness.

§§ 28 & 29 — INSTRUCTIONAL SUPPORT PARTNERS

Requires school boards to hire or designate an instructional support partner in every school or school building beginning in the 2026-27 school year (PA 25-174 removes the requirement to hire or designate a support partner, instead giving boards discretion to hire or designate one); gives instructional support partners various responsibilities to support teaching staff and students with disabilities and requires them to spend at least 50% of their time performing this position's duties; requires SDE to host quarterly instructional support partner trainings

Beginning with the 2026-27 school year, the act requires school boards to hire or designate a current employee to serve as an instructional support partner in each school or school building under the board's jurisdiction. (PA 25-174, § 205, removes the requirement to hire or designate an instructional support partner, instead giving boards the discretion to do so.) Under the act, an instructional support partner's responsibilities include:

1. reducing teachers' administrative burden, including tasks related to the IEP process, scheduling and taking minutes during PPT meetings, being a designated staff member for specialized responsibilities, and attending (a) professional development trainings, (b) trainings for students' individualized interventions, and (c) testing;
2. helping school-based personnel improve the delivery and administration of the IEP process;
3. collaborating with parents and school personnel on instructional decision-making for students with disabilities;
4. finding and attending, as a representative of the school or school building, trainings and professional development on student interventions and planning and delivering professional learning activities to increase students with disabilities' achievement based on these trainings to staff, parents, and others; and
5. consulting with school-based instructional staff on IEP development and writing, extended school year, behavioral interventions, and transition plans for students with disabilities.

The act requires anyone hired or designated as an instructional support partner to spend at least 50% of their time performing the position's duties.

The act also requires SDE to host at least quarterly trainings for instructional support partners. The training must address (1) effective literacy and math instruction, (2) personalized learning and individualized instruction for students with disabilities, (3) improving classroom management, (4) effective instructional methods and behavioral supports, and (5) transition plans for students with disabilities.

§ 30 — STUDY ON OVER-IDENTIFICATION OF MINORITY STUDENTS FOR SPECIAL EDUCATION SERVICES

Requires SDE to do a study on the disproportionate or over-identification of minority students for special education services

The act requires SDE to do a study on the disproportionate or over-identification of minority students for special education and related services. The study must examine how often students are identified as requiring special education and related services, disaggregated by race and gender for each school district.

By January 1, 2027, SDE must submit the report on its findings and recommendations to the Office of the Educational Ombudsperson (see § 27) and the Education Committee.

EFFECTIVE DATE: Upon passage

§ 31 — PRESENTATION OF SDE FIVE-YEAR PLAN UPDATES

Requires (1) the education commissioner to make an annual presentation on the progress of SBE's five-year plan, (2) SBE to use the presentations to inform the plan's implementation, and (3) the progress reports to be published online

By law and every five years, the State Board of Education (SBE) must prepare a five-year plan with long-term goals and short-term objectives for elementary, secondary, vocational, career, and adult education, and specific steps to achieve them. It must annually report on progress made to implement the plan to the governor and the Education Committee.

The act requires the education commissioner to annually present at regularly scheduled SBE meetings updates on the plan's priorities, actions, and outcomes. SBE must (1) use this information to inform the plan's implementation and its annual progress report and (2) make the progress reports available on SDE's website.

§ 32 — SUPERINTENDENTS' ANNUAL REPORT TO BOARD OF EDUCATION

Requires all superintendents to submit information on their district's contracts, workforce development programs, and staff turnover annually to their school board

Annually, between June 1 and September 29, the act requires each school district's superintendent to provide the following information at their school board's regularly scheduled meeting:

1. the number and names of all community-based organizations with which the school board has a formal MOU, memorandum of agreement, or contract for student support services (by school and type of support service);
2. workforce development programs offered by the board of education to the students where the board has partnered with an outside entity, including cooperatives, internships, in-school job training programs provided by businesses, and in-school workforce board presentations; and
3. certified and noncertified staff turnover, other than same-district transfers (by school and subject).

§ 33 — POSTING DISCONNECTED YOUTH REPORT ONLINE

Requires any state agency that contributes data to the disconnected youth report to post the report on its website

The act requires any state agency that contributes data for the P20 WIN disconnected youth report to post the report on the agency's website.

EFFECTIVE DATE: Upon passage

Background — Disconnected Youth Report

By law, the P20 WIN executive board must annually report on disconnected youth using a data model established through a 2023 agreement between various state agencies (including SDE, DCF, the Department of Labor, and Department of Mental Health and Addiction Services), a nonprofit, and a private consulting firm to share certain data from P20 WIN.

A "disconnected youth" is an individual age 14-26 who is (1) an at-risk student (in danger of not graduating due to certain factors) or (2) not enrolled in high school and (a) does not have a high school diploma or its equivalent; (b) has a diploma or equivalent but is unemployed and not enrolled in an adult education program, higher education institution, or a workforce training or certification program, including an apprenticeship program, or otherwise pursuing postsecondary education; or (c) is incarcerated.

§ 34 — UPDATES TO SDE'S CHRONIC ABSENTEEISM PREVENTION AND INTERVENTION PLAN

Expands SDE's chronic absenteeism prevention and intervention plan by incorporating additional required and permissible components and requiring SDE to review the plan twice a year

The act requires SDE twice a year to review and revise, as needed, the chronic absenteeism prevention and intervention plan it developed for use by school boards in consultation with the Interagency Council for Ending the Achievement Gap.

When making revisions, the act requires SDE to incorporate the findings from the disconnected youth report (see § 33 above, *Background — Disconnected Youth Report*). The act also specifically requires the plan to include the truancy policies and procedures that school boards must adopt by law (e.g., requiring a meeting with parents or guardians after a student's fourth unexcused absence in a month or 10th in a school year).

In existing law, the plan must include, among other things, a way to collect and analyze data on chronic absenteeism that allows for the data to be separated into various subgroups, including race, gender, free or reduced lunch eligibility, disability status, and primary language other than English. The act adds housing status as an additional category. Additionally, it requires the plan to include using an early indication tool to identify students at risk for becoming chronically absent or disconnected from school, such as students who may not be able to graduate, have a history of behavioral or disciplinary issues, or are homeless. This tool can be provided by SDE or a third party.

By law, SDE may include a research-based and data-driven mentorship model to address chronic absenteeism in its plan. These mentors can be students, teachers, administrators, athletic coaches, school resource officers, and community partners. The act allows for SDE to also use a home visiting model. Under the act, both home visiting and mentorship models are subject to the same list of mentors, and the act adds family navigators and student success coaches to this list.

§§ 35-37 — UNSPENT FUND ACCOUNT AND EDUCATIONAL EXPENDITURES RESERVE FUND UPDATES

Requires local school boards to create a report on nonlapsing, unspent funds and include similar information in an existing report; similarly updates requirements related to regional school board educational expenditures reserve funds

The act requires school boards to provide information on nonlapsing, unspent funds and similar information, as described below.

Addition to an Existing Cost Report

By law, local school boards may deposit unspent education funds into a nonlapsing account. The deposit may be up to 2% of the previous fiscal year's budgeted appropriation for education, and account expenditures must be only for educational purposes.

Under existing law, each school board must publish an annual report with a summary showing the (1) total cost of maintaining the schools, (2) amount received from the state and other sources for this purpose, and (3) net cost to the municipality of the school budget. The act adds that the report must also include the balance of any nonlapsing, unspent funds account.

New Report on Nonlapsing, Unspent Funds

Beginning for FY 26, the act requires each local school board to create an annual report on their nonlapsing, unspent fund account. This report must include (1) the account's balance, (2) the amount deposited into the account in a fiscal year, and (3) an accounting of the expenditures made from the account.

The report must be submitted to SDE and the exclusive bargaining representative for certified employees.

Updating Exclusive Bargaining Representatives on Nonlapsing, Unspent Funds

Under the act, starting for FY 26, each local school board must annually notify the exclusive bargaining representative for certified employees about the (1) establishment of a nonlapsing, unspent funds account or (2) board's intended uses for any funds in the account during the next fiscal year. This notification must be made within 30 days after the board adopts its budget.

Requirements Regarding Educational Expenditures Reserve Fund

By law, a regional school board, by a majority vote of its members, can create an educational expenditures reserve fund (limited to 2% of the district's budget, to be used for educational purposes). These boards must annually report to member towns on the condition of the fund.

Under the act, beginning in FY 26, each board must annually:

1. make available and annually update information about the fund, including its total balance, the amount deposited into it in a fiscal year, and an accounting of the expenditures made from it; and
2. notify the exclusive bargaining representative for certified employees about the reserve fund's establishment or the board's intended uses for the funds during the next fiscal year (this notification must be within 30 days after the board adopts its budget).

§§ 38 & 39 — CONTACTING LOCAL HOMELESS EDUCATION LIAISONS BEFORE EXPULSION AND SUSPENSION HEARINGS

Requires districts to contact their local homeless education liaisons prior to an expulsion or suspension hearing to determine if the student is homeless

By law, a school board must hold a formal hearing before expelling, or an informal hearing before suspending, a student, except in certain emergency situations. Under the act, before a school expulsion or suspension hearing, a school administrator, counselor, or social worker must contact the local homeless education liaison designated by the school board to determine if the student is homeless (see *Background — Homeless Youth and Homeless Education Liaisons*). If so, the entity conducting the hearing (the school board or the impartial hearing board) must consider the impact of homelessness on the student's behavior.

Under the act, a student cannot be expelled without a plan to alleviate this impact, and the school board must provide a meeting with the local homeless education liaison for any child who is determined to be homeless and is expelled two times.

Background — Homeless Youth and Homeless Education Liaisons

Federal law defines "homeless children and youths" as individuals who lack a fixed, regular, and adequate nighttime residence, and includes those sharing the housing of others due to loss of housing, economic hardship, or a similar reason (42 U.S.C. § 11434a).

The federal McKinney-Vento Homeless Assistance Act requires every school district in the country to designate a homeless liaison, who is a local educational agency staff person. This liaison is responsible for identifying and supporting homeless students across the district (42 U.S.C. § 11431 et seq.).

§ 40 — EARLY CHILDHOOD CABINET MEMBERSHIP

Adds a library consortium member to the Early Childhood Cabinet

The act increases the Early Childhood Cabinet's membership from 31 to 32 by adding the executive director of the Connecticut Library Consortium or a cooperating library service unit, or his or her designee.

By law, the Early Childhood Cabinet (1) advises OEC, (2) develops an annual action plan that assigns state agencies tasks specified in the federal Head Start Act, and (3) submits an annual statewide strategic report that addresses agencies' progress in meeting the action plan's requirements.

§§ 41 & 42 — PHASE-OUT OF COMMISSIONER'S NETWORK OF SCHOOLS

Sunsets the education commissioner's network of schools program by prohibiting more schools from being added to the program after July 1, 2025; permits schools already participating to finish their three-year terms without any extensions (PA 25-175 amends this to allow schools already participating to continue for an additional year or two as allowed under prior law)

The act sunsets the education commissioner's network of schools program by prohibiting the commissioner from (1) adding more schools to the program after July 1, 2025, or (2) extending the time that already participating schools can stay in the program. Under the program, the commissioner can select up to 25 low-achieving schools to participate and receive intensified SBE supervision and direction.

The act permits schools already in the program to finish their three-year terms and beginning July 1, 2025, would have barred any participating district from continuing with a previously granted additional year or two. (PA 25-175, §§ 4 & 5, instead allows schools already participating in the program to continue to do so for an additional year or two as permitted under prior law.)

By law, the program sets steps the commissioner, school district turnaround committees, and boards of education must take to improve academic achievement. Each school's turnaround committee (which is made of members appointed by the school board, teachers' union, and education commissioner) must create and implement a turnaround plan, based on a turnaround model it chooses. Existing law requires the commissioner to give participating schools funding and technical and operational support.

Beginning July 1, 2025, the act requires the commissioner to evaluate a school's participation in the program before the end of its third year of participation. Under prior law, the commissioner had to do the evaluation to determine whether the school was prepared to exit the program.

The act requires the board for the participating school to develop, in consultation with the commissioner and subject to SBE approval, a plan to transition the school back to full control by the board. Under prior law, it developed this plan if the commissioner determined the school would exit the network.

PA 25-143—sHB 6921
Education Committee

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE OFFICE OF EARLY CHILDHOOD, DEPARTMENT OF EDUCATION AND THE TECHNICAL EDUCATION AND CAREER SYSTEM AND CONCERNING THE ADMINISTRATION OF EPINEPHRINE AND GLUCAGON

TABLE OF CONTENTS:

§ 1 — DESIGNATED QUALIFIED STAFF MEMBER REQUIREMENTS

Modifies education and supervision requirements for qualified designated staff members in OEC early care and education programs

§§ 2 & 3 — YOUTH CAMPS

Specifies that youth camp licensees (1) cannot transfer their licenses and (2) must apply to OEC to renew them

§ 4 — STATE INTERAGENCY BIRTH-TO-THREE COORDINATING COUNCIL

Eliminates the six-year term limit for certain State Interagency Birth-to-Three Coordination Council members

§ 5 — HEAD START PROGRESS REPORT

Eliminates the requirement that the Early Childhood Cabinet report annually on state agencies' progress made on tasks specified in the federal Head Start Act

§§ 6-8 — EARLY START CT

Makes various changes related to Early Start CT, including reducing the number of local or regional governance partners in each community that may help provide early care and education, extending by two years the deadline for OEC to establish a sliding fee scale, and increasing the amount OEC can allocate to each local or regional governance partner

§ 9 — MAGNET SCHOOL ENROLLMENT STANDARDS FOR OPERATING GRANTS AND MAGNET STUDENT RESIDENCY FOR ECS GRANTS

Makes permanent (1) magnet school enrollment standards for operating grants and (2) magnet school students counting in the town they reside in for ECS grant purposes

§ 10 — SPECIAL EDUCATION STUDENTS AND OPEN CHOICE

Clarifies duties for receiving and sending districts participating in Open Choice for special education students and students with 504 accommodations

§§ 11 & 12 — MAGNET SCHOOL CAPITAL EXPENSES GRANTS FOR GOODWIN MAGNETS

Allows existing grant funds for magnet school capital expenses to be given to Goodwin University Education Services in addition to RESCs

§ 13 — SHEFF REGION MAGNET SCHOOL TRANSPORTATION GRANTS

Changes the (1) calculation for certain Sheff magnet school transportation grants by eliminating the per-pupil calculation and the supplemental grants structure for RESCs, instead basing the grants on actual costs of transportation services and (2) payment schedule for all magnet school transportation grants

§ 14 — READING INSTRUCTION SURVEY REMOVAL

Removes the reading instruction survey requirement for K-3 teachers

§ 15 — UPDATES TO THE TEACHER EDUCATION AND MENTORING PROGRAM

Makes technical and conforming updates to the TEAM program

§§ 16 & 17 — REQUIREMENT FOR SPECIAL EDUCATION PROVIDERS TO PROVIDE BASE TUITION AND COSTS

Requires private special education providers to submit their base tuition and costs for services for each school year by December 31 of the year before the services will be provided

§ 18 — CTECS COOPERATIVE ARRANGEMENTS AND INSTRUCTIONAL STAFF APPROVALS

Allows the CTECS executive director to enter into cooperative arrangements with nonprofit career schools and certain training institutes; requires the OPM secretary to review and approve requests to fill instructional staff positions within 30 days after submission of the CTECS superintendent's statement of staffing needs

§§ 19-28 — EPINEPHRINE AND GLUCAGON ADMINISTRATION

Expands how epinephrine and glucagon can be administered to include through nasal sprays and other USDA-approved medical equipment in various statutes related to allergic reaction response

SUMMARY: This act makes various changes to education laws, summarized below in a section-by-section analysis. EFFECTIVE DATE: July 1, 2025, unless otherwise noted below.

§ 1 — DESIGNATED QUALIFIED STAFF MEMBER REQUIREMENTS

Modifies education and supervision requirements for qualified designated staff members in OEC early care and education programs

Existing law requires primary classroom teachers at Office of Early Childhood (OEC)-funded early childhood education programs to meet certain education requirements. It also specifies the degrees or credentials required for these teachers to qualify as "designated qualified staff members" (i.e. the person assigned primary responsibility for a classroom in an early care and education program). A teacher may qualify as a designated qualified staff member at a bachelor's degree level or an associate degree level.

The act modifies designated qualified staff member education, supervision requirements, and phase-in dates as described below.

Bachelor's Degree-Designated Qualified Staff Member

Under existing law, a person may qualify as a bachelor's degree-designated qualified staff member by meeting one of several criteria, such as having a (1) bachelor's degree or higher with an early childhood concentration or (2) State Board of Education-issued teaching certificate with an early childhood education or special education endorsement.

Another way a person can qualify under existing law is if he or she is enrolled in a higher education institution, is making progress in an early childhood planned program of study leading to an early childhood bachelor's degree, and receives OEC's permission. The act adds a requirement that these individuals also be supervised by an on-site staff teacher or administrator who has a bachelor's degree or higher with an early childhood concentration.

Associate Degree-Designated Qualified Staff Member

Existing law generally allows an associate degree-designated qualified staff member meeting certain education requirements to be deemed a designated qualified staff member when a bachelor's degree-designated qualified staff member is not assigned. Prior law required an associate degree-designated qualified staff member to be supervised on-site by a bachelor's degree-designated qualified staff member. The act instead requires that these qualified staff members be supervised by an on-site staff teacher or administrator who has a bachelor's degree or higher with a concentration in early childhood education.

The act also eliminates a provision in prior law that allowed a bachelor's degree-designated qualified staff member to supervise an associate degree-designated staff member off-site. But it continues to allow off-site supervision if the associate degree-designated staff member works at a family child care home and (1) is working toward an early childhood associate degree or higher and (2) the supervisor meets the requirements for a bachelor's degree-designated qualified staff member and provides coaching at the family child care home.

Phase-In of Requirements

Prior law phased in the designated qualified staff member requirements from July 1, 2024, to July 1, 2030. The act delays the start date of the phase-in timeline to July 1, 2025.

Specifically, starting July 1, 2025, at least 25% of staff members with primary responsibility for a classroom at each OEC-funded early care and education program must be bachelor's level designated qualified staff members. This requirement increases to (1) 50% starting July 1, 2027, and (2) 60% starting July 1, 2030.

Under existing law and the act, if the OEC-funded early care and education program is a family child care home, the designated qualified staff member for the home must have achieved, or be working toward, an early childhood education associate degree or higher. But starting July 1, 2035, the act requires these designated qualified staff members to have such a degree.

As under existing law, these requirements apply to programs that accept state funds, other than Care 4 Kids subsidies, directly from OEC or indirectly through OEC subcontractors for any combination of infant, toddler, preschool, and before- and after-school care programs.

§§ 2 & 3 — YOUTH CAMPS

Specifies that youth camp licensees (1) cannot transfer their licenses and (2) must apply to OEC to renew them

By law, youth camps must obtain an annual license from OEC. The act specifies that (1) these licenses are not transferable and (2) when renewing a license, youth camps must apply to OEC, in addition to paying the renewal fees required under existing law. (The fees are $815 for for-profit camps, $315 for nonprofit camps, and no fee for certain nonprofit day camps that operate for no more than five days.)

Additionally, the act makes technical changes to related statutory definitions.

§ 4 — STATE INTERAGENCY BIRTH-TO-THREE COORDINATING COUNCIL

Eliminates the six-year term limit for certain State Interagency Birth-to-Three Coordination Council members

Under prior law, members appointed to the State Interagency Birth-To-Three Coordinating Council, which helps OEC perform its responsibilities regarding the Birth-To-Three program, could serve up to two consecutive three-year terms. The act eliminates this term limit for the following council members:

1. the state coordinators of (a) education for homeless children and youth and (b) early childhood special education and
2. members representing each of the participating state agencies (excluding the State Department of Education (SDE)).

The act also updates terminology, replacing the term "minority parents" with "parents representing culturally diverse communities" to reflect current OEC policy.

§ 5 — HEAD START PROGRESS REPORT

Eliminates the requirement that the Early Childhood Cabinet report annually on state agencies' progress made on tasks specified in the federal Head Start Act

Existing law requires the Early Childhood Cabinet to annually develop an action plan assigning the appropriate state agency to complete the tasks specified in the federal Head Start Act (P.L. 110-134). The act eliminates a corresponding requirement that the cabinet annually submit a statewide strategic report on the progress state agencies made on these tasks to the governor and Education and Human Services committees. (In practice, this information is already included in OEC's Blue Ribbon five-year strategic plan.)

§§ 6-8 — EARLY START CT

Makes various changes related to Early Start CT, including reducing the number of local or regional governance partners in each community that may help provide early care and education, extending by two years the deadline for OEC to establish a sliding fee scale, and increasing the amount OEC can allocate to each local or regional governance partner

PA 24-78 consolidated the School Readiness Preschool Grant Program, state-contracted child care centers for disadvantaged children, and the state supplemental Head Start grants into one program (Early Start CT), starting in FY 2026. This act makes various changes affecting the program's local and regional governance partnerships, sliding fee scale, and state allocation.

Local and Regional Governance Partners

Prior law required local or regional governance partners, within available appropriations, to help provide early care and education in a community under Early Start CT. The act instead allows only one partner to do so within a community.

Existing law allows (1) a town or school district, and appropriate representatives of groups or entities interested in early care and education in the town or district, to establish a local governance partner and (2) two or more towns or districts, and appropriate representatives of groups or entities interested in early childhood education in a region, to establish a regional governance partner. These partners' membership must reflect the racial, ethnic, and socioeconomic composition of the community served.

Sliding Fee Scale

The act extends, from July 1, 2025, to July 1, 2027, the date by which OEC must establish a sliding fee scale for families enrolled in an early care and education program under Early Start CT. By law, the fee scale must be based on family income and consistent with the existing Care 4 Kids fee scale.

Program Allocation

Prior law allowed OEC to allocate the lesser of $150,000 or up to 10% of the total financial assistance under the contract with each local or regional governance partner for Early Start CT's coordination, program evaluation, and administration. The act increases the amount OEC can allocate to the lesser of $350,000 or up to 10% of the funding for childcare spaces awarded to providers supported by governance partners.

Under existing law and the act, the allocated amount must be increased by the lesser of up to $50,000 or the amount of local funding provided for early childhood education coordination, program evaluation, and administration.

§ 9 — MAGNET SCHOOL ENROLLMENT STANDARDS FOR OPERATING GRANTS AND MAGNET STUDENT RESIDENCY FOR ECS GRANTS

Makes permanent (1) magnet school enrollment standards for operating grants and (2) magnet school students counting in the town they reside in for ECS grant purposes

Enrollment Standards

The act makes permanent the requirement that a *Sheff* magnet school meet the reduced-isolation (i.e. desegregation) enrollment standards required under *Sheff* to receive operating grants. *Sheff* magnet schools help the state meet its obligations under the *Sheff* v. *O'Neill* Connecticut Supreme Court desegregation decision (see *Background — Sheff v. O'Neill State Supreme Court Decision*).

For non-*Sheff* magnet schools, the act makes permanent the prohibition on the SDE commissioner awarding a grant to any magnet that (1) has more than 75% of the total school enrollment from one school district (i.e. not enough out-of-district students attending) or (2) does not have school enrollment that meets the commissioner's magnet school enrollment standards for reduced isolation.

Under prior law, these provisions expired at the end of FY 25. Under the act, as under prior law, a magnet school that does not comply may still receive grants if the commissioner (1) finds it appropriate to award a grant for an additional year or years and (2) approves a plan to bring the school into compliance with the standards.

The act also makes permanent the commissioner's authority to impose a financial penalty on a magnet school that does not meet the reduced-isolation standards for two consecutive years or more. Specifically, the commissioner may impose the penalty on the school's operator or, after consulting with the operator, take other appropriate steps to help the operator comply. This authority was set to expire at the end of FY 25 under prior law.

ECS Grants and Magnet School Students

The act makes permanent the requirement that a magnet school student is counted in the town where the student lives (rather than in the town that hosts the magnet school) for education cost sharing (ECS) grant purposes. This provision was set to expire at the end of FY 25 under prior law, although it has already been a long-time SDE practice.

ECS grants are per-student grants that depend on, among other things, the number of resident students for a town. ECS is the largest form of state education aid to school districts.

Background — Sheff v. O'Neill State Supreme Court Decision

In this 1996 decision, the Connecticut Supreme Court ruled that the state had a constitutional obligation to remedy the educational inequities in the Hartford schools caused by racial and ethnic isolation (238 Conn. 1 (1996)). The court ordered the state legislature and the governor to craft a solution, and legislation was passed to create voluntary desegregation in Hartford by creating interdistrict magnet schools and using programs such as Open Choice.

§ 10 — SPECIAL EDUCATION STUDENTS AND OPEN CHOICE

Clarifies duties for receiving and sending districts participating in Open Choice for special education students and students with 504 accommodations

The act places certain duties on school districts that send or receive Open Choice students who require special education services. Open Choice is a voluntary interdistrict attendance program that allows students from the Hartford, New Haven, Bridgeport, Danbury, and Norwalk school districts to attend suburban schools, and vice versa, on a space-available basis. The state awards per-student grants to the districts that receive Open Choice students.

The act requires the receiving district (the district where the student attends school) to hold the planning and placement team (PPT) meeting for each out-of-district student and invite representatives from the sending district to participate in the meeting. By law and unchanged by the act, the sending district must pay the receiving district for the student's special education costs that exceed the state grant amount for the student. PPT meetings are planning meetings held at least annually with parents and school staff to plan services for special education students; the plan they agree to is known as the student's individualized education program (IEP).

The act also requires the receiving district to ensure that out-of-district students who require special education services receive the services mandated by the student's IEP regardless of whether the sending or receiving district provides the services.

504 Accommodations

Under the act, an Open Choice receiving district must ensure that a student with a 504 accommodation plan (a plan pursuant to Section 504 of the federal Rehabilitation Act of 1973) receives the services required under the plan and the receiving district bears the costs of providing the services to the student. These accommodations may include things like more time for standardized tests, preferential seating (away from distractions), assistive technology, and instructional adjustments (visual aids or alternative methods of instruction).

§§ 11 & 12 — MAGNET SCHOOL CAPITAL EXPENSES GRANTS FOR GOODWIN MAGNETS

Allows existing grant funds for magnet school capital expenses to be given to Goodwin University Education Services in addition to RESCs

The act amends two existing SDE bond authorizations for grants for capital expenses at magnet schools operated by regional educational service centers (RESCs) to additionally allow the grants to be given to magnet school operator Goodwin University Education Services.

EFFECTIVE DATE: Upon passage

§ 13 — SHEFF REGION MAGNET SCHOOL TRANSPORTATION GRANTS

Changes the (1) calculation for certain Sheff magnet school transportation grants by eliminating the per-pupil calculation and the supplemental grants structure for RESCs, instead basing the grants on actual costs of transportation services and (2) payment schedule for all magnet school transportation grants

The act changes the calculation for transportation grants to certain magnet schools that help the state meet its obligations under the *Sheff* v. *O'Neill* desegregation court decision (see *Background — Sheff v. O'Neill*). Under prior law, SDE awarded (1) *Sheff* magnet school transportation grants in an amount equal to $2,000 per pupil, and (2) supplemental *Sheff* magnet school transportation grants to RESCs within available appropriations. (Non-*Sheff* magnet school transportation grants are calculated based on $1,300 per pupil.)

Starting with FY 26, the act eliminates the supplemental grant and the per-pupil calculation for RESCs, instead requiring that their *Sheff* magnet transportation grant amounts equal the cost of reasonable transportation services. It subjects the grant to a comprehensive financial review, which must be done by an auditor the SDE commissioner selects and may be paid out of the grant funds. This is the same audit requirement that applied under prior law to the supplemental grants.

Starting with FY 26, the act also changes the payment schedule for these grants to RESCs. Under the act, up to 95% of the grant must be paid by June 30 of the fiscal year based on documentation provided before May 31, with up to 50% of the estimated transportation costs in October. The remainder must be paid in increments by March 1 of the next fiscal year upon the financial review's completion. (This was somewhat similar to the prior schedule for the supplemental grants.)

Separately, for transportation grants to the other magnet schools, the act allows for payments to be made earlier than previously required. Specifically, half of the estimated eligible transportation costs must be paid by October 31, with the remainder paid by May 31. Prior law required the payments to be made in October and May, respectively. (An identical provision was also passed in PA 25-168, § 312.)

Background — Sheff v. O'Neill

In this 1996 decision, the Connecticut Supreme Court ruled that the state had a constitutional obligation to remedy the educational inequities in the Hartford schools caused by racial and ethnic isolation (238 Conn. 1 (1996)). The court ordered the state legislature and the governor to craft a solution, and legislation was passed to create voluntary desegregation in Hartford by creating interdistrict magnet schools and using programs such as Open Choice.

§ 14 — READING INSTRUCTION SURVEY REMOVAL

Removes the reading instruction survey requirement for K-3 teachers

The act removes the reading instruction survey requirement for certified K-3 teachers. Under prior law, local and regional boards of education ("school boards") had to require their K-3 teachers to take a biennial survey developed by SDE on reading instruction. SDE's survey identifies strengths and weaknesses of the teachers' reading instruction practice and knowledge on an individual, school, and district level.

The act maintains the provision that results from these surveys are confidential under the Freedom of Information Act.

§ 15 — UPDATES TO THE TEACHER EDUCATION AND MENTORING PROGRAM

Makes technical and conforming updates to the TEAM program

The act makes conforming updates to the Teacher Education and Mentoring (TEAM) program to align with 2024 changes to the law on educator certification. The TEAM program provides guided support to new teachers. Under prior law, teachers are eligible for a provisional educator certificate when they complete the program.

PA 24-41 reduced the number of teacher certification levels from three to two by eliminating the provisional level as of July 1, 2025 (existing certificates remain valid until expired). The act makes conforming changes to the TEAM law by replacing references to "provisional educator certificate" with "professional educator certificate" and specifying that these teachers also must meet the law's other requirements for professional educator certification.

§§ 16 & 17 — REQUIREMENT FOR SPECIAL EDUCATION PROVIDERS TO PROVIDE BASE TUITION AND COSTS

Requires private special education providers to submit their base tuition and costs for services for each school year by December 31 of the year before the services will be provided

Beginning July 1, 2025, the act requires any written contract entered or amended between a school board and a private special education provider (see *Background — Special Education Services Contracts*) to require the provider to submit a base tuition and cost for services to the school board for each school year services are provided (according to the contract). This submission must occur by December 31 of the year before the services will be provided (which is prior to school boards' budget cycles).

The act also requires each RESC providing special education services to submit a base tuition and cost for services provided for any school board for each school year services are provided. This must occur by December 31 of the year before the services will be provided.

Background — Special Education Services Contracts

The state reimburses school districts for special education costs that exceed four and a half times the cost of educating a student in that district (the exact level of reimbursement depends on the state appropriation for the grant for that fiscal year). This reimbursement is known as an excess cost grant.

By law, if a district pays a private provider for special education services, the district must enter a written contract with the provider for those services to be eligible for the excess cost grant.

§ 18 — CTECS COOPERATIVE ARRANGEMENTS AND INSTRUCTIONAL STAFF APPROVALS

Allows the CTECS executive director to enter into cooperative arrangements with nonprofit career schools and certain training institutes; requires the OPM secretary to review and approve requests to fill instructional staff positions within 30 days after submission of the CTECS superintendent's statement of staffing needs

Cooperative Arrangements

The act authorizes the Connecticut Technical Education and Career System (CTECS) executive director to enter into cooperative arrangements with nonprofit career schools and an in-state nonprofit training institute that provides building trades training to underserved populations. These arrangements are for providing general education; vocational, technical, technological, or postsecondary education; and work experience.

Under existing law, the CTECS executive director can also enter into these arrangements with private career schools, school boards, higher education institutions, job training agencies, and employers.

OPM Approval of Instructional Staff

By law, (1) the CTECS executive director must communicate directly with the Office of Policy and Management (OPM) secretary to request creating or filling budgeted staff positions and (2) the secretary, when reviewing these requests, must prioritize requests for instructional staff, as identified in the statement of staffing needs the CTECS superintendent is required to submit to the executive director. The act requires the OPM secretary to review and approve requests to fill CTECS instructional staff positions within 30 days after the date the superintendent submits the statement of staffing needs for the positions.

Under existing law, the CTECS superintendent must submit to the executive director the system's education budget, which, among other things, must include a statement of the staffing needs for technical education and career schools. The executive director must review the education budget and include it as part of the CTECS operating budget (CGS § 10-99g).

§§ 19-28 — EPINEPHRINE AND GLUCAGON ADMINISTRATION

Expands how epinephrine and glucagon can be administered to include through nasal sprays and other USDA-approved medical equipment in various statutes related to allergic reaction response

Epinephrine

The act expands how epinephrine can be administered in certain allergic reaction response situations to include nasal sprays and other USDA-approved medical equipment. Under prior law, epinephrine could only be administered through an automatic prefilled cartridge injector or similar device. (In August 2024, the FDA approved the first epinephrine nasal spray for anaphylactic treatment.)

Specifically, this expansion applies to statutes related to epinephrine administration, including:

1. administering epinephrine (with a parent or guardian's written authorization and pursuant to a licensed medical professional's written order) to children in schools, school readiness programs, child care facilities, before- and after-school programs, day camps, and at athletic events;
2. prohibiting child care centers and group care homes from refusing services because a child has an epinephrine prescription;
3. requiring child care centers and group care homes to have staff trained in epinephrine administration;
4. requiring parents or guardians to give, and replace when expired, epinephrine medication and equipment to their child's child care center or group care home;
5. prohibiting boards of education from refusing transportation services because a child has an epinephrine prescription;
6. requiring training for school bus drivers on epinephrine identification and administration;
7. administering epinephrine in emergencies (without a parent or guardian's written authorization nor a licensed medical professional's written order) at child care facilities and schools;
8. permitting authorized entities, including for-profit and nonprofit entities and organizations that employ at least one person with epinephrine training, and practitioners that prescribe epinephrine to establish a medical protocol for epinephrine administration for authorized entities' trained employees to use;
9. permitting drug wholesalers and manufacturers to sell epinephrine to authorized entities; and

10. granting immunity from liability to state employees, teachers, school personnel, school bus drivers, trained volunteers, and staff members of before- or after-school programs, day camps, and child care facilities when they use epinephrine devices in emergencies.

Glucagon

Similarly, the act also expands how glucagon can be administered to include nasal sprays and other USDA-approved medical equipment in various statutes related to an emergency first aid response to a diabetic reaction. Under prior law, glucagon could only be administered through injectable equipment. (In July 2019, the FDA approved the first glucagon nasal spray for hypoglycemic treatment.)

This expansion applies to various provisions related to glucagon administration, including:

1. administering glucagon (with a parent or guardian's written authorization and pursuant to a licensed medical professional's written order) to children in schools and child care centers;
2. prohibiting child care centers and group care homes from refusing services because a child has a glucagon prescription;
3. requiring child care centers and group care homes to have staff trained in glucagon administration; and
4. requiring parents or guardians to give, and replace when expired, glucagon medication and equipment to their child's child care center or group care home.

EFFECTIVE DATE: July 1, 2025

PA 25-122—SB 1290
Energy and Technology Committee

AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR TECHNICAL REVISIONS TO STATUTES CONCERNING ENERGY AND TECHNOLOGY

SUMMARY: This act makes technical changes in energy-related laws.
EFFECTIVE DATE: October 1, 2025

PA 25-142—sHB 6777
Energy and Technology Committee
Appropriations Committee

AN ACT CONCERNING WATER UTILITY SYSTEMS AND WATER QUALITY AND TREATMENT SURCHARGES

SUMMARY: This act authorizes the Public Utilities Regulatory Authority (PURA) to allow PURA-regulated water companies to recover their expenses for certain projects the authority determines are necessary to meet state or federal drinking water regulations. To do so, it establishes a process for water companies to apply for, and PURA to approve, these expenses the company incurs between rate cases. If approved, the water company may recover them through a separate line item on customers' bills, a water quality and treatment surcharge that the act establishes.
EFFECTIVE DATE: July 1, 2025

ELIGIBLE PROJECTS

Under the act, eligible projects are those that PURA determines are major additions, upgrades, improvements, or replacements of critical elements of water infrastructure needed to meet state or federal drinking water regulations adopted or amended after December 16, 2021. Projects covered by either the water company's rate base or a water infrastructure and conservation adjustment (see BACKGROUND) are not eligible. Eligible projects may be completed in a single year or over multiple years.

PURA APPROVAL

The act establishes a process through which a water company may request authority to recover its expenses for eligible projects and PURA may approve it. The water company may not impose the surcharge to recover its expenses unless PURA has approved (1) a water quality treatment assessment report, which the company must file, and (2) the surcharge amount.

Water Quality and Treatment Assessment Report

Before imposing the surcharge, the water company must file with PURA a report that identifies the following for any eligible projects that the company plans to complete within five years of filing:

1. compliance with state, federal, or other drinking water quality standards;
2. the nature and extent of water treatment required to meet these water quality standards; and
3. water source development, system consolidation, treatment, or other means necessary to comply with state or federal water quality standards on perfluoroalkyl and polyfluoroalkyl substances (i.e. PFAS), lead, or other contaminants, or the public health commissioner's action levels on them.

After it receives the report, PURA must decide on it in 180 days or less. Within that time, PURA may hold a public hearing to solicit input. PURA must approve the report if it finds the company demonstrated that:

1. the projects adhere to the above criteria for determining eligible projects' priority;
2. any infrastructure projects for renewal or replacement are eligible projects; and
3. any addition, upgrade, improvement, or replacement projects provide public health benefits by improving water quality for customers.

Administrative Proceeding on Surcharge Amount

The act prohibits water companies from imposing the water quality and treatment surcharge unless PURA has approved the surcharge amount through an administrative proceeding.

Process and Public Comment. After the water company files a surcharge approval application, PURA has 60 days to complete the proceeding and issue a decision. At the proceeding, PURA must receive and consider comments from interested persons and members of the public.

The act specifies that the proceeding must not be considered a contested case under the Uniform Administrative Procedures Act or any regulation and PURA's decision on the application must not be considered an order, authorization, or decision for appeals to Superior Court.

Updated Assessment Report. As part its application filing, the water company must submit another water quality and treatment assessment report (referred to in the act as an "updated" report). The report must detail any significant changes in its capital spending on water quality projects it plans to complete in the next 10 years. For each eligible project, the company must also submit a detailed capital spending plan for the three years following the filing.

WATER QUALITY AND TREATMENT SURCHARGE

If approved, the water company may recover its eligible expenses to date through a water quality and treatment surcharge. The surcharge must be billed in at least 12-month increments, starting on January 1, April 1, July 1, or October 1 of any year.

The act requires the company to notify customers, through a bill insert or other direct communication, when the surcharge is first applied.

Surcharge Calculation

The surcharge must be calculated as a percentage, based on (1) the eligible project's actual, PURA-authorized cost multiplied by the water company's rate of return (as approved in its most recent general rate case), plus associated depreciation, income tax, and property tax expenses related to the project, and (2) any reconciliation adjustment calculated as a percentage of the retail water revenues approved in the company's most recent general rate case.

Surcharge Cap

The act caps the surcharge amount relative to the company's annual retail water revenues that were approved in its most recent rate filings. The surcharge cannot exceed 15% of the company's water revenues across all years until its next rate filing and 7.5% in any 12-month period. The surcharge amount is in addition to any existing rates and charges that are authorized at the time of the filing.

Earnings Sharing Mechanism

If, after a revenue adjustment mechanism proceeding is held, the company's rate of return for the rolling 12-month period (ending with the two most recent financial quarters) exceeds what is authorized, PURA must allocate any excessive return according to any earnings sharing mechanism in effect that applies to the company's base rate revenues.

Surcharge Reset Following a New Rate Case

Under the act, once the adjustment (i.e. surcharge) amount is included in the company's new base rate and the base rate goes into effect, the surcharge amount resets to zero.

RECONCILIATION REPORT

By February 28 of each year, the act requires the water company to submit to PURA an annual reconciliation report. The report must cover any water quality and treatment surcharge the company applied to customer rates through December 31 of the prior year. The report must:

1. identify costs incurred on any eligible project,
2. show that the surcharge is limited to eligible projects,
3. compare the collected surcharge revenues to the applicable revenue requirement, and

4. include any other information PURA requires.

After reviewing the report, if PURA determines the company has over-collected or under-collected the surcharge, the act requires the company to refund or recover, respectively, the appropriate amount as a reconciliation adjustment over a one-year period starting on April 1. For carrying costs, the company must refund customers for over-collections at the company's authorized overall rate of return, but it may not recover carrying costs for under-collections.

BACKGROUND

Water Infrastructure and Conservation Adjustment (WICA)

By law, PURA may authorize water companies to use a rate adjustment in the period between rate cases in order to recover the depreciation, property taxes, and related return, primarily for certain company capital projects they have completed (e.g., replacing worn out infrastructure, cleaning mains, purchasing energy efficient equipment for its operations).

PA 25-173—sSB 4
Energy and Technology Committee
Finance, Revenue and Bonding Committee
Appropriations Committee

AN ACT CONCERNING ENERGY AFFORDABILITY, ACCESS AND ACCOUNTABILITY

TABLE OF CONTENTS:

§ 1 — BONDING FOR HARDSHIP PROTECTION MEASURES

Authorizes up to $250 million in GO bonds for FYs 26 & 27 to reduce costs of hardship protection measures charged to EDC customers as system benefits charges

§ 2 — BONDING FOR ELECTRIC VEHICLE CHARGING PROGRAM

Authorizes up to a total of $50 million in GO bonds for FYs 26 & 27 for the EV charging program

§ 3 — EV CHARGING PROGRAM COST LIMITS

Caps PURA EV charging program expenses at $20 million per year and limits eligibility for residential incentives to customers living in concentrated poverty census tracts or in households with incomes up to 300% of FPL

§§ 4 & 5 — SHUT-OFF PROTECTIONS EVALUATION AND NOTICE

Requires PURA to evaluate the winter shut-off moratoria and medical protections; expands the notice telephone companies and telecommunications providers must send before giving customer information to credit agencies

§ 6 — PURA STUDY OF RENEWABLE TARIFFS

Expands the scope of the study PURA must do on renewable energy tariff programs and delays the reporting requirement

§§ 7 & 8 — LOW-INCOME DISCOUNT RATE: COST CONTAINMENT & STUDY

Requires PURA to (1) implement certain cost containment measures when setting low-income rates and (2) submit a report on the effectiveness of low-income rates and these measures

§ 9 — RENEWABLE ENERGY TARIFFS

Limits NRES, RRES, and SCEF programs to zero-emissions projects and requires PURA to add a nonbypassable charge of at least 3.25 cents to the RRES tariff

§§ 10-16 — SECURITIZATION OF FINANCED UTILITY SERVICES

Authorizes securitization for "financed utility services," capped at $2.2 billion in the aggregate and secured by the competitive transition assessment charge

§ 17 — PROGRAM ADMINISTRATION

Allows PURA to select third parties to administer clean energy or renewable energy programs it establishes in a proceeding

§ 18 — PUBLIC BENEFITS CHARGE STUDY

Requires OCC to study public benefits line items and report to the Energy and Technology Committee by October 1, 2026

§§ 19 & 20 — TIME-VARYING RATES

Establishes requirements for time-varying rates and requires EDCs to apply to PURA by October 1, 2027, to implement them

§ 21 — CUSTOMER EDUCATION AND ENGAGEMENT PROGRAM

Requires EDCs to design a customer education and engagement program on time-varying rates and implement it upon PURA's approval

§ 22 — EMERGENCY SERVICE RESTORATION PLANNING COMMITTEES

Requires EDCs to establish planning committees that include line and restoration crew members to review emergency service restoration plan implementation after large outages; expands the types of emergencies covered by the plans to include wildfires; requires the plans to include measures to protect line and restoration crew member safety

§§ 23 & 24 — EMERGENCY RESTORATION AND CREW MEMBER SAFETY

Prohibits EDCs from requiring line and restoration crew members to work in unsafe conditions and prohibits punishing an employee for causing the company to miss certain service restoration deadlines after emergencies; expands the types of emergencies subject to these deadlines to include wildfires

§§ 25 & 26 — GRID ENHANCING TECHNOLOGIES (GETS)

Requires EDCs and transmission owners to include project alternatives in Siting Council proceedings for certain transmission projects; expands forecasted loads and resources reporting; allows DEEP and OCC to evaluate proposed projects; requires EDCs to report to PURA on deployment of GETs and other technologies in certain PURA proceedings

§ 27 — DEEP, PURA, AND OCC CONSULTANTS

Allows DEEP, PURA, and OCC to independently retain consultants for proceedings and negotiations with certain federal agencies

§ 28 — ISO-NE PARTICIPATION

Requires EDCs that own or control certain transmission facilities in the state to be ISO-NE participants

§ 29 — ISO-NE MEETING VOTES

Requires EDCs to annually report to PURA each recorded vote they and their corporate affiliates cast in ISO-NE meetings during the prior year

§ 30 — ZERO-CARBON PROCUREMENTS AND STANDARD SERVICE

Allows EDCs to use nuclear energy or related products purchased under the prior zero-carbon procurement to provide standard service; creates an exception to the limit on the length of certain zero-carbon procurement contracts

§ 31 — STANDARD SERVICE PROCUREMENT

Requires EDCs to be able to procure at least 25% of standard service load through dynamic market purchases; requires PURA's procurement manager to submit a plan amendment by February 15, 2026; modifies procurement plan amendment approval processes

§ 32 — THERMAL ENERGY NETWORK GRANTS AND LOANS

Requires DEEP to establish a thermal energy network grant and loan program within available appropriations

§§ 33 & 35 — NEW NUCLEAR CONSTRUCTION

Creates a second exception from the nuclear moratorium for advanced nuclear reactors that meet certain requirements and expands DEEP's duties related to atomic development activity

§ 34 — ADVANCED NUCLEAR REACTOR ENERGY SITE READINESS FUNDING PROGRAM

Requires DEEP to establish an advanced nuclear reactor site readiness funding program; authorizes up to $5 million in state bonds to fund it

§ 36 — CLASS I RENEWABLE ENERGY SOURCES

Removes landfill methane gas and certain biomass facilities from the Class I renewable energy sources definition

§§ 37-42 & 47 — CLASS I RENEWABLE PORTFOLIO STANDARD

Reduces Class I RPS requirements in years 2026 to 2030; requires PURA to establish procedures to dispose of RECs purchased under renewable energy tariffs and various energy procurement solicitations

§ 43 — INTEGRATED RESOURCES PLAN AND RENEWABLE PROCUREMENTS

Requires DEEP to set targets and a schedule to procure new zero-carbon Class I renewable energy resources to meet 7% of the state's load in addition to RPS requirements

§ 44 — BIOMASS POWER PURCHASE AGREEMENTS

Requires the DEEP commissioner to solicit proposals from certain biomass facilities by September 1, 2025

§§ 45 & 46 — DEMAND RESPONSE PILOT PROGRAM

Requires DEEP to establish an electric active demand and gas demand response pilot program

§ 48 — INSPECTING SUPPORT SERVICES FOR OFFSHORE WIND PROJECTS

Allows inspectors accredited by the United States National Association of Marine Surveyors to inspect fishermen providing support services for offshore wind projects selected under certain PPAs

§§ 49 & 53 — PURA

Principally makes PURA a part of DEEP for administrative purposes only and makes related changes; requires rate adjustments to come before all qualifying commissioners; and expands existing "revolving door" limitations on the employment commissioners may accept after leaving PURA

§§ 50-52 — OCC TRANSACTION INFORMATION AND CONSULTANTS

Requires proprietary information PURA receives from holding companies and their subsidiaries to be given to OCC; requires PURA to adjust retail transmission rates to fund DEEP and OCC consultants and evaluations under the act's GETs requirements

§ 54 — RATE CASE DEADLINES

Allows PURA to extend deadlines for rate amendment decisions for up to 90 days if two large utilities apply for rate amendments within a 60-day period

§ 55 — ELIMINATES PROGRAM FOR CERTAIN ENERGY STORAGE SYSTEMS

Eliminates a requirement that PURA initiate a proceeding to develop a program for front-of-the meter energy storage systems not located on a customer's premises

§ 56 — ELECTRIC SYSTEM EFFICIENCY GOAL

Establishes electric system efficiency as a state goal and allows DEEP and PURA to set metrics and implement programs towards the goal; requires DEEP to allocate staff for analyses related to the goal and report annually to the Energy and Technology Committee

§ 57 — MUNICIPAL UNIFORM SOLAR CAPACITY TAX

Establishes a municipal uniform solar capacity tax of $10,000 per MW of nameplate capacity on solar photovoltaic systems over one MW in size, with specified exceptions

§ 58 — PROPERTY TAX EXEMPTION FOR CLASS I RENEWABLE ENERGY SOURCES

Creates a new property tax exemption for certain solar-related Class I renewable energy sources; limits the new exemption and an existing exemption for specified commercial and industrial Class I renewable energy sources by explicitly excluding the real property where their equipment and devices are located

§ 59 — SOLAR CONSUMER PROTECTION TASK FORCE

Extends the taskforce's reporting deadline by one year and broadens qualifications for one appointee

SUMMARY: This act makes wide-ranging changes in laws affecting electric rates, utility regulation, and related state agencies, as described in the section-by-section analysis below.
EFFECTIVE DATE: Various, see below.

§ 1 — BONDING FOR HARDSHIP PROTECTION MEASURES

Authorizes up to $250 million in GO bonds for FYs 26 & 27 to reduce costs of hardship protection measures charged to EDC customers as system benefits charges

The act authorizes up to $250 million in new general obligation (GO) bonds ($125 million each in FYs 26 and 27) for the Office of Policy and Management (OPM). OPM must use bond proceeds to reduce the cost of hardship protection measures charged to electric distribution company (EDC) customers under the systems benefits charge on their bills. OPM must reduce these costs to the average annual cost for years 2016 through 2020 (pre-COVID-19 pandemic years). (Hardship protection measures include shut-off protections and payment programs, among other things.) The bonds are subject to standard issuance procedures and have a maximum term of 20 years.
EFFECTIVE DATE: July 1, 2025

§ 2 — BONDING FOR ELECTRIC VEHICLE CHARGING PROGRAM

Authorizes up to a total of $50 million in GO bonds for FYs 26 & 27 for the EV charging program

The act authorizes up to $30 million for FY 26 and $20 million for FY 27 in new GO bonds for OPM to fund the electric vehicle (EV) charging program, described below. The bonds are subject to standard issuance procedures and have a maximum term of 20 years.
EFFECTIVE DATE: July 1, 2025

§ 3 — EV CHARGING PROGRAM COST LIMITS

Caps PURA EV charging program expenses at $20 million per year and limits eligibility for residential incentives to customers living in concentrated poverty census tracts or in households with incomes up to 300% of FPL

Starting January 1, 2026, the act requires the Public Utilities Regulatory Authority (PURA) to limit expenses to $20 million per year for EV charging stations and customer wiring upgrades in any light-duty EV charging program established in a PURA proceeding. (PURA established an EV charging program in 2021 (Docket 17-12-03RE04).)

The act requires PURA to further limit expenses for EV charging stations and customer wiring upgrades by limiting eligibility for incentives under residential single-family customer programs to residents who (1) live in a concentrated poverty census tract (a U.S. census tract where at least 30% of households have incomes below the federal poverty level (FPL)) or (2) have incomes at or below 300% of FPL. In 2025, for a household of three, the FPL is $26,650 and 300% of FPL is $79,950.

EFFECTIVE DATE: October 1, 2025

§§ 4 & 5 — SHUT-OFF PROTECTIONS EVALUATION AND NOTICE

Requires PURA to evaluate the winter shut-off moratoria and medical protections; expands the notice telephone companies and telecommunications providers must send before giving customer information to credit agencies

PURA Shut-Off Moratorium Evaluation

The act requires PURA to evaluate (1) the length of winter shut-off moratoria and (2) criteria and standards for termination and disconnection protections for medically protected gas and EDC customers. PURA must open an uncontested proceeding or amend the notice of an active proceeding by July 1, 2025, to do so. By law, from November 1 to May 1, the winter shut-off moratorium generally prohibits EDCs, electric suppliers, gas companies, and municipal utilities from terminating service in hardship cases where the customer lacks the financial resources to pay the entire account. Certain other protections apply to customers who are seriously ill or for whom shutoffs would result in life threatening situations.

The act requires the evaluation to address at least the following:

1. definitions of "serious illness or life-threatening medical condition," including whether and how mental health conditions should be included (in consultation with the probate court administrator), and recommendations for revisions considering ratepayer costs and similar jurisdictions' laws;
2. current protections for customers with a serious illness or life-threatening medical condition, including recommendations on capping their duration and standards to condition eligibility for them on a customer's ability to pay;
3. additional shut-off notice requirements;
4. current procedures, practices, and relevant processes to verify hardship status and medical protections;
5. the impact of limits on medically protected customers' service terminations and disconnections on all other ratepayers;
6. a requirement for a medical protection customer to enroll in a payment plan; and
7. standards to ensure that electric or gas companies have in good faith attempted to secure payment from medically protected customers by reasonable means other than terminations, and that adequate notice is given to the customer before termination.

The act requires the PURA chairperson to report a summary of the proceeding's results and any recommendations evaluated in the proceeding to the Energy and Technology Committee by March 16, 2026.

Telephone and Telecommunications Notices on Debt Collection

Under certain circumstances, existing law allows telephone companies and certified telecommunications providers to submit information to credit rating agencies about a customer's nonpayment. Companies must notify the customer by first class mail at least 30 days before submitting the information to a credit rating agency. The act requires the notice to also state that the company supplies payment information to debt collection agencies, as authorized by law.

EFFECTIVE DATE: Upon passage, except the provision on the notice for telephone and telecommunications customers is effective October 1, 2025.

§ 6 — PURA STUDY OF RENEWABLE TARIFFS

Expands the scope of the study PURA must do on renewable energy tariff programs and delays the reporting requirement

An existing law requires the PURA chairperson to study renewable energy tariff programs, including examining potential processes to avoid stranded projects and potential successor programs. As part of this study, the act requires her to also examine:

1. a framework to encourage the aggregation of distributed energy resources that can respond and provide grid and retail market services;
2. different compensation structures to encourage deployment in areas where the grid is underutilized;
3. how nonparticipating electric customers may be impacted by renewable energy tariff programs;
4. strategies to minimize unintentionally duplicative incentives or subsidies between participating and nonparticipating electric customers; and
5. the costs and benefits of the renewable energy tariff programs and methods to maximize benefits to nonparticipating customers (e.g., reducing electric system distribution congestion).

The chairperson must submit the study's results, including any recommendations, to the Energy and Technology Committee. The act delays the reporting deadline from January 15, 2026, to March 1, 2026.
EFFECTIVE DATE: Upon passage

§§ 7 & 8 — LOW-INCOME DISCOUNT RATE: COST CONTAINMENT & STUDY

Requires PURA to (1) implement certain cost containment measures when setting low-income rates and (2) submit a report on the effectiveness of low-income rates and these measures
Cost Containment

The act establishes cost containment measures that PURA must implement when setting low-income rates in certain rate cases and other proceedings. These measures include:

1. a usage cap for customers receiving a low-income discount rate (based on monthly kilowatt hours for EDC customers, monthly centum cubic feet for gas company customers, and gallons for water company customers);
2. a PURA review that is triggered if an EDC's, gas company's, or water company's total costs to fund the low-income rate exceed a certain percentage of its annual billed total revenues; and
3. a recertification process to confirm, at least every 12 months, income eligibility and appropriate tier placement.

Under the act, these cost containment measures must be applied to low-income rates set in (1) rate cases or other proceedings initiated on or after October 1, 2025, and (2) pending cases for which a final decision has not been issued by November 1, 2025.

PURA Report on Low-Income Rates and Containment Measures

The act requires the PURA chairperson to report on low-income rates implemented from January 1, 2024, to December 31, 2028. The report must include a review of the low-income rate program, including the (1) program's effectiveness in reducing uncollectibles and encouraging bill payments and (2) effectiveness of the cost-containment measures described above. The chairperson must submit the report to the Energy and Technology Committee by November 15, 2029.
EFFECTIVE DATE: July 1, 2025, except the provision requiring the report is effective upon passage.

§ 9 — RENEWABLE ENERGY TARIFFS

Limits NRES, RRES, and SCEF programs to zero-emissions projects and requires PURA to add a nonbypassable charge of at least 3.25 cents to the RRES tariff

The act makes (1) Class I low-emissions projects (e.g., fuel cells) and anaerobic digestion facilities ineligible for the Non-Residential Renewable Energy Solutions (NRES) program and (2) conforming changes, such as eliminating the 10 megawatt (MW) cap on procurements for these projects under NRES.

It similarly requires that eligible Residential Renewable Energy Solutions (RRES) projects and, starting after January 1, 2026, eligible Shared Clean Energy Facility (SCEF) projects, emit no pollutants.

For rates offered on and after January 1, 2026, the act requires PURA to (1) establish a nonbypassable charge of at least 3.25 cents as part of the RRES netting tariff and (2) adjust the offered buy-all tariff rates so they are substantially

similar. (Broadly, the netting incentive structure generally compensates customers through on-bill credits, at rates that may fluctuate, for energy they generate but do not use. Under the buy-all structure, the EDCs purchase all energy a project generates at a locked-in rate for 20 years.)
EFFECTIVE DATE: October 1, 2025

§§ 10-16 — SECURITIZATION OF FINANCED UTILITY SERVICES

Authorizes securitization for "financed utility services," capped at $2.2 billion in the aggregate and secured by the competitive transition assessment charge

The act authorizes the issuance of bonds backed by EDC revenues, using a process called securitization, to pay for certain costs ("financed utility services"). The bonds are issued through the state but are not state bond obligations. The law initially authorized securitization under the 1998 restructuring law that required electric utilities to divest their generation. Under that law, securitization allowed electric companies to recover their stranded costs associated with restructuring. It allowed for the issuance of "rate reduction bonds," backed by a charge on ratepayer bills (the competitive transition assessment (CTA)).

Under the act, the issuance of rate reduction bonds for financed utility services must follow procedures similar to those applied to the issuance of rate reduction bonds to pay off the utilities' stranded costs. The act also makes minor, technical, and conforming changes, including eliminating deadlines set for previous securitization authorizations.

Financed Utility Services

Under the act, "financed utility services" are certain costs determined by PURA under principles set in laws on rate determinations. Specifically, "financed utility services" include:

1. costs an EDC prudently and efficiently incurred between January 1, 2018, through January 1, 2025, to prepare for and restore power to customers after storms;
2. costs an EDC prudently and efficiently incurs, or reasonably expects to incur, after January 1, 2025, for any accelerated initial procurement, installation, and operational deployment of advanced metering infrastructure (AMI) to replace existing traditional non-interval metering infrastructure used by its customers (including any reasonable fees, expenses, and transaction costs related to issuing, servicing, retiring, or refinancing rate reduction bonds);
3. the unrecovered balance, including stranded costs, of legacy infrastructure being replaced as part of AMI deployment; and
4. any reasonable fees, expenses, and transaction costs incurred in connection with issuing, servicing, retiring, or refinancing rate reduction bonds issued to finance these costs.

Under the act, AMI is an integrated system of metering equipment, two-way communications networks, and information management systems (e.g., billing and customer information systems) an EDC uses to collect and transmit interval or real-time data on a customer's energy consumption. The AMI costs eligible for inclusion as financed utility services include capital expenses and one-time non-capital operating expenses to encourage customers to adopt AMI (e.g., information, customer education, or licenses, fees, training, and other necessary costs).

PURA Determination and Financing Order

The act allows PURA to determine, at its sole discretion, that issuing rate reduction bonds is in ratepayers' best interests. PURA may do so in response to a petition from an EDC or on its own motion.

The act also allows EDCs to petition PURA for a financing order for financed utility services that PURA has determined, in a separate proceeding, are appropriate for cost recovery under certain statutory rate-making standards. PURA must (1) respond to the EDC's petition within 120 days after receiving it and (2) hold a contested case hearing to determine the portion of financed utility services that may be included in this funding and constitute transition property (see below).

The act requires the financing entity (the state, acting through the state treasurer, any entity it authorizes, or any entity PURA authorizes under a financing order) to issue rate reduction bonds when PURA issues a financing order that specifies the appropriate amount, rates, and terms of the rate reduction bond issuance. The act limits the aggregate principal amount of rate reduction bonds to $2.2 billion.

The act allows PURA to issue financing orders to provide, recover, finance, or refinance financed utility services. Under prior law, with one exception, PURA could only adopt a financing order if an EDC applied for one. The act allows

PURA to adopt a financing order on its own motion. Under existing law, the financing order only takes effect after the EDC files with PURA its written consent to all the financing order's terms and conditions.

CTA Determination

The act requires rate reduction bond costs (including all principal, interest, premium, costs, and arrearages) to be recovered through the CTA, subject to a reconciliation process. Specifically, once rate reduction bonds are issued to recover any financed utility services, PURA must periodically adjust the CTA to allow recovery of bond costs, including a reconciliation of the actual revenues from the CTA to the actual costs of the bonds.

The act generally requires excess amounts generated by the bonds to be returned to ratepayers under certain circumstances. More specifically, if the proceeds used to purchase transition property (i.e. the CTA) for rate reduction bonds to deploy AMI exceed amounts the EDCs prudently and efficiently incurred to deploy AMI, as determined by PURA under certain rate-making standards, then the total costs of rate reduction bonds resulting from the excess amount must be returned to ratepayers, with interest, in a way PURA determines (e.g., by proportionately decreasing another nonbypassable rate EDCs charge or through the revenue decoupling mechanism line item). The act prohibits decreasing the CTA in connection with this reconciliation.

The act also requires the net benefits of accumulated deferred income taxes for amounts recovered through rate reduction bonds for financed utility services to be credited to EDC customers by reducing the amount of bonds that would otherwise be issued by the net present value of the related tax cash flows, using a discount rate equal to the bonds' expected interest rate.

The act requires PURA, upon an EDC's application, to identify and calculate financed utility services that may be collected through the CTA. PURA must assess and impose the CTA on all EDC customers and hold a contested case hearing to determine the CTA amount.

Under the act, PURA must set the CTA in an amount sufficient to pay for:

1. rate reduction bond principal, interest, and any credit enhancement or premium when they are due;
2. all reasonable and necessary financing expenses; and
3. EDC-financed utility services that are not funded with rate reduction bond proceeds.

The act requires the CTA to be charged to all customers until the (1) rate reduction bonds are paid in full, including all principal, interest, premium, costs, and arrearages on the bonds, and (2) EDC fully recovers financed utility services that are not funded with bond proceeds. The act allows PURA, through a financing order, to distinguish on customers' bills between financed utility services rates and charges and those associated with previous securitization authorizations, to facilitate successful sale and issuance of rate reduction bonds.

Transition Property and CTA Adjustments

By law, the right to receive the CTA proceeds used to cover costs eligible for securitization is called "transition property," which belongs to the EDC. Under the act, transition property for financed utility services vests solely in the applicable EDC immediately upon the property's creation (generally when the financing order takes effect).

Existing law makes financing orders and the CTA irrevocable. The act additionally specifies that transition property is irrevocable and prohibits PURA from (1) revaluing or revising the financed utility services for ratemaking purposes or costs to provide, recover, finance or refinance these services or (2) determining that the CTA is unjust or unreasonable or otherwise reducing its value.

The act requires PURA to approve CTA adjustments as needed to ensure timely recovery of financed utility services and related costs. The financing order must include a procedure for PURA to determine, at least annually, whether a CTA adjustment is needed and, if so, for it to be approved within 90 days (or less if the financing order requires it) after the adjustment is filed.

Rate Reduction Bonds and State Pledge

Rate reduction bonds are bonds, notes, or other financial instruments secured by transition property. The act expands the type of costs rate reduction bond proceeds may cover to include financed utility services. By law, bond proceeds must be used for the purposes PURA approves in the financing order, including retiring or refinancing debt. Proceeds may not be used to buy generation assets, buy back stock, or pay operating costs (other than taxes on the proceeds). Prior law also prohibited using proceeds to pay dividends to shareholders. Under the act, this prohibition applies specifically to parent company shareholders. Existing law allows rate reduction bonds to be refunded by other rate reduction bonds.

The act also makes conforming changes, including eliminating requirements that rate reduction bonds mature by December 31, 2011, and that PURA's authority to issue them expire by December 31, 2008.

By law, the bonds and the financing order are not state debt, and the bonds must say this on their face. They do not count toward the state's debt limits. They do not make the state or municipalities contingently liable.

By law, the state pledges with the bondholders and transition property owners that it will not alter the CTA, transition property, and financing orders, until its obligations have been met. The act extends this provision by similarly pledging that state agencies will not do so until the state's obligations have been met. By law, the parties involved in the securitization process are exempt from taxes on the relevant property or revenue, and for state income tax purposes, the bonds are treated as if a public body had issued them.

Subsequent Rate Determinations

Existing law prohibits PURA from including any rate reduction bonds as EDC debt in any way that would impact the company for rate-making purposes. The act also prohibits EDCs from including transition property when calculating any rate base.

EFFECTIVE DATE: July 1, 2025

§ 17 — PROGRAM ADMINISTRATION

Allows PURA to select third parties to administer clean energy or renewable energy programs it establishes in a proceeding

The act allows PURA to select the Green Bank, the Department of Energy and Environmental Protection (DEEP), an EDC, a third party that PURA deems appropriate, or any combination of these entities, to administer any ratepayer-funded clean energy or renewable energy program PURA establishes in a proceeding. Existing law similarly allows PURA to do this for NRES, RRES, SCEF, and EV charging programs (CGS § 16-244dd).

Any selection PURA makes under the act must be based on its analysis of evidence recorded in an uncontested proceeding that shows the selected entity's qualifications and experience administering the program or a comparable one, projected cost savings, potential administrative efficiencies, and the impact on customer experience.

EFFECTIVE DATE: October 1, 2025

§ 18 — PUBLIC BENEFITS CHARGE STUDY

Requires OCC to study public benefits line items and report to the Energy and Technology Committee by October 1, 2026

The act requires the Office of Consumer Counsel (OCC) to study line items under the combined public benefits charge on EDC customer bills. The office must conduct this study in consultation with PURA and the DEEP commissioner, and the study must examine the enabling authority to impose each line item and its purpose, costs, and benefits. OCC must report its findings to the Energy and Technology Committee by October 1, 2026.

EFFECTIVE DATE: Upon passage

§§ 19 & 20 — TIME-VARYING RATES

Establishes requirements for time-varying rates and requires EDCs to apply to PURA by October 1, 2027, to implement them

By October 1, 2027, the act requires (1) EDCs to apply to PURA to implement time-varying rates for residential, commercial, and industrial customers and (2) PURA to open a docket to evaluate EDC applications to implement time-varying rates for residential and commercial customers. A time-varying rate is an electric rate designed to (1) reflect the utility's cost to provide electricity to the customer at different times and (2) create a price differential that incentivizes targeted electric load growth and system efficiency. Time-varying rates may include critical peak pricing, which is pricing for a period when system costs are highest or when the power grid is severely stressed and customers may pay higher prices as a result.

EDC Proposal Requirements

Under the act, any time-varying rate proposals an EDC submits for retail rate components must:

1. include fixed rates across 24-hour cycles within each season,
2. be based on projected seasonal demand and include on-peak rates, and
3. adequately incentivize cost-effective load shifting to off-peak periods by applying an appropriate price differential between on-peak and off-peak rates.

"On-peak" is a period likely to capture ISO-New England and electric distribution system peaks or to encourage the cost-effective shifting of load to maximize grid efficiency, as PURA determines. The act requires the rate design, including the difference between on-peak and off-peak prices, to be consistent with empirical research conducted by EDCs and other rate design experts.

Under the act, if an EDC's time-varying rate proposal includes a seasonal rate component, the EDC must submit the appropriate phase-in period for customers to adjust to seasonal rates without experiencing a sudden, significant increase in electricity prices. It must also submit any proposed differentiation of generation, transmission, and distribution energy and demand rates into summer and non-summer months. And if cost differences between those periods are substantial, it must also include winter and shoulder month periods, considering projected customer acceptance and use of the rates.

The act requires EDC time-varying rate applications to propose to establish the rates through an approved revenue recovery mechanism for transmission and distribution rates. They must also establish a revenue reconciliation mechanism to recover or refund any revenue under- or over-collected through a subsequent billing adjustment.

The act requires an EDC's proposed time-varying rates to be designed as default rates, considering gradualism and customer acceptance principles and established exceptions as PURA deems appropriate (e.g., for medically protected customers and hardship customers). EDC applications must:

1. propose a comprehensive customer education proposal (see § 21 below),
2. have a clearly defined opt-out process, and
3. give due consideration to how time-varying rate designs interact with existing and foreseeable low-income rates and programs.

PURA Responsibilities

The act requires PURA to evaluate whether it is appropriate to implement time-varying rates upon an EDC's application for one. Under the act, time-varying rates are deemed appropriate if they are in ratepayers' best interest. PURA must consider:

1. if the rate's benefits exceed the cost of implementing it, including any capital investments needed to implement the rate;
2. if the rate would encourage energy conservation or an electric utility to optimally and efficiently use facilities and resources;
3. equitable rates for electric consumers approved by PURA; and
4. any other considerations PURA deems appropriate.

The act allows PURA to implement time-varying rates after public notice and a hearing, which may be part of a rate case. It also requires PURA to hold a contested case hearing to approve, reject, or modify an EDC's application. The act allows PURA to approve time-varying rates only if:

1. they reasonably reflect the cost of service during their respective time-varying periods;
2. the associated costs, customer impacts, and benefits to the utility system justify them; and
3. they are expected to alter patterns of customer electricity consumption without undue adverse effect on the customer.

EFFECTIVE DATE: July 1, 2025

§ 21 — CUSTOMER EDUCATION AND ENGAGEMENT PROGRAM

Requires EDCs to design a customer education and engagement program on time-varying rates and implement it upon PURA's approval

The act requires each EDC to design a comprehensive customer education and engagement program to inform EDC customers about the benefits of time-varying rates and encourage them to use the rates and any available technology that enables customer cost savings when on time-varying rates. The EDCs must design their program in consultation with OCC and the DEEP commissioner. The program design must include:

1. approved customer outreach, education, and engagement methods, including strategies to maximize customer cost savings;
2. objective performance standards for program implementation; and
3. mandatory reporting requirements for EDCs on their compliance with program requirements, including submitting data and documentation as PURA requires.

The act requires an EDC, as part of any rate case started on or after July 1, 2025, to submit a detailed proposal (or an update to a previously submitted proposal) to develop the customer education and engagement program. The act requires EDCs to administer the program once PURA approves it.

EFFECTIVE DATE: October 1, 2025

§ 22 — EMERGENCY SERVICE RESTORATION PLANNING COMMITTEES

Requires EDCs to establish planning committees that include line and restoration crew members to review emergency service restoration plan implementation after large outages; expands the types of emergencies covered by the plans to include wildfires; requires the plans to include measures to protect line and restoration crew member safety

Under existing law, EDCs and certain other public service companies must file biennial post-emergency service restoration plans with the Department of Emergency Services and Public Protection (DESPP), PURA, and municipalities in their service areas. The act expands what constitutes an emergency for which they must plan to include wildfires. It also requires EDCs to establish an emergency service restoration planning committee.

Separately, but relatedly, the act requires collective bargaining units and companies to jointly develop any training and skills job progression plans, or other comparable documents, if line and restoration crew members belong to a collective bargaining unit.

Committee Members and Procedures

Under the act, at least half of the emergency service restoration planning committee's members must be line and restoration crew member employees, selected through a process they determine or by their collective bargaining unit if they are members of one. The company appoints the other committee members. The committee must have two co-chairpersons, one who is a line or restoration crew employee elected by these committee members and one elected by the other committee members.

The act specifies that a majority of committee members constitute a quorum and a majority vote of members present at a meeting is required to make committee decisions. It requires the committee to make written summaries of each meeting and, upon request, give them to employees, DESPP, and PURA.

Plan Contents

Existing law specifies what measures must be included in the plan, including communication and coordination with state and local officials and participation in training exercises. The act requires the plan to also include (1) measures to protect the health and safety of line and restoration crews during an emergency and when restoring services (e.g., by providing appropriate personal protective equipment or measures required in a collective bargaining agreement or applicable health and safety policies) and (2) references to any applicable documents (e.g., collective bargaining agreements describing any applicable training and skills job progression plan).

If an emergency interrupts service to 30% or more of a company's customers, the act also requires the committee to meet within 60 days after the emergency to review how the plan was implemented and incorporate any feedback into the plan.

EFFECTIVE DATE: October 1, 2025

§§ 23 & 24 — EMERGENCY RESTORATION AND CREW MEMBER SAFETY

Prohibits EDCs from requiring line and restoration crew members to work in unsafe conditions and prohibits punishing an employee for causing the company to miss certain service restoration deadlines after emergencies; expands the types of emergencies subject to these deadlines to include wildfires

Existing law (1) requires EDCs to make certain payments to residential customers for prolonged outages after an emergency (e.g., a storm, flood, or earthquake) and (2) prohibits them from recovering these costs through rates.

Specifically, it requires EDCs to give a (1) $25 credit for each day an outage occurs for more than 96 consecutive hours after an emergency and (2) $250 payment for food or medication that spoils due to an outage lasting more than 96 consecutive hours after an emergency.

The act (1) expands the types of emergencies covered by these provisions to include wildfires and (2) prohibits EDCs from requiring line and restoration crew members to work in unsafe conditions to avoid making these credits and payments or for any other reason. The act prohibits EDCs from disciplining, terminating, or punishing them or withholding their wages solely on the basis that the employee caused the company to fail to restore a distribution system outage within 96 hours.

EFFECTIVE DATE: October 1, 2025

§§ 25 & 26 — GRID ENHANCING TECHNOLOGIES (GETS)

Requires EDCs and transmission owners to include project alternatives in Siting Council proceedings for certain transmission projects; expands forecasted loads and resources reporting; allows DEEP and OCC to evaluate proposed projects; requires EDCs to report to PURA on deployment of GETs and other technologies in certain PURA proceedings

Project Alternatives

The act requires EDCs and transmission owners to develop and submit at least one project alternative to the Siting Council when seeking to construct or materially modify transmission lines, substations, and switchyards that are subject to the council's jurisdiction (see *Background — Siting Council Jurisdiction*). A material modification is one with an estimated cost of at least $25 million, excluding construction activities related to a disruptive emergency condition or other unplanned loss of an essential asset function that requires immediate rectification.

The project alternative must use (1) an advanced conductor (unless the primary proposed project incorporates one) and (2) grid-enhancing technology or nontransmission alternative technology. An "advanced conductor" is any conductor material, design, or technology that (1) improves electrical conductor performance compared to traditional aluminum-conductor steel-reinforced cable and (2) optimizes attributes (e.g., current carrying capacity, thermal performance, weight, sag, durability, corrosion resistance, and efficiency) using materials like high-conductivity alloys and conductor designs like trapezoidal designs.

"Grid-enhancing technology" (or GET) is any hardware or software that increases the electric distribution or transmission system's capacity, performance, or efficiency. GETs include at least the following technologies:

1. "dynamic line rating," which is any hardware or software used to update the calculated thermal limits of existing distribution or transmission lines based on real-time and forecasted weather conditions;
2. "advanced power flow control," which is any hardware or software used to push or pull electric power in a way that balances electric lines that are either exceeding capacity or are underutilized;
3. "topology optimization," which is any hardware or software that identifies reconfigurations of the state's distribution or transmission grid to enable routing power flows around congested or overloaded electric grid elements; and
4. energy storage (e.g., a battery) when used as a distribution or transmission resource.

A "nontransmission alternative" is an electric grid investment or project that uses nontraditional transmission and distribution solutions to defer or replace the need for specific equipment upgrades by reducing electric load at a substation or circuit level (e.g., distributed generation, energy storage, energy efficiency demand response, and grid software controls).

If the EDC or transmission owner does not prefer the project alternative, the company must include with its Siting Council application a detailed explanation comparing the project alternative's cost-effectiveness and appropriateness with that of the company's preferred project.

The act requires the Siting Council to give preference to a project alternative if the council determines that it:

1. is at least as cost effective as the company's preferred project,
2. provides the same or increased electric system reliability benefits to solve the identified need compared to the preferred project, and
3. has similar environmental and community impacts as the preferred project.

Waivers From Project Alternative Requirements

The act allows EDCs to seek a full or partial waiver of the act's requirement to submit these project alternatives. EDCs are eligible for a waiver if:

1. using advanced conductors, GETs, or nontransmission alternatives is impossible or impracticable to solve an

identified need;
2. the proposed project is subject to a regional transmission planning process approved by the Federal Energy Regulatory Commission (FERC) that adequately considers implementing these technologies; or
3. the DEEP commissioner and OCC have evaluated the project (see below).

To apply for a waiver, companies must apply to the DEEP commissioner as she prescribes. The waiver application must specify which of the above circumstances makes the company eligible for waiver. The act allows the DEEP commissioner, after consulting with OCC, to waive the requirement. The commissioner must accept or deny waiver applications within 60 days after receiving them or they are deemed approved.

The act also allows EDCs to request a revocable general waiver of the act's requirements on project alternatives for any projects subject to a FERC-approved regional transmission planning or review process that adequately considers advanced conductors, GETs, or nontransmission alternative technologies. DEEP must accept or deny a wavier application within 60 days after receiving it.

Forecast of Loads and Resources Report

Existing law requires EDCs and transmission services providers (among others) to report a forecast of loads and resources to the Siting Council annually by March 1. The act requires EDCs and transmission owners to additionally include the following information in that report:

1. a schedule of any planned construction or material modification of certain facilities (transmission lines, substations, and switchyards under the council's jurisdiction) for the next 10 years, including a description and, if available, the need for and scope of the project, cost estimates, and how advanced conductors, GETs, and nontransmission alternatives may be considered to address the identified need;
2. data on the company's construction or material modification of these facilities in the previous year, including the project's final costs and estimated costs at each relevant design stage;
3. the facility's original estimated in-service date; and
4. any other information OCC or the DEEP commissioner reasonably request on projects disclosed in the report.

For the first report submitted after October 1, 2025, the act requires the data on construction or material modification of these facilities to cover any facility placed in service on or after January 1, 2022. If the information is unavailable, the EDC must notify the DEEP commissioner and OCC and reach a resolution acceptable to each party.

Project Evaluations

Under the act, within 180 days after any annual loads and resources report filing described above, the DEEP commissioner, in consultation with OCC, must determine whether any facility listed for construction or material modification requires further evaluation and notify the EDC. In making her determination, the commissioner must consider at least the following factors:

1. whether the proposed facility is subject to a regional independent system operator's (e.g., ISO-New England) transmission planning or review process or a substantially similar process;
2. the underlying facility's age or condition;
3. the proposed project's scope and estimated costs;
4. whether the proposed project responds to needs identified through the regional transmission system operator's proactive transmission planning; and
5. whether and how advanced conductors, GETs, and nontransmission alternatives are proposed to be used in the project, may reduce environmental or aesthetic impacts, and can feasibly solve the EDC's identified need partially or entirely.

Before determining that a project requires further evaluation, the DEEP commissioner and OCC must give the EDC an opportunity to produce evidence that the project requires no further evaluation. If the commissioner and OCC conduct an evaluation, they must notify the EDC and evaluate the project based on the following factors:

1. the reasonableness of the (a) need the EDC identified to justify the proposed facility and (b) project's proposed scope, including the timing of proposed investments;
2. whether the EDC's proposed solution is the most cost-effective solution to the identified need or whether alternative solutions could more cost-effectively provide the same or increased reliability benefits to partially or fully resolve the identified need;
3. costs of the proposed project and potential alternatives identified as part of the evaluation;
4. whether the proposed project could be modified to account for variables (e.g., future demand growth) in a cost-effective way that could mitigate the need for construction activities on the same facility before the end of its useful

life; and

5. any other factors the DEEP commissioner or OCC reasonably determine are necessary to evaluate a specific project.

The act requires each company to provide data, communications, and information the DEEP commissioner or OCC requests in connection with any evaluation, subject to DEEP's general enforcement powers. The act requires responses to be shared with both DEEP and OCC.

The act requires the DEEP commissioner and OCC to meet with each EDC at least twice per year to discuss and receive input on any facilities currently under evaluation. The commissioner and OCC must also jointly report annually on the evaluation factors described above. The act requires the DEEP commissioner and OCC to complete any evaluation and draft report on an evaluation and share them with the EDC within 90 days after the EDC files an application or petition with the Siting Council, so long as the EDC informs DEEP and OCC about the anticipated filing date at least 12 months in advance.

The act requires the DEEP commissioner to file any final report on a project evaluation in the relevant Siting Council proceeding. The council must give appropriate consideration to DEEP's report when making a determination on the proposed project.

Waivers for Project Evaluation Requirements

The act allows the EDCs to request a revocable general waiver of the act's project evaluation requirements from the DEEP commissioner for any projects subject to a FERC-approved regional transmission planning or review process. The act requires the DEEP commissioner to accept or deny a waiver application within 60 days after receiving it.

Compliance Report

The act requires EDCs and transmission owners to report to PURA every five years, starting by January 1, 2027, on their compliance with the act's requirements on project alternatives and evaluations. PURA must send a copy of the report to the regional independent system operator and the Energy and Technology Committee.

Confidentiality and Freedom of Information Act Exemption

The act requires the DEEP commissioner and OCC to protect any proprietary commercial or financial information an EDC or transmission owner provides under the act's requirements on project alternatives and evaluations. It makes this information confidential and exempts it from public disclosure under the state's freedom of information laws.

EDC Report in PURA Proceedings

The act requires EDCs to submit a report to PURA in any base rate or capital improvement proceeding. The report must analyze the cost effectiveness of deploying advanced conductors, GETs, energy storage, or other non-wire alternatives relevant to the company's operations or capital investments, and have a projected timetable for deploying these technologies. The report may include proposed performance incentive mechanisms for cost-effective deployment of these technologies. The act allows PURA to approve deploying these technologies, with or without performance incentives, if PURA deems them cost effective.

EFFECTIVE DATE: October 1, 2025

Background — Siting Council Jurisdiction

By law, the Siting Council has jurisdiction over siting various types of facilities, including (1) electric transmission lines of at least 69 kilovolts and associated equipment and (2) any electric substation or switchyard designed to change or regulate voltage of at least 69 kilovolts to connect at least two electric circuits and other facilities that the council may prescribe by regulation (CGS § 16-50i(a)). The law excludes transmission line taps from the council's jurisdiction, which are electrical transmission lines that do not have a substantial adverse environmental effect as determined by the council (CGS § 16-50i(e)).

§ 27 — DEEP, PURA, AND OCC CONSULTANTS

Allows DEEP, PURA, and OCC to independently retain consultants for proceedings and negotiations with certain federal agencies

The act broadens authorizations for DEEP, PURA, and OCC to retain consultants. Prior law allowed (1) DEEP, in consultation with PURA and OCC, to retain consultants for proceedings or negotiations with various federal agencies and (2) PURA, in consultation with OCC, to retain consultants for proceedings or negotiations with the Federal Communications Commission (FCC).

The act instead (1) allows DEEP, PURA, and OCC to respectively retain consultants for proceedings or negotiations with various federal agencies and (2) removes any requirement that they consult with each other to do so. The provision applies for proceedings and negotiations with the same federal agencies that DEEP could retain consultants for under prior law: FERC; U.S. Department of Energy; U.S. Nuclear Regulatory Commission; U.S. Securities and Exchange Commission; Federal Trade Commission; FCC; or U.S. Department of Justice.

Existing law requires the regulated companies affected by the proceeding (e.g., EDCs, telecommunication providers, and electric suppliers) to pay for the reasonable and proper expenses for consultants as determined by PURA. The law caps these expenses at $2.5 million per calendar year, unless PURA finds good cause to exceed the limit. PURA must recognize these expenses as proper business expenses for purposes of ratemaking.

EFFECTIVE DATE: October 1, 2025

§ 28 — ISO-NE PARTICIPATION

Requires EDCs that own or control certain transmission facilities in the state to be ISO-NE participants

The act prohibits EDCs from owning or controlling certain transmission facilities in the state unless the EDC participates in the regional independent system operator (ISO-NE). The act's prohibition applies to their ownership of certain transmission lines, electric substations, or switchyards. In practice, the state's EDCs are currently members of ISO-NE (see *Background — Incentive to Join a Transmission Organization*).

EFFECTIVE DATE: Upon passage

Background — Incentive to Join a Transmission Organization

As an incentive to join a transmission organization (such as ISO-NE), FERC allows utilities that join to charge higher rates in the form of an "adder." FERC Order No. 679, which authorizes this adder, explains that it is provided because membership in a transmission organization is generally voluntary. In states that require transmission owners be members, FERC has declined to allow the companies to charge a higher rate because their membership is not voluntary.

§ 29 — ISO-NE MEETING VOTES

Requires EDCs to annually report to PURA each recorded vote they and their corporate affiliates cast in ISO-NE meetings during the prior year

The act requires each EDC to annually submit a report, by February 1, to PURA on each recorded vote it, or a corporate affiliate, cast at an ISO-NE meeting during the prior calendar year. The EDCs must do so for votes tabulated (either individually or as part of a sector) for any purpose, regardless of the voter's decision-making authority or if a vote was the voter's final position. Meetings include any committee, user group, task force, or other part of ISO-NE where votes are taken.

The report must include (1) the EDC's recorded votes, even if not otherwise disclosed; (2) any recorded votes the EDC's corporate affiliate cast if the EDC itself did not vote on a matter; and (3) a brief explanation of how each vote cast was in the public's interest, as determined by the EDC.

EFFECTIVE DATE: October 1, 2025

§ 30 — ZERO-CARBON PROCUREMENTS AND STANDARD SERVICE

Allows EDCs to use nuclear energy or related products purchased under the prior zero-carbon procurement to provide standard service; creates an exception to the limit on the length of certain zero-carbon procurement contracts

The act allows EDCs to use energy or related products (or a combination of them) purchased from a nuclear power generation facility under the previous zero-carbon procurement to provide standard service. To do so, the EDC must consult with PURA's procurement manager and OCC and determine that it is in the best interest of standard service customers.

Existing law required DEEP and PURA to issue a solicitation for zero-carbon electricity-generating resources and to direct the EDCs to enter agreements with selected entities to purchase energy, capacity, and other environmental attributes (see *Background — Zero-Carbon Procurement*). Under the existing law, any agreements with a hydropower or a nuclear power generation facility must be for at least three, but not more than 10, years. The act additionally allows EDCs to enter these contracts for a term that at least one other state has entered into, if it is in the best interest of ratepayers.

Standard Service

By law, standard service is the energy supply sold to electric customers who do not choose to buy electricity through a third-party energy supplier (CGS § 16-244c). The EDCs buy electricity and other products to serve these customers through a process overseen by PURA's procurement manager, OCC, and other parties.

The act allows EDCs, in consultation with the procurement manager and OCC, to elect to use any portion of the energy, capacity, and other energy products the company purchases from a nuclear power generating facility through an agreement approved under the zero-carbon procurement (see *Background — Zero Carbon Procurement*).

EDCs that choose to do this must consult with PURA and OCC and specify:

1. the quantity of energy, capacity, or other energy products that the company will use for standard service;
2. the time period during which they will use it (EDCs must establish this in consultation with the procurement manager); and
3. the price for the energy, capacity, or other energy products recovered through the Generation Service Charge (which mainly covers energy supply costs for standard service).

Under the act, an EDC must seek PURA's approval to incorporate this energy or related product into standard service. If PURA approves the energy or products for standard service, these costs must be recovered through the Generation Service Charge. The act authorizes PURA to establish reporting standards on any determination of whether using these agreements is in standard service customers' best interest.

The act also specifies that (1) PURA must dispose of any Class I renewable energy credits (RECs) not used to serve standard service customers under the act (see § 37 below) and (2) it does not amend or alter any agreements under the previous zero-carbon solicitation or other previous solicitations.

The act requires the agreement's remaining costs (presumably, those not associated with standard service) and net revenues to be recovered and credited in the same manner as prior law required for all agreement costs and revenues (i.e. recovered from or credited to customers through a nonbypassable fully reconciling rate component).

EFFECTIVE DATE: October 1, 2025

Background — Zero-Carbon Procurement (PA 17-3, June Special Session (JSS))

Among other things, PA 17-3, JSS, authorized DEEP and PURA to conduct a solicitation and procurement for bids from zero-carbon generation facilities. DEEP selected a bid for 9 million megawatt-hours from the Millstone Power Station, owned by Dominion Energy, and, after a renegotiation, PURA approved power purchase agreements (PPAs) between the EDCs and Dominion. Under the agreements, the EDCs must purchase 50% of Millstone's output over 10 years (2019-2029). A bid from Seabrook Station in New Hampshire was also selected, resulting in an 8-year contract (2022-2030). DEEP has also selected offshore wind and solar projects under this law.

§ 31 — STANDARD SERVICE PROCUREMENT

Requires EDCs to be able to procure at least 25% of standard service load through dynamic market purchases; requires PURA's procurement manager to submit a plan amendment by February 15, 2026; modifies procurement plan amendment approval processes

Existing law requires PURA's procurement manager to develop a plan annually to procure electric generation services and related wholesale market products. Prior law required the plan to enable EDCs to manage a portfolio of contracts to reduce costs while maintaining volatility within reasonable levels. The act instead requires the procurement manager to develop the plan with the goal of reducing the average cost of standard service for standard service customers while minimizing cost volatility.

The act allows, rather than requires, the procurement manager to consult with DEEP and OCC when developing the procurement plan. As under existing law, the procurement manager must also consult with each EDC.

Dynamic Market Requirements

Prior law required the procurement plan to provide for competitive solicitation for load-following electric service. The act instead requires the plan to provide this as an option and requires EDCs, individually or jointly, to develop and maintain the ability to engage in dynamic market purchases for at least 25% of the standard service load in a flexible way. "Dynamic market purchases" include energy, capacity, or other market products needed to serve standard service load using market purchases in the ISO markets, financial contracts, or other variable procurement techniques.

The EDC's approach to dynamic market purchases must be designed to allow the company to buy energy products during lower cost periods, based on the day-ahead and real-time energy markets, subject to a risk mitigation provision (see below) that defines parameters for dynamic market purchases.

Under the act, the procurement plans must identify the method EDCs must use to develop the proxy price for the portion of the standard service procured through dynamic market purchases. It requires the actual cost of these purchases to be reconciled to the proxy prices and their actual net costs to be recovered in electric rates on a timely basis, as required under existing law. The act directs each EDC to pay for these dynamic market purchases in accordance with the applicable contract terms.

Under existing law and the act, the procurement plan may include other contracts (e.g., financial contracts) and allow contracts of various lengths. The act allows the plan to also include the use of energy, capacity, or other products approved under the zero-carbon procurement law (see § 30).

Proposed Procurement Plan Amendment in 2026

The act requires PURA's procurement manager, by February 15, 2026, to submit a proposed amendment to the procurement plan for PURA's approval or modification. The procurement manager must do so in consultation with the EDCs, OCC, and DEEP commissioner.

The proposed amendment must at least include modifications addressing the potential use of the following:

1. multiple competitive solicitations each year to procure energy at intervals the plan identifies or that the procurement manager determines, in accordance with the procurement plan, serve ratepayers' best interests;
2. contracts to procure energy with durations of up to three years; and
3. fixed-price energy supply contracts in addition to full requirements contracts.

Under existing law, unchanged by the act, if the procurement plan includes full requirements contracts, it must also include an explanation of why these purchases are in the standard service customers' best interests.

The act also requires the proposed plan amendment to set guidelines for each EDC on procurement plan implementation, including:

1. a requirement that each company develop and maintain the capacity to engage in dynamic market purchases,
2. directions on the circumstances under which dynamic market purchases could be exercised, and
3. a requirement that the ability to pursue procurement methods described above incrementally increase or decrease over time based on any demonstrated ratepayer benefits.

The proposed procurement plan amendment must also include a risk mitigation provision that defines the acceptable parameters for dynamic market purchases, including guidelines for using financial contracts.

PURA must review and modify or approve this amendment in an uncontested proceeding.

Waivers for Interim Amendments and Temporary Nonconformities

The act eliminates provisions in prior law that allowed the procurement manager to petition PURA for an interim amendment. Instead, if the procurement manager determines that an interim amendment to the procurement plan, or a temporary nonconformity with the plan, may substantially further the goal of effectively procuring standard service while minimizing standard service cost volatility for a specific procurement, the act requires him to adopt a waiver from the plan exclusively for that procurement. When the procurement manager adopts the waiver, he must immediately file notice about it and the interim amendment or nonconformity with PURA. PURA must then notify OCC, the DEEP commissioner, and the EDCs, who may submit comments on the waiver to PURA up to two business days after they receive the notice. PURA must act on the proposed waiver within three business days after the comment period expires or the waiver is deemed adopted.

Approval Process for Plan Amendments

Under prior law, PURA had to conduct a contested proceeding to approve, with any amendments it deemed necessary, the procurement plan. The act removes this process, leaving the law silent on an approval process for the annual plan. However, under the act, if the procurement manager finds that an amendment to the plan may substantially further the goals described above, he may petition PURA for an amendment. PURA must notify OCC, the DEEP commissioner, and the EDCs, who have 14 business days after the notice to request an uncontested proceeding and a technical meeting on the proposed amendment. PURA must hold a proceeding and a technical meeting if requested.

Under the act, PURA may approve, modify, or deny the proposed amendment. PURA's ruling must occur (1) within 90 days after the technical meeting, if one is requested, or (2) within 120 days after the deadline to request a technical meeting has expired.

The act also allows PURA to start an uncontested proceeding to amend the procurement plan from time to time.

Procurement Plan Compliance and Costs

The act requires each EDC to comply with the procurement plan and any plan amendments or waivers PURA adopts. The act requires that any review PURA does of an EDC's dynamic market purchases be limited to an evaluation of whether they adhered to the procurement plan's dynamic market purchase requirements and be done through a contested proceeding.

Under the act, as under existing law, (1) all PURA's reasonable costs to develop and implement the procurement plan are recoverable through an assessment on companies it regulates and (2) an EDC's reasonable and prudent operating costs to develop and implement the procurement plan are recoverable through a reconciling bypassable electric rate component as PURA determines. The act specifies that EDC costs include incremental staffing and financial systems needed to support dynamic market purchases. Under the act, any costs associated with the actual net costs of procuring and providing standard service must be recovered through electric rates, as required under existing law, which requires recovery so long as the company mitigates the costs it incurs to procure electric generation services for customers that are no longer receiving standard service (CGS § 16-244c).

Reporting Requirements

Under existing law and under the act, PURA must annually report on the procurement plan and its implementation to the Energy and Technology Committee. The act requires PURA to submit the next report by April 1, 2026, and requires a similar report (by the procurement manager) be prepared annually rather than quarterly. It also allows this and subsequent reports to be submitted with the report on average total rates of each customer class, which PURA must annually submit to the committee under an existing law.

EFFECTIVE DATE: October 1, 2025

§ 32 — THERMAL ENERGY NETWORK GRANTS AND LOANS

Requires DEEP to establish a thermal energy network grant and loan program within available appropriations

The act requires the DEEP commissioner to establish a thermal energy network grant and loan program, within available appropriations, to support the development of thermal energy network projects on the customer's side of an electric meter.

Under the act, a "thermal energy network" is a utility-scale distribution infrastructure project that supplies thermal energy (heating, or heating and cooling, derived from geothermal sources or sources that do not emit greenhouse gases) as piped noncombustible fuels to transfer heat into and out of buildings for any heating and cooling process (e.g., comfort heating and cooling, domestic hot water, and refrigeration). Thermal energy networks include all real estate, fixtures, and personal property used for or connected with these projects.

The act requires the DEEP commissioner to issue a request for proposals from eligible recipients, which include at least the following entities seeking to develop a thermal energy network:

1. local or regional governmental entities, municipal corporations, regional councils of governments, or public authorities;
2. state and federally recognized tribes;
3. EDCs, gas companies, or participating municipal electric utilities;
4. energy improvement districts; or
5. nonprofit, academic, and private entities.

The act allows the DEEP commissioner to award grants or loans under the program to any number of eligible recipients, who may collaborate on a proposal. The act requires eligible recipients to demonstrate to the commissioner that they have adopted prevailing wage standards.

Loans and grants may be used for:

1. help with community planning, including project feasibility and benefit-cost analyses;
2. help with design, engineering services, and infrastructure costs for any project; or
3. nonfederal cost share for grant or loan applications for thermal energy network projects or programs.

The act allows the commissioner to establish any financing mechanism to provide or leverage additional funding to support thermal energy network project development.

For a three-year period after receiving a grant or loan, recipients must annually report on the project's status to PURA, OCC, the DEEP commissioner, and the Energy and Technology Committee by January 1.

EFFECTIVE DATE: October 1, 2025

§§ 33 & 35 — NEW NUCLEAR CONSTRUCTION

Creates a second exception from the nuclear moratorium for advanced nuclear reactors that meet certain requirements and expands DEEP's duties related to atomic development activity

Nuclear Moratorium Exceptions

Prior law generally prohibited starting construction on a new nuclear facility unless the DEEP commissioner found that the federal government identified and approved a demonstrable technology or way to dispose of high-level nuclear waste, with an exception for construction at a nuclear power generating facility already operating in the state (i.e. Millstone Power Station in Waterford).

The act creates a second exemption from the moratorium for advanced nuclear reactor facilities. Under federal law, advanced nuclear reactors are:

1. nuclear fission reactors, including prototype plants, with significant improvements compared to reactors operating in 2020 (e.g., additional safety features, lower waste yields, and improved fuel and material performance);
2. fusion reactors; and
3. radioisotope power systems that generate energy using heat from radioactive decay.

To be eligible for the exemption, an advanced nuclear reactor facility must get consent, either by a referendum or a vote of the legislative body, from (1) the municipality where the proposed facility would be sited and (2) any other municipality in the proposed facility's emergency planning zone, as the federal Nuclear Regulatory Commission (NRC) determines.

For both exceptions (construction at Millstone and advanced nuclear reactors), the act requires the entity proposing a new facility to get all permits, licenses, and permissions or approvals for the facility's construction, operation, and decommissioning funding required under any applicable federal laws, NRC regulations, and any other federal or state law, rule, or regulation on the facility's permitting, licensing, construction, operation, or decommissioning.

DEEP's Atomic Development Activity Coordination Duties

Existing law requires the DEEP commissioner to coordinate all atomic development activities in the state, including advising the governor and coordinating the state's development and regulatory activities on atomic energy's industrial and

commercial uses, among other things. The act additionally requires the commissioner to be a point of contact for public and private stakeholders to help them comply with federal, state, and local requirements related to atomic development (e.g., siting considerations and permitting).
EFFECTIVE DATE: October 1, 2025

§ 34 — ADVANCED NUCLEAR REACTOR ENERGY SITE READINESS FUNDING PROGRAM

Requires DEEP to establish an advanced nuclear reactor site readiness funding program; authorizes up to $5 million in state bonds to fund it

The act requires the DEEP commissioner to establish a competitive advanced nuclear reactor site readiness funding program. It allows the commissioner to give "eligible recipients" grants or loans to support the following activities related to advanced nuclear reactor facilities:

1. environmental and technical studies required for early site permitting,
2. local and regional infrastructure assessments to support their development,
3. community engagement and planning initiatives for hosting facilities, and
4. other necessary expenses the commissioner identifies to advance site readiness.

Under the act, eligible recipients for the program's grants and loans are:

1. regional governmental entities, municipalities, regional councils of government, public authorities, state or federally recognized tribes, or municipal electric utilities or cooperatives with a demonstrated interest in hosting advanced nuclear reactors, as the commissioner determines;
2. private entities partnering with, or interested in partnering with, the entities described above to develop these facilities; and
3. higher education institutions in the state.

The act authorizes up to $5 million in state bonding for the commissioner to award the program's grants and loans. It also allows the commissioner to (1) use federal funds allocated to the state to support the program, (2) revise its program criteria to be consistent with federal funding program criteria, and (3) use the funds to hire a technical consultant to implement the act's program provisions. The bonds are subject to standard issuance procedures and have a maximum term of 20 years.
EFFECTIVE DATE: July 1, 2025

§ 36 — CLASS I RENEWABLE ENERGY SOURCES

Removes landfill methane gas and certain biomass facilities from the Class I renewable energy sources definition

Under the act, landfill methane gas and certain biomass facilities are no longer Class I renewable energy sources. This means that RECs produced by these facilities may not be used to meet an EDC's or electric supplier's Class I renewable portfolio standard (RPS) requirements. This also generally makes them ineligible for benefits the law provides for Class I sources, such as (1) participation in certain power procurements DEEP administers, (2) certain property tax exemptions, and (3) an exemption from building permit fees in municipalities that opt to exempt them.

This change applies to electricity derived from:

1. landfill methane gas;
2. a biomass facility that uses sustainable biomass fuel and has an average emission rate of up to .075 pounds of nitrogen oxide per million British thermal units (BTU) of heat input for the previous calendar quarter; or
3. a biomass facility with a capacity of less than 500 kilowatts that began construction before July 1, 2003.

However, those biomass facilities that have executed an agreement to provide energy to an EDC before October 1, 2025, are exempt (meaning they continue to be Class I sources) for as long as the agreement is in effect.
EFFECTIVE DATE: October 1, 2025

§§ 37-42 & 47 — CLASS I RENEWABLE PORTFOLIO STANDARD

Reduces Class I RPS requirements in years 2026 to 2030; requires PURA to establish procedures to dispose of RECs purchased under renewable energy tariffs and various energy procurement solicitations

The state's RPS law requires EDCs and retail suppliers to procure an increasing portion of the power from certain renewable and other clean energy resources. Prior law required that at least 32% of the power come from Class I renewable

energy sources in 2026, a percentage that increased by two points every year until it reached 40% in 2030. The act sets lower Class I RPS requirements for years 2026 to 2030, as shown in the table below.

Class I RPS Change

Year	*Prior Law*	*Act*
2026	32%	25%
2027	34	26
2028	36	27
2029	38	28
2030	40	29

Existing law authorizes DEEP to solicit proposals for various types of energy sources and direct EDCs to enter into contracts with selected bidders. The act requires PURA, in consultation with the DEEP commissioner and OCC, to start a proceeding to establish procedures to dispose of RECs purchased under these procurements, as well as those purchased under the renewable energy tariffs (i.e. RRES, NRES, and SCEF). These may include procedures to sell RECs or retire them on behalf of all ratepayers and reduce an EDC's or electric supplier's Class I RPS requirements. Any reduction must be based on PURA's forecast of procured energy production. PURA must determine any reduction to the annual RPS at least one year before the annual RPS requirement takes effect.

The act eliminates requirements concerning REC disposal for the following procurement authorizations, and instead requires Class I RECs be disposed of (i.e. sold or retired) according to PURA's procedures:

1. Class I renewable energy sources or large-scale hydropower (prior law required the RECs to be sold) (§ 38);
2. run-of-the-river hydropower, landfill methane gas, biomass, anaerobic digestion, fuel cell, and offshore wind Class I renewable energy sources or energy storage (prior law required EDCs, based on ratepayers' best interests, to either sell the RECs and credit revenue to customers or keep them) (§ 39);
3. Class I renewable energy resources procured in the event of a material shortage of Class I RECs (prior law required the RECs to be sold) (§ 40);
4. offshore wind (prior law required EDCs to either keep the RECs to meet RPS requirements or sell them with revenues credited to EDC customers) (§ 41);
5. anaerobic digestion (prior law required EDCs, based on ratepayers' best interests, to either sell the RECs and credit revenue to customers or keep them) (§ 42); and
6. demand response projects, Class I renewable resources, Class III sources, large-scale hydropower, or natural gas resources (prior law required EDCs, based on ratepayers' best interests, to either sell the RECs and credit revenue to customers or keep them) (§ 47).

The act also requires RECs from the zero-carbon procurement to be disposed of according to PURA's procedures (§ 30). The act similarly requires PURA to determine how RECs are disposed of for a procurement of Class I resources constructed on or after 2013. However, existing law requires these RECS to be sold in order to meet RPS requirements (CGS § 16a-3f).

The act eliminates requirements that PURA establish separate procedures to dispose of RECs purchased under renewable energy tariffs and instead subjects these RECs to the same procedures established by PURA in consultation with DEEP and OCC, as described above (§ 9).

EFFECTIVE DATE: October 1, 2025

§ 43 — INTEGRATED RESOURCES PLAN AND RENEWABLE PROCUREMENTS

Requires DEEP to set targets and a schedule to procure new zero-carbon Class I renewable energy resources to meet 7% of the state's load in addition to RPS requirements

The act requires the DEEP commissioner to set (1) targets for energy procured under existing power procurement authorizations and (2) a proposed schedule for solicitations under these laws for new zero-carbon Class I renewable energy resources needed to achieve an additional 7% of total load served by EDCs in the aggregate by 2030, in addition to RPS requirements. The DEEP commissioner must do this in the next Integrated Resources Plan (IRP) approved after January 1, 2025. The target and schedule apply to solicitations under the following procurement authorizations:

1. Class I renewable energy resources to meet up to 4% of the state's load (CGS § 16a-3f);
2. Class I renewable energy resources or large-scale hydropower to meet up to 5% of the state's load (CGS § 16a-

3g);
3. certain Class I renewable energy resources (e.g., qualifying run-of-the river hydropower, offshore wind, or anaerobic digestion) and energy storage for up to 6% of the state's load (CGS § 16a-3h);
4. Class I renewable energy resources procured in the event of a material shortage of Class I RECs (CGS § 16a-3i);
5. demand response resources, Class I and Class III resources, large-scale hydropower, and natural gas resources (CGS § 16a-3j);
6. zero-carbon electricity generating resources (CGS § 16a-3m);
7. offshore wind (CGS § 16a-3n); and
8. anaerobic digestion (CGS § 16a-3p).

In practice, DEEP has issued solicitations and directed EDCs to enter into agreements under these authorizations but retains authority to conduct additional solicitations to the extent procurements have not reached any limits imposed under each law.

Under the act, DEEP must base its targets on at least the following factors:

1. electric system needs identified by the IRP (e.g., capacity, winter reliability, and progress meeting greenhouse gas reduction goals);
2. the Comprehensive Energy Strategy priorities;
3. positive impacts on the state's economic development;
4. opportunities to coordinate procurement with other states;
5. forecasted trends in technology costs; and
6. impacts on the state's ratepayers.

EFFECTIVE DATE: October 1, 2025

§ 44 — BIOMASS POWER PURCHASE AGREEMENTS

Requires the DEEP commissioner to solicit proposals from certain biomass facilities by September 1, 2025

The act requires the DEEP commissioner, in consultation with OCC and PURA's procurement manager, to start a proceeding by September 1, 2025, to solicit proposals for energy, capacity, and environmental attributes from certain biomass facilities. To participate, a facility must be an eligible biomass facility and have entered into at least one existing biomass PPA, as described below.

Eligible biomass facilities are those that either (1) use sustainable biomass fuel and averaged no more than .075 pounds of nitrogen oxide emissions per million BTU of heat input during the previous quarter or (2) have a capacity of less than 500 kilowatts and their construction began before July 1, 2003 (i.e. facilities that qualified as Class I under prior law; see § 36).

An existing biomass PPA is one that was in effect for an eligible biomass facility on January 1, 2024, and was either (1) entered into with an EDC by June 5, 2013, or (2) executed under existing laws authorizing DEEP to solicit these resources.

The act allows the commissioner to conduct multiple solicitations and direct EDCs into one or more "additional biomass PPAs," which are PPAs entered into by an eligible biomass facility and an EDC for the facility's energy, capacity, and environmental attributes, in any combination. The PPA must consider the facility's operation costs, be in ratepayers' best interests, and support the state's solid waste management plan.

Prior law allowed DEEP to direct EDCs to enter into additional biomass PPAs but did not require her to conduct a solicitation. The act removes a provision requiring EDCs to sell or retain RECs, based on which option is in ratepayers' best interests.

Under both the act and existing law, additional biomass PPAs are subject to PURA's approval. Under prior law, these agreements were for 10 years. Under the act, they are for up to 10 years (i.e. agreements may be shorter in duration) and they begin when the applicable existing biomass PPA ends. EDCs must file an application for approval with PURA and PURA must issue a decision on the PPA within 180 days of receiving it or it is deemed approved.

Under existing law and the act, the agreement's net costs, including EDC costs under the agreement and reasonable costs they incur in connection with it must be recovered through a fully reconciling rate component for EDC customers.

EFFECTIVE DATE: July 1, 2025

§§ 45 & 46 — DEMAND RESPONSE PILOT PROGRAM

Requires DEEP to establish an electric active demand and gas demand response pilot program

The act requires the DEEP commissioner to establish an electric active demand and gas demand response pilot program to (1) reduce electric and gas demand and (2) improve electric and gas grid resiliency and reliability in the state. It allows the commissioner to issue multiple solicitations from providers of (1) active electric demand response measures and (2) active or passive gas demand response measures. She may issue them for a two-year period, starting October 1, 2025, and in coordination with other New England states or on behalf of Connecticut alone.

The act requires each EDC or gas company, in consultation with the Energy Efficiency Board, to assess whether the submission of a proposal is feasible under a solicitation DEEP issues under the program. Demand reductions in proposals must be in addition to existing and projected demand reductions through the state's conservation and load management programs.

The DEEP commissioner may direct EDCs or gas companies to enter contracts for active or passive demand response measures if (1) she finds proposals to be in the ratepayers' best interests, (2) they result in electric or gas savings, and (3) the contracts' benefits to the customers outweigh the costs to them. The act limits the aggregate size of resources selected through the pilot program to 10% of the state's electric distribution or gas companies' load.

The act requires companies to file with PURA any agreements they enter for its review and approval. PURA must approve an agreement if it is cost effective and in ratepayers' best interests. PURA must issue a decision within 90 days after a company files an agreement with it or the agreement is deemed approved.

The act requires an agreement's net costs, including reasonable costs a gas company incurs under the agreement, to be recovered through the conservation adjustment mechanism for the state's conservation and load management programs (C&LM CAM). It requires EDCs to recover their reasonable costs incurred under the agreement through the nonbypassable federally mandated congestion charge (FMCC). By law, the C&LM CAM is capped at 4.6 cents per hundred cubic feet. The act allows companies to exceed this cap to fund the net costs of any agreement under the pilot program.

The act allows the DEEP commissioner to hire consultants with modeling expertise (quantitative modeling of gas and electric markets and physical electric or gas system modeling) to help implement the pilot program and evaluate proposals. It allows up to $1.5 million in reasonable costs associated with the DEEP commissioner's solicitation and review of proposals to be recovered through the C&LM CAM for gas companies and the FMCC for EDCs, even if the commissioner does not select any proposals.

The act requires the DEEP commissioner to evaluate the pilot program's effectiveness at benefitting ratepayers and submit the evaluation and any recommended legislation to the Energy and Technology Committee by January 1, 2028.

EFFECTIVE DATE: October 1, 2025

§ 48 — INSPECTING SUPPORT SERVICES FOR OFFSHORE WIND PROJECTS

Allows inspectors accredited by the United States National Association of Marine Surveyors to inspect fishermen providing support services for offshore wind projects selected under certain PPAs

Existing law authorizes DEEP to solicit proposals for up to 2,000 MW from offshore wind providers and transmission providers and direct the EDCs to enter into PPAs with selected bidders. For solicitations on and after July 1, 2024, DEEP must include contract commitments requiring selected bidders to use their best efforts to award certain contracts or employment to state commercial fishing licensees. When these contracts are for support services (e.g., serving as a safety vessel in a construction zone), any selected fishermen must meet certain inspection requirements.

Under prior law only the Coast Guard or inspectors accredited through the International Institute of Marine Surveying's academy could do the inspections. The act allows inspectors accredited by the United States National Association of Marine Surveyors to do them as well.

EFFECTIVE DATE: October 1, 2025

§§ 49 & 53 — PURA

Principally makes PURA a part of DEEP for administrative purposes only and makes related changes; requires rate adjustments to come before all qualifying commissioners; and expands existing "revolving door" limitations on the employment commissioners may accept after leaving PURA

Under prior law, PURA was within DEEP. The act specifies PURA is a part of DEEP for administrative purposes only and makes the PURA chairperson PURA's chief executive for administrative purposes. It makes related minor and conforming changes, such as removing the requirement that PURA adopt its regulations in accordance with DEEP policies. By law, among other things, an agency assigned to a state department for "administrative purposes only" exercises its regulatory authority without the approval or control of the state department in which it is located (CGS § 4-38f).

As described below, the act additionally makes changes related to commissioner terms, decisions and panels, and employment restrictions.

PURA Commissioners

For commissioners appointed on or after January 1, 2025, the act specifies that their terms begin on the date they are appointed and qualified and continue for four years from the following July. (Terms were generally four years under prior law.) Additionally, commissioners may continue serving until a successor is appointed and qualified.

PURA Decisions and Panels

Under prior law, the PURA chairperson could assign any matter to a panel of three or more commissioners. The act creates an exception, requiring that rate adjustment proceedings be before all appointed and qualifying commissioners. Additionally, if the chairperson appoints a panel of three, no more than two commissioners may be from the same political party.

The act requires that each commissioner's vote on any decision be put into writing, recorded in the session minutes, and posted on PURA's website within 48 hours after the vote. If a commissioner chooses to write a concurring or dissenting opinion, the act requires the chairperson to make staff available to assist that commissioner.

Restrictions on PURA Commissioners and Employees

The act also expands "revolving door" provisions that prohibit former commissioners from accepting certain employment for one year after their service as a commissioner has ended. By law, they cannot accept employment from a public service company, telecommunications provider, an electric supplier, or any entity engaged in lobbying activities related to their regulation, during this period. Beginning July 1, 2025, the act adds that, for one year, former commissioners are also barred from accepting employment with (1) an entity that provides legal representation related to government regulation of these companies, providers, or suppliers or (2) any other entity related to them (meaning certain stockholders who own at least 50% of outstanding stock and their family members).

The act prohibits all former utility commissioners, for one year after their service has ended, from (1) appearing or participating in any matter before PURA or (2) accepting payment for a matter that is before PURA. Under prior law, this prohibition applied only to former commissioners who were also attorneys.

The act additionally prohibits former PURA commissioners and employees from accepting employment that would require them to disclose confidential information they acquired due to and during their official duties. (Existing law already prohibits current commissioners from doing so.)

The act retains other prohibitions in existing law on commissioner and employee conduct (e.g., disclosing confidential information for money) but applies them to PURA employees rather than DEEP employees assigned to work at PURA.
EFFECTIVE DATE: October 1, 2025

§§ 50-52 — OCC TRANSACTION INFORMATION AND CONSULTANTS

Requires proprietary information PURA receives from holding companies and their subsidiaries to be given to OCC; requires PURA to adjust retail transmission rates to fund DEEP and OCC consultants and evaluations under the act's GETs requirements

Proprietary Information

By law, PURA may order holding companies and their subsidiaries to produce documents related to the company's or subsidiary's transactions with a public service company and have those transactions audited. Under this law, the holding company's or subsidiary's proprietary commercial and proprietary financial information is confidential and protected by PURA. The act requires this information to also be given to OCC and requires OCC to keep it confidential and protect it, subject to the state's freedom of information laws. The act prohibits OCC employees from using any confidential information they receive due to their official OCC duties for financial gain, including willfully and knowingly disclosing it to another person.

Consultants and Evaluation Expenses

Existing law requires PURA to design an EDC's retail transmission rate to provide recovery for all FERC-approved transmission costs and hold hearings to determine whether these charges reflect actual prices. The act requires PURA to adjust the rates to fund (1) DEEP's and OCC's costs to retain consultants to enable them to participate in Siting Council proceedings and (2) evaluations and analyses conducted under the act's project alternative and evaluation requirements.

Additionally, existing law generally allows OCC to retain consultants knowledgeable in various fields, including economists, rate design experts, and capital cost experts. The act explicitly adds engineers to the types of consultants OCC may retain.

EFFECTIVE DATE: October 1, 2025

§ 54 — RATE CASE DEADLINES

Allows PURA to extend deadlines for rate amendment decisions for up to 90 days if two large utilities apply for rate amendments within a 60-day period

The act allows PURA to extend the statutory time limits for rate amendment decisions by up to 90 days when a larger regulated utility (with over 75,000 customers) files a rate amendment within 60 days after another larger regulated utility has filed one.

The law otherwise requires PURA to make a finding (1) for EDCs and gas companies, within 350 days from the proposed effective date and (2) for other regulated utilities, 270 days from the proposed effective date.

EFFECTIVE DATE: Upon passage

§ 55 — ELIMINATES PROGRAM FOR CERTAIN ENERGY STORAGE SYSTEMS

Eliminates a requirement that PURA initiate a proceeding to develop a program for front-of-the meter energy storage systems not located on a customer's premises

The act eliminates a requirement that PURA initiate a proceeding to develop and implement a program for front-of-the-meter energy storage systems not located at a customers' premises.

EFFECTIVE DATE: October 1, 2025

§ 56 — ELECTRIC SYSTEM EFFICIENCY GOAL

Establishes electric system efficiency as a state goal and allows DEEP and PURA to set metrics and implement programs towards the goal; requires DEEP to allocate staff for analyses related to the goal and report annually to the Energy and Technology Committee

The act establishes as goals of the state (1) maximizing the efficiency and use of the electric transmission and distribution systems and (2) ensuring that any ratepayer-funded programs are cost-effective and focused on affordability,

reliability, and decarbonization ("electric system efficiency goal"). To achieve these goals, the act requires the state to seek to:

1. improve electric system use by improving the system load factor, which is the average load divided by the peak load on an EDC's system, measured in megawatts;
2. analyze customer usage patterns and the efficacy of investments in electrification projects and grid-scale electricity storage projects;
3. develop and implement policies and incentives to encourage the dispatch of energy generated by behind-the-meter distributed solar facilities;
4. study and report on ways to promote business growth in the state through electric load growing energy policies; and
5. implement these goals in way that is consistent with the state's greenhouse gas reduction goals.

The act allows PURA to set specific goals and metrics aligned with the electric system efficiency goal through its programs and its regulation of EDCs. PURA programs to meet this goal may include incentives to dispatch behind-the-meter distributed solar energy to increase the system load factor.

The act similarly allows the DEEP commissioner to set specific goals and metrics aligned with the electric system efficiency goal through its IRP. DEEP may establish programs to promote load factor growth, within available appropriations and within its existing authority, including investments in electrification projects and grid-scale electricity storage projects.

The act requires programs DEEP and PURA implement to reach the electric system efficiency goal to have ratepayer benefits that exceed ratepayer costs.

The act requires the DEEP commissioner to allocate staff from the department's energy bureau to:

1. analyze customer usage patterns and the efficacy of investments in electrification projects and grid-scale electricity storage projects;
2. study and report on ways to promote business growth in the state through electric load growing energy policies; and
3. long-term planning on developing a more efficient, cost-effective electric system that actively aligns procurement, grid operations, and customer usage behavior to reduce ratepayer costs and improve electric system efficiency.

The act requires the DEEP commissioner, starting by April 1, 2026, and continuing until April 1, 2041, to report annually to the Energy and Technology Committee, on:

1. the annual and daily load factors for the previous calendar year for each EDC;
2. any policies and strategies adopted through an authority proceeding to achieve the system efficiency goal, including the costs and benefits of any program DEEP or PURA implemented to reach the goal; and
3. any cost-effective policies or programs the legislature may adopt to promote achieving the goal.

The act requires the DEEP commissioner to coordinate the report with PURA and allows her to consult with EDCs and request data from them.

EFFECTIVE DATE: October 1, 2025

§ 57 — MUNICIPAL UNIFORM SOLAR CAPACITY TAX

Establishes a municipal uniform solar capacity tax of $10,000 per MW of nameplate capacity on solar photovoltaic systems over one MW in size, with specified exceptions

The act establishes a municipal uniform solar capacity tax of $10,000 per MW of nameplate capacity on certain solar photovoltaic systems in Connecticut that are over one MW in size and permitted to operate on or after July 1, 2026. Generally, the tax applies for 20 years, but municipalities may enter agreements to stabilize or freeze it. Among other things, the act designates revenue from the tax as municipal revenue and sets an appeal process.

EFFECTIVE DATE: July 1, 2026

Applicability

Under the act, the uniform solar capacity tax applies to owners of "solar photovoltaic systems," which are equipment and devices:

1. that primarily collect solar energy and generate electricity by photovoltaic effect;
2. that have a nameplate capacity over one MW that exceeds the load for the location where the equipment and devices are located; and
3. for which the owner receives permission to operate from an electric distribution company or a municipal electric

utility on or after July 1, 2026.

The tax does not apply to systems that are located on the following:

1. state-owned land;
2. "brownfields" (i.e. abandoned or underutilized property where redevelopment, reuse, or expansion has not occurred due to the presence or potential presence of pollution in the buildings, soil, or groundwater that requires investigation or remediation before or in conjunction with the property's redevelopment, reuse, or expansion);
3. landfills;
4. residential, commercial, or industrial rooftops; or
5. "solar canopies" (i.e. outdoor, shade-providing structures, such as carports, that host solar photovoltaic panels above a parking or driving area, pedestrian walkway, courtyard, canal, or other used surface and are installed in a way that maintains the function of the underneath area).

Additionally, the tax also does not apply to systems that are part of a microgrid serving a critical facility. By law, and under the act, a "microgrid" is a group of interconnected electricity users and generators that (1) is within clearly defined boundaries and acts as a single controllable entity with respect to the larger grid and (2) can operate as part of the grid or independent of it. A "critical facility" includes:

1. hospitals,
2. police and fire stations,
3. water and sewage treatment plants,
4. public shelters,
5. correctional facilities,
6. certain television and radio production and transmission facilities,
7. commercial areas,
8. municipal centers identified by the municipality's chief elected official, and
9. any other facility or area identified by DEEP.

Notification to Municipality and Tax Payment

For each municipality in which a solar photovoltaic system (or any part of it) is located, the act requires the system's owners to notify the municipality's finance department, or, if none, the municipality's tax collector of the effective date of their permission to operate the system. They must do so within seven days after receiving permission. The act makes owners responsible for paying the system's tax to their respective finance departments and tax collectors. For systems with multiple owners, the act makes owners jointly and severally liable for the tax.

The act establishes a "uniform solar capacity tax year," from July 1 to June 30, as an accounting period to calculate the tax. For any system that receives permission to operate in uniform solar capacity tax years starting on or after July 1, 2026, the tax must be paid annually for a period of 20 uniform solar capacity tax years at a rate of $10,000 per MW of nameplate capacity, including any fractional portion.

Under the act, to calculate the nameplate capacity of a system, all equipment and devices that have the primary purpose of collecting solar energy and generating electricity by photovoltaic effect are considered part of the same system if they are (1) located on the same parcel, (2) located on land that was part of the same parcel before the current landowner subdivided it into multiple parcels, or (3) located on adjoining parcels. Under the act, this calculation method does not limit tax liability or the act's definitions related to the tax.

The act makes revenues from the tax general revenue for the municipality where it is paid. For systems located in more than one municipality, the act requires the tax to be allocated in proportion to the nameplate capacity of the system located in each municipality.

Additionally, the act requires OPM to develop a form to be submitted with the tax, and each municipality, through its finance department, or, if none, tax collector, must provide the form upon request by July 31, 2026. The act allows each municipal finance department and tax collector to require a single annual payment or semiannual or quarterly payments. It also makes the tax (1) due on the date or dates determined by the municipal finance department or tax collector and (2) due and collectible as other property taxes and subject to the same liens and collection processes.

Under the act, delinquent payments accrue interest at 1.5% per month or partial month, from the due date until paid.

Appeal Process

The act allows anyone aggrieved by a municipality's action related to the tax to appeal to the Superior Court for the judicial district in which the municipality is located. Under the act, anyone who appeals the tax is not liable for interest if

he or she (1) pays a portion of the tax while the appeal is pending, (2) indicates that the payment is "under protest," and (3) pays at least 75% of the amount assessed by the municipality during the time limits the municipality sets for the payment.

Municipal Agreements to Stabilize or Freeze the Tax

The act authorizes a municipality, through its board of selectmen or other legislative body, to enter into an agreement to freeze or stabilize the tax imposed for any system in the municipality. If the system is located in more than one municipality, the agreement only applies to the portion of the tax allocated to the municipality that enters into the agreement.

§ 58 — PROPERTY TAX EXEMPTION FOR CLASS I RENEWABLE ENERGY SOURCES

Creates a new property tax exemption for certain solar-related Class I renewable energy sources; limits the new exemption and an existing exemption for specified commercial and industrial Class I renewable energy sources by explicitly excluding the real property where their equipment and devices are located

Starting with the 2025 assessment year, the act creates a property tax exemption for Class I renewable energy sources that consist of equipment and devices that primarily collect solar energy and generate energy by photovoltaic effect. The act limits this exemption by applying it only to equipment and devices with the primary purpose of generating electricity and not to any real property where the equipment or devices are located or installed.

Relatedly, the act applies this same limitation starting with the same assessment year to an existing property tax exemption for Class I renewable energy sources (other than nuclear power generating facilities) (1) installed on or after January 1, 2014; (2) for commercial or industrial purposes; and (3) with a nameplate capacity that does not exceed the location's load or, if the facility is participating in virtual net metering, the aggregated load of its beneficial accounts. (Prior law did not explicitly exclude the real property where these sources' equipment and devices are located or installed under the existing exemption.)

The act also makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2025

§ 59 — SOLAR CONSUMER PROTECTION TASK FORCE

Extends the taskforce's reporting deadline by one year and broadens qualifications for one appointee

Existing law establishes a 17-member task force to examine and make recommendations to improve disclosure requirements and consumer protections for consumers who purchase, lease, or enter into PPAs for solar facilities.

The act extends by one year (until January 1, 2026) the task force's deadline to report its findings and recommendations to the Energy and Technology and General Law committees. The task force terminates on this date or when it submits its report, whichever is later.

The act additionally broadens the qualifications for one appointee to the task force, requiring one of the House speaker's appointees to have experience representing individuals, rather than senior citizens specifically, in consumer protection matters.

EFFECTIVE DATE: Upon passage

PA 25-7—SB 1282
Environment Committee

AN ACT CONCERNING THE MINIMUM QUARANTINE FOR CERTAIN DOGS AND CATS EXPOSED TO RABIES

SUMMARY: This act requires the owner or keeper of an animal that was attacked and potentially exposed to rabies to have the animal (1) quarantined for at least four months and (2) vaccinated against rabies as soon as medically appropriate. The quarantine must be as directed by a licensed veterinarian or the state veterinarian. (Previously, an animal had to stay quarantined for at least six months.)

By law, dog or cat owners and those maintaining a local or commercial kennel who violate the quarantine or vaccination requirements are subject to a fine of at least $250, up to 30 days in prison, or both (CGS § 22-367). The agriculture commissioner also has authority to impose civil penalties for violations in amounts up to $2,500 for each violation and $250 for each day a violation continues (CGS § 22-7).

The act makes obsolete and eliminates a waiver request process that prior law required the agriculture commissioner to develop. The waiver process allowed an animal's owner, keeper, or veterinarian to request a reduction in the six-month quarantine period to four months if the person provided proof that the animal was vaccinated against rabies within 96 hours after being attacked.
EFFECTIVE DATE: Upon passage

PA 25-10—HB 5015
Environment Committee

AN ACT AUTHORIZING SPIN-OFF COMPANIES FOR EMPLOYEES OF THE CONNECTICUT AGRICULTURAL EXPERIMENT STATION

SUMMARY: This act allows the Connecticut Agricultural Experiment Station (CAES) control board to approve a CAES employee's service as a board member of, or compensation by, a start-up company that develops and commercializes a product based on the employee's inventions and discoveries subject to certain conditions. Specifically, (1) CAES must share in the net proceeds from the use of the employee's invention or discovery according to any control board requirements and (2) there must be no active disagreement as to the allocation or use of the invention or discovery.

The act requires the CAES control board to establish policies and procedures so that these employee rights and restrictions are consistent with (1) the rights and restrictions of researchers at public universities and agencies in Connecticut and (2) applicable legal and ethical requirements.

Existing law authorizes the control board to adopt regulations to govern the station's operations. The act further authorizes the board to adopt regulations to implement the act's provisions.

Under existing law, CAES's control board may seek and obtain patents, trademarks, and licensing agreements relating to inventions and discoveries by station employees. The law entitles CAES to own the entire right, title, and interest in any employee's invention or discovery that (1) is conceived in the course of the employee performing customary or assigned duties; (2) emerges from any research, development, or other station program; or (3) is conceived or developed wholly or partly at the station's expense, or with the aid of its equipment, facilities, or personnel. By law, depending on the circumstances, employees may share in the net proceeds of their work.
EFFECTIVE DATE: Upon passage

PA 25-14—sHB 6222
Environment Committee

AN ACT CONCERNING THE TAKING OF EASTERN OYSTERS AND INVASIVE AQUATIC SPECIES

SUMMARY: This act exempts a person who operates a food service establishment regulated under the Public Health Code from needing to obtain a bait dealer's license from the Department of Energy and Environmental Protection (DEEP) if the person purchases bait species to prepare them as food for human consumption and not for resale for any other purpose. By

law, "bait species" are all species of fish, frogs, crustaceans, and insects listed as bait in DEEP's regulations (CGS § 26-1; Conn. Agencies Regs. § 26-112-45(d)).

By law, a person generally needs a bait dealer's license to possess bait species to sell or offer them for sale. Licenses cost $63 annually, and licensees must keep certain records and file reports with DEEP. A violation of the bait dealer license requirements is a class D misdemeanor (see Table on Penalties).

Separately, the act requires the Department of Agriculture (DoAg) commissioner to review a study on the appropriate minimum harvest length for eastern oysters in Connecticut done by an in-state university-based marine research, education, and outreach program. In doing the review, he may consult with scientific experts on the appropriate minimum length. The act also requires him to issue a detailed recommendation to the Environment Committee by February 1, 2026, on the minimum harvest length for eastern oysters. The recommendation must be based on the review and any scientific consultations and enable optimal health conditions for the oysters and oyster beds.

Existing law generally prohibits harvesting eastern oysters that are less than three inches long or otherwise not ready for harvest as determined by the DoAg commissioner (CGS § 26-234b).

EFFECTIVE DATE: October 1, 2025, except the eastern oyster study provision is effective upon passage.

PA 25-33—sSB 9
Environment Committee
Judiciary Committee
Appropriations Committee
Finance, Revenue and Bonding Committee

AN ACT CONCERNING THE ENVIRONMENT, CLIMATE AND SUSTAINABLE MUNICIPAL AND STATE PLANNING, AND THE USE OF NEONICOTINOIDS AND SECOND-GENERATION ANTICOAGULANT RODENTICIDES

TABLE OF CONTENTS:

§§ 1-4 — FLOOD DISCLOSURES

Requires insurers who issue homeowners or renters insurance policies to notify insureds about flood insurance availability; requires financial institutions to give mortgage loan applicants certain information about flood damage risk and flood insurance; adds questions and statements to the required residential property condition report about flood risk and flood insurance

§§ 5 & 6 — COASTAL SITE PLAN REVIEWS

Makes all new single-family home construction subject to coastal site plan review under the Coastal Management Act; requires municipal zoning commissions and zoning boards of appeals to give DEEP a copy of each coastal site plan for any activity proposed within certain FEMA-designated areas or sites with tidal wetlands, beaches, or dunes

§ 7 — LOCAL EVACUATION AND HAZARD MITIGATION PLANS

Beginning October 1, 2027, requires municipal evacuation and hazard mitigation plans to identify and address certain threats from sea level change (e.g., to critical infrastructure) and ways to avoid or reduce climate change's effects; requires using geospatial data to identify those threats

§ 8 — MUNICIPAL CULVERT AND BRIDGE DATA

Beginning by May 1, 2028, requires each municipality to annually submit a geospatial data file to its regional COG on its culverts and bridges; requires the COGs to annually submit the files to OPM

§ 9 — MUNICIPAL RESERVE FUNDS

Explicitly allows municipal reserve funds to cover expenditures intended to increase a capital improvement's resiliency against climate change impacts

§ 10 — TOWN AID ROAD PROGRAM GRANTS

Expands the eligible uses of Town Aid Road program funds by adding construction, reconstruction, improvements, and maintenance to increase resiliency against increased precipitation, flooding, sea level rise, and extreme heat

§§ 11-14 — PLANS OF CONSERVATION AND DEVELOPMENT

Generally expands the information that must be included in local, regional, and state plans of conservation and development to include strategies for responding to, and information related to, climate change effects (e.g., increased precipitation or extreme heat)

§ 15 — CIVIL PREPAREDNESS PLAN

Beginning October 1, 2028, requires the state's civil preparedness plan and program to consider observed and projected climate trends related to certain hazards

§ 16 — ZONING REGULATIONS

Requires that municipal zoning regulations provide that there are proper ways to mitigate and avoid the negative effects of sea level change; allows the regulations to (1) require or promote resilience and (2) include incentives for using flood-risk reduction building methods

§§ 16-18 & 33 — TRANSFER OF DEVELOPMENT RIGHTS

Allows municipal zoning regulations to provide for (1) a regional TDR system and (2) sending and receiving sites in conjunction with a multi-town or regional TDR system; allows COGs to administer joint or multi-town TDR systems; allows two or more municipalities to set up a TDR bank; sets criteria for eligible sending and receiving sites

§ 19 — STATE WATER PLAN UPDATE

Requires the state water plan's next update to (1) consider (a) the potential impact of climate change on water resource quality and (b) temperature and precipitation information when identifying water quantities and qualities for various uses and (2) include recommendations and an implementation plan for reducing effects on water from climate change and extreme weather

§ 20 — WATER SUPPLY AND SEWAGE DISPOSAL SYSTEM REGULATION AND PERMIT REVIEW

On a 10-year basis beginning by the end of 2028, requires DEEP, DPH, and PURA to review and revise their water supply regulations and DEEP and DPH to review and revise their sewage disposal systems permitting processes and related regulations, all to include certain projections

§§ 21-30 — RESILIENCY IMPROVEMENT DISTRICTS

Creates a framework authorizing municipalities to establish resiliency improvement districts to finance capital projects addressing climate change mitigation, adaptation, or resilience; allows municipalities to finance projects in these districts by designating incremental property tax revenue and specified savings generated in the district, imposing benefit assessments on real property in the district, and issuing bonds backed by these revenue streams and other sources; allows municipalities to fix property tax assessments in the district for up to 30 years

§ 31 — SECOND-GENERATION ANTICOAGULANT RODENTICIDES

Requires DEEP, by January 1, 2026, to classify second-generation anticoagulant rodenticides as restricted use pesticides

§ 32 — NEONICOTINOIDS

Generally prohibits, beginning October 1, 2027, using pesticides with neonicotinoids; exempts certain uses (e.g., for agriculture or in certain personal or pet care products)

SUMMARY: This act makes changes in laws related to planning for and preparing against certain hazards and climate change (e.g., sea level rise, rising groundwater, extreme heat, wildfire, drought, or flooding). Among other things, the act:

1. requires certain entities to give consumers flood disclosure notices and adds flood risk information to the

residential property condition report;
2. requires updates to local, regional, and state plans of conservation and development, the state's civil preparedness plan, and local evacuation or hazard mitigation plans;
3. allows municipal zoning regulations to provide for regional transfer of development rights systems;
4. requires updates to the state water plan and reviews of water supply and sewage disposal system regulations to account for certain projections; and
5. creates a framework for municipalities to establish resiliency improvement districts.

Additionally, the act (1) requires the Department of Energy and Environmental Protection (DEEP) to classify second-generation anticoagulant rodenticides as restricted use pesticides and (2) prohibits using pesticides with neonicotinoids, except for certain uses (e.g., agriculture or in personal or pet care products).

A section-by-section analysis follows below.

EFFECTIVE DATE: July 1, 2025, except as specified below.

§§ 1-4 — FLOOD DISCLOSURES

Requires insurers who issue homeowners or renters insurance policies to notify insureds about flood insurance availability; requires financial institutions to give mortgage loan applicants certain information about flood damage risk and flood insurance; adds questions and statements to the required residential property condition report about flood risk and flood insurance

Homeowners or Renters Insurance (§ 1)

The act requires insurers that deliver, issue, or renew homeowners or renters insurance policies in Connecticut to give the insured a notice that (1) the policy does not cover losses caused by flood, (2) flood insurance is available under separate policies, and (3) has information on flood insurance eligibility and access. The notice must be (1) prescribed or approved by the insurance commissioner and (2) in clear, conspicuous, and plain language.

EFFECTIVE DATE: July 1, 2026

Mortgage Loans (§ 2)

The act requires a creditor (e.g., state or federal bank, credit union, mortgage lender or correspondent lender, or other financial institution) to give a mortgage loan applicant a notice written in plain language with information about flood insurance by 10 days before the mortgage closing date.

Specifically, the notice must inform the applicant that (1) standard homeowners policies do not cover flood related losses, (2) flood damage can happen regardless of whether the property is in a designated flood zone, and (3) the applicant may want to consult an insurance producer or surplus lines broker about flood insurance availability and benefits. The applicant must sign and date the notice to acknowledge receipt, and the creditor must keep a copy of it with the applicant's mortgage records.

EFFECTIVE DATE: July 1, 2026

Residential Property Condition Report (§§ 3 & 4)

By law, a person selling residential property must give a prospective buyer a written condition report that is set out in law. The act adds a section to the report on "flood risk awareness." Under this part of the report, the seller must answer questions on whether:

1. the property is in a Federal Emergency Management Agency (FEMA)-designated floodplain and, if so, which zone;
2. the seller (or previous owners, if the seller knows) received assistance from FEMA, the U.S. Small Business Administration, or other state or federal disaster assistance for flood damage to the property;
3. there is a current flood insurance policy in effect for the property;
4. a FEMA elevation certificate is available;
5. the seller ever filed a claim for flood damage to the property; and
6. a structure on the property has experienced water penetration or damage from seepage or a natural flood event.

The act also requires the report to have a separate statement on flood insurance, flood maps, and flood risk generally. It prescribes the text for this statement.

§§ 5 & 6 — COASTAL SITE PLAN REVIEWS

Makes all new single-family home construction subject to coastal site plan review under the Coastal Management Act; requires municipal zoning commissions and zoning boards of appeals to give DEEP a copy of each coastal site plan for any activity proposed within certain FEMA-designated areas or sites with tidal wetlands, beaches, or dunes

By law, coastal municipalities must perform coastal site plan reviews under the state's Coastal Management Act (CMA). The CMA requires these reviews for certain activities in the coastal boundary and landward of the mean high water mark to determine conformity with municipal zoning regulations and certain state statutory requirements.

The act applies coastal site plan review requirements to building all new single-family homes. Prior law allowed municipalities to exempt the construction of these homes from the review, unless the structure was (1) on an island not connected to the mainland by an existing road bridge or causeway or (2) within 100 feet of tidal wetlands, coastal bluffs and escarpments, beaches, and dunes.

The act also requires municipalities to give DEEP a copy of each coastal site plan for any activity proposed within a FEMA-designated V, VE, A, or AE area (i.e. special flood hazard areas); Limit of Moderate Wave Action (LiMWA) area (i.e. where wave heights are between 1.5 and 3 feet); or any site with tidal wetlands, beaches, or dunes. They must do this within 15 days after receiving the plan. DEEP may comment on a plan within 35 days after receiving it, and DEEP's comments must be considered before final action is taken on the plan. Prior law required this process only for the coastal site plans of shoreline flood and erosion control structures.

By law, municipal zoning commissions must give DEEP a copy of a submitted coastal site plan and receive DEEP's comments for consideration. The act extends these requirements to zoning boards of appeals.

EFFECTIVE DATE: October 1, 2025

§ 7 — LOCAL EVACUATION AND HAZARD MITIGATION PLANS

Beginning October 1, 2027, requires municipal evacuation and hazard mitigation plans to identify and address certain threats from sea level change (e.g., to critical infrastructure) and ways to avoid or reduce climate change's effects; requires using geospatial data to identify those threats

Beginning October 1, 2027, the act requires municipal evacuation plans and municipal hazard mitigation plans to identify and address (1) threats to surface transportation, critical infrastructure, and local land uses due to sea level change and (2) actions, strategies, and capital projects to avoid or reduce impacts and risks from climate change (e.g., increased precipitation, flooding, sea level rise, and extreme heat). The transportation, infrastructure, land uses, actions, strategies, and capital projects must also be (1) identified in geospatial data using the state's plane coordinate system, as applicable, and (2) available for the Department of Emergency Services and Public Protection (DESPP), the Department of Transportation (DOT), and the Office of Policy and Management (OPM) if they ask for it. This work may be done regionally.

§ 8 — MUNICIPAL CULVERT AND BRIDGE DATA

Beginning by May 1, 2028, requires each municipality to annually submit a geospatial data file to its regional COG on its culverts and bridges; requires the COGs to annually submit the files to OPM

Beginning by May 1, 2028, the act requires each municipality to annually submit a geospatial data file on each culvert and bridge within its control and boundaries to the regional council of governments (COG) to which it belongs. The report must include each culvert's and bridge's (1) geospatial data, using the state's plane coordinate system; (2) locational coordinates; and (3) age and dimensions. It must also have any other information determined necessary by, and be in the format set by, OPM in consultation with DOT and DEEP.

The act then requires each COG, beginning by July 1, 2028, to annually (1) submit the geospatial data file to the OPM secretary and (2) report any municipality that did not submit its data file.

§ 9 — MUNICIPAL RESERVE FUNDS

Explicitly allows municipal reserve funds to cover expenditures intended to increase a capital improvement's resiliency against climate change impacts

Existing law restricts the use of municipal reserve funds to specified purposes, including financing capital and nonrecurring expenditures to plan, construct, reconstruct, or acquire a specific capital improvement. The act explicitly allows the funds to cover these expenditures when they are intended to increase a capital improvement's resiliency against climate change impacts (e.g., increased precipitation, flooding, sea level rise, and extreme heat).

As under existing law, reserve funds may also be used to (1) acquire a specific piece of equipment; (2) pay property tax revaluation costs; and (3) pay the costs to prepare, amend, or adopt a municipal plan of conservation and development. By law, the municipality's budget-making authority must recommend, and its legislative body must approve, any expenditure from the reserve fund.

§ 10 — TOWN AID ROAD PROGRAM GRANTS

Expands the eligible uses of Town Aid Road program funds by adding construction, reconstruction, improvements, and maintenance to increase resiliency against increased precipitation, flooding, sea level rise, and extreme heat

The act expands the eligible uses of municipal Town Aid Road (TAR) program grants to include construction, reconstruction, improvements, and maintenance to increase resiliency against increased precipitation, flooding, sea level rise, and extreme heat.

By law, $12.5 million of money appropriated to DOT is allocated each fiscal year for distribution under the TAR program. Under existing law, municipalities can use TAR grants for things such as highway and bridge construction or maintenance, snow plowing and sanding, tree trimming or removal, installing traffic signs and signals, traffic control, vehicle safety programs, parking planning, and providing essential public transportation services and facilities.

§§ 11-14 — PLANS OF CONSERVATION AND DEVELOPMENT

Generally expands the information that must be included in local, regional, and state plans of conservation and development to include strategies for responding to, and information related to, climate change effects (e.g., increased precipitation or extreme heat)

Plans of conservation and development (POCDs) are statements of development, resource management, and investment policies created by certain government entities. Municipalities and COGs must update their plans at least once every 10 years, and OPM must submit an updated state plan to the legislature for its approval every five years (CGS §§ 8-23, 8-35a & 16a-24 et seq.).

The act requires each type of plan (i.e. local, regional, and state) to include strategies for responding to, and information related to, climate change effects, as described below.

EFFECTIVE DATE: July 1, 2025, except the changes to the process for submitting the local plan copy to OPM are effective January 1, 2026.

Local Plans (§§ 11 & 12)

Required Considerations. State law prescribes what local planning commissions (or a special committee a commission appoints) must consider when preparing local POCDs, including things like the municipality's needs; protecting and preserving agriculture; using development patterns that are consistent with the municipality's soil, terrain, and infrastructure capacity; the state and regional POCDs; and the most recent sea level change scenario.

For plans adopted on or after October 1, 2027, the act broadens the commissions' considerations to include the most recent hazard and climate projections from federal and state authorities, such as the National Oceanic and Atmospheric Administration, FEMA, the U.S. Environmental Protection Agency, and UConn.

Plan Purposes. State law also sets the requirements for local POCDs. The act adds to the mandated content by requiring plans adopted beginning October 1, 2027, to:

1. include a climate change vulnerability assessment (see below);
2. consider the identified threats, vulnerabilities, and impacts from the vulnerability assessment for the recommended most desirable land uses;

3. note inconsistencies with reducing vehicle mileage as a growth management principle;
4. identify infrastructure (e.g., facilities, public utilities, and roadways) critical for evacuation and sustaining quality of life during a natural disaster that must always be operational;
5. identify strategies and design standards that may be used to avoid or reduce risks from natural disasters, hazards, and climate change; and
6. include geospatial data that is (a) used to prepare the plan or (b) needed to convey the plan's information.

The act allows local POCDs to identify areas vulnerable to climate change effects to prioritize funding for infrastructure needs and resilience planning.

Under the act, the climate change vulnerability assessment must (1) be based on information considered when preparing the plan and (2) assess existing and anticipated threats and vulnerabilities from natural disasters, hazards, and climate change (e.g., increased temperatures, drought, flooding, wildfire, storms, sea level rise, and saltwater intrusion). It must also assess the impacts of the disasters and hazards to individuals, communities, institutions, businesses, economic development, public infrastructure and facilities, public health, safety, and welfare.

Additionally, the plan must:

1. identify goals, policies, and techniques to avoid or reduce the above threats, vulnerabilities, and impacts;
2. describe any consistencies and inconsistencies between the assessment and any existing or proposed municipal natural hazard mitigation plan, floodplain management plan, comprehensive emergency operations plan, emergency response plan, post-disaster recovery plan, long-range transportation plan, or capital improvement plan; and
3. identify and recommend any needed (a) integration of data from the assessment into the above plans and (b) actions to make the assessment and plans consistent.

Lastly, the act allows a planning commission or its special committee to use information and data from the assessment and plans that are compared for consistency as part of the vulnerability assessment (e.g., hazard mitigation or emergency response plans) when preparing the POCD. This explicitly includes using a document the applicable COG coordinated. However, this data cannot be incorporated by reference; it must be summarized and applied in the plan to the municipality's specific policies, goals, and standards.

Optional Commission Recommendations. The act similarly expands the topics for which commissions and special committees may make recommendations in their plans. Existing law permits recommendations for things such as airports; parks; locations for public buildings, public utilities, and public housing projects; programs to implement the plan; and priority funding areas.

The act also permits recommendations for (1) a land use program to promote reducing and avoiding risks from natural disasters, hazards, and climate change; (2) a transfer of development rights program, which sets criteria for sending and receiving sites and related technical details; and (3) identifying a resiliency improvement district, which the act authorizes municipalities to establish (see §§ 21-30 below).

Plan Submission. Under existing law, the planning commission must submit a copy of the plan to OPM, along with a description of, and reasons for, any inconsistencies between the plan and the state POCD, within 60 days after adopting it. The act requires that the (1) submission also include the geospatial data used to prepare the plan and (2) described inconsistencies include a comparison with the applicable regional POCD. Under the act, the OPM secretary prescribes the form and manner for submitting the copy.

Regional Plans (§ 13)

By law, regional POCDs must, among other things, identify areas where it is feasible and prudent to promote compact, transit-accessible, pedestrian-oriented mixed-use development patterns and land reuse. They also must note inconsistencies of those patterns with certain specified growth management principles, including protecting environmental assets that are critical to public health and safety. The act adds protecting ecosystem services to this principle.

The law allows for these POCDs to encourage energy-efficient development patterns, use of solar and other forms of renewable energy, and energy conservation. Under the act, the plans may also include land use strategies to reduce climate change effects, and the development patterns must be resilient in addition to energy efficient.

The act also requires these plans, beginning October 1, 2025, to (1) show consistency with the regional long-range transportation plan and the regional summary of the hazard mitigation plan (if there is a multijurisdictional hazard mitigation plan) and (2) identify critical facilities in the region along with geospatial data showing the facilities' location, address, and general function. This data must be available to DESPP, DOT, and OPM if they ask for it.

State Plan (§ 14)

The state POCD is a five-year plan to guide state agency action affecting land and water resources. OPM, through its secretary, prepares revisions to the plan and the law specifies numerous considerations and components the POCD must address and include (CGS § 16a-24 et seq.).

The act broadens the required considerations and recommendations related to flooding and erosion beginning with POCDs adopted after the adoption of the 2025-2030 POCD. Specifically, as shown in the table below, these later plans must also (1) consider risks from changes in the rate and timing of precipitation and increased average temperatures from extreme heat; (2) identify impacts from extreme heat and drought; and (3) make land use strategy recommendations that minimize risks to public health, infrastructure, and the environment.

Required POCD Contents Under Prior Law and the Act

Prior Law	*Future POCDs Under the Act*
Consider risks due to increased coastal flooding and erosion (depending on site topography), based on the most recent sea level change scenario for Connecticut published by UConn's Marine Sciences Division	Consider risks due to: • increased flooding and erosion (depending on site topography), based on the most recent sea level change scenario for Connecticut published by UConn's Marine Sciences Division and other sources OPM deems appropriate, and • changes in the rate and timing of annual precipitation and increased average temperatures from extreme heat
Identify impacts from the increased flooding and erosion on infrastructure and natural resources	Identify impacts from extreme heat, drought, and increased flooding and erosion on infrastructure and natural resources
Make recommendations for siting future infrastructure and property development to minimize using areas prone to the flooding and erosion	Make recommendations for: • siting future infrastructure and property development to minimize using areas prone to the flooding and erosion and • land use strategies that minimize risks to public health, infrastructure, and the environment
Consider the state's greenhouse gas (GHG) reduction goals*	Consider the state's GHG reduction goals*

*The Global Warming Solutions Act requires the state to reduce GHG emissions to certain levels, like 45% below 2001 emission levels by January 1, 2030, and 80% below 2001 emission levels by January 1, 2050. It also requires the state to reduce GHG emissions from electricity supplied to electric customers in the state to zero percent by January 1, 2040 (CGS § 22a-200a).

§ 15 — CIVIL PREPAREDNESS PLAN

Beginning October 1, 2028, requires the state's civil preparedness plan and program to consider observed and projected climate trends related to certain hazards

By law, the DESPP commissioner must prepare a comprehensive state plan and program for civil preparedness (i.e. activities and measures to address certain disasters or emergencies), subject to the governor's approval. Beginning October 1, 2028, the act requires the plan and program to consider observed and projected climate trends related to extreme weather events, drought, coastal and inland flooding, storm surge, wildfire, extreme heat, and any other hazards the commissioner deems relevant.

§ 16 — ZONING REGULATIONS

Requires that municipal zoning regulations provide that there are proper ways to mitigate and avoid the negative effects of sea level change; allows the regulations to (1) require or promote resilience and (2) include incentives for using flood-risk reduction building methods

The act requires that zoning regulations adopted under the Zoning Enabling Act (as opposed to a special act) provide that there are proper ways to mitigate and avoid the potential negative effects of sea level change on public health, public welfare, and the environment. They must consider the most recent sea level change scenario for Connecticut published by UConn's Marine Sciences Division.

The act allows zoning regulations to require or promote resilience (i.e. the ability to prepare for and adapt to changing conditions and withstand and recover rapidly from deliberate attacks, accidents, or naturally occurring threats or incidents, such as those associated with climate change), including risks from extreme heat, drought, or prolonged or intense precipitation. It also allows them to include incentives for developers who use flood-risk reduction building methods.
EFFECTIVE DATE: October 1, 2027

§§ 16-18 & 33 — TRANSFER OF DEVELOPMENT RIGHTS

Allows municipal zoning regulations to provide for (1) a regional TDR system and (2) sending and receiving sites in conjunction with a multi-town or regional TDR system; allows COGs to administer joint or multi-town TDR systems; allows two or more municipalities to set up a TDR bank; sets criteria for eligible sending and receiving sites

Municipal or Regional TDR Systems (§§ 16, 18 & 33)

A transfer of development rights (TDR) system involves separating the right to develop land from the land itself, a process that makes the development right a marketable credit. These systems usually involve designating (1) preservation areas (i.e. sending sites) where building is restricted and (2) development areas (i.e. receiving sites) where developers can exceed permitted densities if they buy development rights from owners in the preservation areas. Existing law allows (1) a single municipality to establish a TDR system through its zoning regulations and (2) two or more municipalities to enter into an agreement for a joint or multi-town TDR system.

The act authorizes municipalities to provide for (1) a regional TDR system through their zoning regulations, just as existing law allows for municipal TDR systems, and (2) sending and receiving sites in conjunction with a multi-town or regional TDR system. It also allows COGs or other agencies to administer these joint or multi-town TDR systems.

As under existing law for municipal TDR systems, the act allows regional TDR systems to vary density limits in connection with a transfer. It also eliminates the requirement that a TDR system adopted through zoning regulations require both parties (transferors and transferees) to apply jointly for the transfer.

TDR Banks (§ 18)

The act allows two or more municipalities that have entered into a TDR agreement to enter into an interlocal agreement to set up a TDR bank. These interlocal agreements must:

1. identify potential sending and receiving sites and include the local development rights legislation that was or will be adopted by the municipality or municipalities where the site is located,
2. describe procedures for terminating the TDR bank, and
3. describe the conversion ratio to be used in the receiving site.

Under the act, the conversion ratio may express the extent of additional development rights in any combination of units, floor area, height, or other applicable development standards that the municipality may modify to create incentives for purchasing development rights.

Eligible Receiving Sites. Under the act, each of these receiving sites must be:

1. eligible to connect with a public water system;
2. within one-half mile from public transportation facilities (e.g., rail and bus stations) and above the 100-year flood elevation;
3. outside the boundaries of core forest (i.e. unfragmented forest land that is at least 300 feet from the boundary between forest land and non-forest land, as determined by the DEEP commissioner); and
4. outside the boundaries of any area impacted by the state's most recent sea level change scenario.

Eligible Sending Sites. The act specifies that eligible sending sites may include:

1. core forest or agricultural land;
2. farm land classified under the "PA 490 program" (which allows eligible land to be assessed for property tax purposes based on its current use, rather than its fair market value);
3. areas identified as containing habitat for endangered or threatened species (as identified under state or federal law or a written determination by the U.S. Fish and Wildlife Service or a state and federally recognized tribe that the area is appropriate for preservation); and
4. areas within the boundaries of a floodplain or an area impacted by the state's most recent sea level change scenario.

Definitions (§ 17)

Under the act, a "receiving site" is one or more designated sites or land areas to which development rights from one or more sending sites may be transferred and where increased development is allowed to occur because of the transfer. A "sending site" is one or more designated sites or land areas in which development rights are designated for use in one or more receiving sites.

EFFECTIVE DATE: July 1, 2025, except the new receiving and sending site definitions are effective upon passage and the zoning regulations provision is effective October 1, 2027.

§ 19 — STATE WATER PLAN UPDATE

Requires the state water plan's next update to (1) consider (a) the potential impact of climate change on water resource quality and (b) temperature and precipitation information when identifying water quantities and qualities for various uses and (2) include recommendations and an implementation plan for reducing effects on water from climate change and extreme weather

The act requires the next update to the state water plan to consider (1) the potential impact of climate change on water resource quality and (2) past conditions and predictions of future temperatures and precipitation when identifying available quantities and qualities of surface water and groundwater that are for public water supply, health, economic, recreation, and environmental benefits on a regional basin scale. The next update must also have recommendations and an implementation plan to reduce effects on water quality and quantity from climate change and extreme weather events.

By law, the Water Planning Council (WPC) is responsible for preparing and periodically updating the state water plan, which is used to manage the state's water resources. The WPC is comprised of the DEEP and Department of Public Health (DPH) commissioners, the Public Utilities Regulatory Authority (PURA) chairperson, and the OPM secretary, or their designees. Adoption of the plan, and revisions to it, involve (1) an opportunity for the public to review the plan, attend a public hearing on it, and submit written comments; (2) legislative review, which may include a public hearing; and (3) approval by the governor if the legislature does not timely approve it (i.e. within 24 months after its original submission) (CGS §§ 25-33o & 22a-352).

§ 20 — WATER SUPPLY AND SEWAGE DISPOSAL SYSTEM REGULATION AND PERMIT REVIEW

On a 10-year basis beginning by the end of 2028, requires DEEP, DPH, and PURA to review and revise their water supply regulations and DEEP and DPH to review and revise their sewage disposal systems permitting processes and related regulations, all to include certain projections

The act requires DEEP, DPH, and PURA to each (1) review their respective water supply regulations and (2) revise them to include the most concurrent projections on precipitation, temperature, or other conditions that could impact water quality, quantity, and distribution.

It also requires DEEP and DPH to each review and revise their sewage disposal systems permitting processes and related regulations to include the most concurrent projections on precipitation, flooding, sea level rise, or other conditions that could impact public safety and environmental quality.

Both efforts must be done every 10 years, beginning by December 31, 2028.

§§ 21-30 — RESILIENCY IMPROVEMENT DISTRICTS

Creates a framework authorizing municipalities to establish resiliency improvement districts to finance capital projects addressing climate change mitigation, adaptation, or resilience; allows municipalities to finance projects in these districts by designating incremental property tax revenue and specified savings generated in the district, imposing benefit assessments on real property in the district, and issuing bonds backed by these revenue streams and other sources; allows municipalities to fix property tax assessments in the district for up to 30 years

Overview

The act allows municipalities, through their legislative bodies, to establish a resiliency improvement district to finance capital projects meant to address climate change mitigation, adaptation, or resilience. It allows a municipality to finance projects in the district by (1) designating all or part of the new or incremental real property tax revenue and specified savings generated in the district for repaying the costs incurred to fund the projects; (2) imposing assessments on real property in the district benefiting from certain public improvements (i.e. benefit assessments); and (3) issuing bonds with up to 30-year terms backed by various sources, including these revenue streams, to pay project costs.

The act imposes certain criteria for designating a resiliency improvement district that generally parallel those in existing law for designating a tax increment financing district. It specifies a process for establishing a resiliency improvement district that, among other things, requires a municipality to (1) consider the proposed district's contribution to the municipality and its residents, (2) determine whether it conforms with its plan of conservation and development, and (3) hold at least one public hearing on the proposal.

It requires a municipality's legislative body to adopt a master plan for the resiliency improvement district and prescribes the plan's components, including a financial plan that defines the costs and revenue sources required to accomplish the master plan. It also allows municipalities to fix property tax assessments in the district for up to 30 years.

To carry out a district master plan, the act allows municipalities to issue bonds with up to 30-year terms backed by various sources, including (1) their full faith and credit (i.e. general obligation (GO) bonds); (2) the income, proceeds, revenues, and property within the district; and (3) tax increment revenues, increased savings, and benefit assessments.

Establishing the District (§ 22(a), (d) & (e))

The act allows a municipality's legislative body to establish a resiliency improvement district within the municipality's boundaries subject to the act's requirements. (Under the act, a "municipality" is a town, city, borough, consolidated town and city, or consolidated town and borough.) The district is effective when the legislative body approves it and adopts a district master plan, as described below. If the municipality operates under a charter that prohibits these districts, the act prohibits it from establishing one.

The act also allows two or more contiguous municipalities to enter into an interlocal agreement to set up a district and adopt a district master plan for a district made up of contiguous properties partially located in each. They must adopt the agreement before they set up the district or plan according to the interlocal agreement law. The agreement must divide among the participating municipalities any power, right, duty, or obligation set out in the act. As with other districts, joint districts are effective when the respective legislative bodies approve it and adopt a district master plan.

Advisory Board (§ 29)

The act allows the legislative body of each applicable municipality to create a board to advise it and designated administrative entities on (1) planning, building, and implementing the district master plan and (2) maintaining and operating the district after the plan's completion. The advisory board's members must include people who own or occupy real property in or next to the district.

Conditions for Approval (§ 23)

The act requires municipalities (through their legislative bodies, or board of selectmen if the legislative body is a town meeting) to take certain steps before establishing a district and approving a district master plan.

Planning Commission. The municipality must give the proposed district master plan to its planning commission, if it has one, and ask it to study the plan and issue a written advisory opinion, with a determination as to whether it is consistent with the municipality's POCD.

Public Hearing. The municipality must hold at least one public hearing on the proposed district and master plan. It

must publish notice about the hearing at least 10 days in advance in a conspicuous place on the municipality's website (or municipalities' websites, in the case of a joint district) and show the date and time it was posted. The notice must include (1) the hearing's date, time, and place; (2) a legal description of the proposed district's boundaries; and (3) the draft district master plan. The draft plan must also be (1) available for people to physically review it and (2) posted on each applicable municipality's website.

Approval Criteria. The municipality must determine whether the proposed district meets certain criteria. First, it must consider if it and its master plan will contribute to the municipality's well-being or improve its residents' health, welfare, or safety.

In addition, it must determine whether the proposed district meets the following conditions:

1. it must contain an area that experiences, or is likely to experience, adverse impacts from hazards or climate change (e.g., sea level rise, rising groundwater, extreme heat, wildfire, drought, or flooding);
2. it must have been identified in (a) a municipal hazard mitigation plan, (b) a local or regional POCD, or (c) another related planning process;
3. the plan must show that it reduces risks from these identified adverse impacts in the district;
4. a portion of its real property must be suitable for commercial, industrial, mixed-use, or retail uses or transit-oriented development; and
5. it must not increase (a) the vulnerability and risk to adjacent properties or (b) other hazards in the district.

If there are existing residential uses in the district, the proposed district must also provide for replacing or renovating these residential buildings under certain conditions. Specifically, if the district is in a flood zone or within the sea level rise boundaries in the sea level change scenario for Connecticut published by UConn's Marine Sciences Division, it must:

1. (a) include a height standard of at least two feet of freeboard above the base flood elevation, or as designated by the state building code or municipal building requirements, whichever has a greater height standard, and (b) indicate whether construction of or renovation to commercial or industrial buildings must be flood-proofed or elevated; and
2. allow vehicles to access these buildings at a height of two feet above base flood elevation.

Lastly, the proposed district's original assessed value (i.e. the value of all taxable real property in the district as of the prior October 1), plus the original assessed value of all of the existing tax increment districts in the relevant municipalities, cannot exceed 10% of the total value of taxable property in the municipalities as of the October 1 immediately before the district's establishment. This calculation does not include any districts consisting entirely of contiguous property owned by a single taxpayer (i.e. parcels divided by a road, power line, railroad line, or right-of-way).

Dissolving the District or Changing Its Boundaries (§ 22(c))

Under the act, a municipality's legislative body may generally vote to dissolve a district or change its boundaries at any time. But it may not dissolve the district or decrease its boundaries if the district has any outstanding bonds, other than municipal GO bonds.

District Powers (§ 22(b) & (f))

Development. The act authorizes a municipality, within a district and consistent with its district master plan, to:

1. acquire, construct, reconstruct, improve, preserve, alter, extend, operate, and maintain property or promote development to meet the plan's objectives (in doing so, it may acquire property, land, and easements through negotiation or by other legal means);
2. execute and deliver contracts, agreements, and other documents related to the district's operation and maintenance;
3. issue bonds and other obligations as the act allows;
4. enter into fixed assessment agreements for real property in the district, subject to the restrictions described below;
5. accept grants, advances, loans, or other financial assistance from public or private sources and do anything necessary or desirable to secure the aid (the act specifies that this funding includes funds from the Climate Change and Coastal Resiliency Reserve Fund, the Connecticut Green Bank, stormwater authorities, and flood prevention, climate resilience, and erosion control systems); and
6. according to terms it establishes, (a) provide services, facilities, or property; (b) lend, grant, or contribute funds; and (c) take any other action it is authorized to perform for other municipal purposes.

These powers are in addition to those the municipality has under the Constitution, the statutes, special acts, or the act's other provisions.

Fixing Assessments. The act allows a municipality, through its board of selectmen, town council, or other governing body, to enter into written agreements with a taxpayer to fix the assessment of real property in the district for up to 30 years.

The property's fixed assessment, plus the value of any future improvements, cannot be less than its assessment as of the last regular assessment date without the future improvements.

Fixed assessment agreements must be recorded on the municipality's land records. This recording (1) constitutes notice to the property's subsequent purchasers or encumbrancers, whether they acquire the property voluntarily or involuntarily, and (2) is binding.

A municipality may bring an action in the Superior Court for the judicial district in which it is located to force compliance with the agreement's terms.

Tax Abatements for Affordable Housing. The act specifies that it does not limit a municipality's authority under the law to offer, enter into, or change any tax abatement for real property in the district if that property has at least one affordable housing unit. (By law, a unit is affordable if it costs a household no more than 30% of its income, for households making up to the median income of the town where the unit is located.)

District Master Plan (§ 24)

Requirement. The act requires a municipality's legislative body to adopt a (1) "district master plan" for the district and (2) statement of the percentage or amount of "increased assessed value" that will be designated as "captured assessed value" under the plan, as described below. It must adopt the plan (1) at the same time it adopts the district, subject to the act's procedures, and (2) after receiving the planning commission's (or combined planning and zoning commission's) written advisory opinion or 90 days after it requested the opinion, whichever comes first.

Purpose. Under the act, the "district master plan" is a statement of means and objectives prepared by the municipality, or municipalities acting under an interlocal agreement, relating to a district designed to do the following:

1. reduce the risk of, or exposure to, extreme events, hazards, and climate change effects;
2. support economic development;
3. provide housing opportunities in existing residential areas;
4. improve or broaden the tax base; and
5. build or improve the physical facilities and structures needed for "resilience projects," "environmental infrastructure," or "clean energy projects."

Under the act, "resilience projects" are those (including capital projects) designed and implemented to address climate change mitigation, adaptation, or resilience. They include projects (1) mitigating the effects of river, bay, sea, or groundwater rise; extreme heat or the urban heat island effect; or drought and (2) meant to reduce flooding risk. (By law, "resilience" is the ability to prepare for and adapt to changing conditions and withstand and recover rapidly from deliberate attacks, accidents, or naturally occurring threats or incidents, such as those associated with climate change.)

"Environmental infrastructure" is structures, facilities, systems, services, and improvement projects related to water, waste and recycling, climate adaptation and resiliency, agriculture, land conservation, parks and recreation, and environmental markets such as carbon offsets and ecosystem services. "Clean energy projects" are renewable energy projects using Class I renewable sources (e.g., wind and solar).

Components. The district master plan must include:

1. a legal description of the district's boundaries;
2. the tax identification numbers for its lots or parcels;
3. the present condition and uses of its land and buildings and how building or improving physical facilities or structures will reduce or eliminate risk from existing or expected hazards;
4. the district's existing or expected hazards;
5. the public facilities, improvements, or programs anticipated to be financed in whole or part;
6. if the district has existing residential housing, a plan to rehabilitate, build, or replace the housing, subject to the state's POCD and consolidated plan for housing and community development, that includes meaningful efforts to reduce displacement;
7. a plan for maintaining and operating the resiliency improvements after they are completed;
8. the district's maximum duration, which cannot exceed 50 fiscal years, beginning with the year in which the district is established; and
9. a financial plan, as described below.

Financial Plan Component. The act requires the district master plan to include a financial plan that identifies the project costs and revenue sources required to accomplish the district master plan. The financial plan must contain:

1. cost estimates (a) for the anticipated public improvements and developments and (b) to support relocating or temporarily housing displaced residents;
2. the maximum amount of indebtedness to be incurred to implement the plan;
3. the anticipated revenue sources (e.g., increased savings, fees, assessments, grants, or other sources);

4. a description of the terms and conditions of any agreements, including any anticipated savings agreements, assessment agreements, contracts, or other obligations related to the master plan;
5. estimates of the district's increased assessed values and increased savings; and
6. for each year, the (a) portion of the increased assessed values and savings that will be applied to the plan as captured assessed values and (b) resulting tax increments.

Amending and Reviewing the Master Plan. The act (1) authorizes the legislative body of each applicable municipality to amend the master plan and (2) requires it to review the plan at least once every 10 years after its initial approval in order for the district and plan to remain in effect. (However, as long as any debt authorized and issued by the municipality under the act's authority is outstanding, a district cannot be dissolved for failing to comply with this requirement.) The act specifies that these provisions do not apply to plans with development funded in whole or part by federal funds if federal law prohibits it.

Tax Increment Revenues (§ 25)

In addition to imposing benefit assessments to finance projects, the act allows municipalities to finance projects using the incremental (1) real property tax revenue generated in the district ("tax increment") and (2) savings to district residents or businesses resulting from the reduction of any existing insurance premium or other premium, surcharge, or fee after the district's implementation ("increased savings"). It also allows the municipality to use this revenue stream to repay the bonds issued to finance the projects, as described below.

Captured Assessed Value. The act generally allows each applicable municipality to designate all or part of the district's tax increment and increased savings to finance all or part of the district's master plan. In the case of any existing or planned residential use in the district, it allows the municipality to use the percentage of this revenue and savings needed to (1) rehabilitate, build, or replace dwellings and (2) increase or improve access to affordable housing within the municipality, either in or next to the district.

Under the act, the amount of tax increment revenue designated by the municipality is determined by the district's "captured assessed value," that is, the percentage or amount of the incremental increase in property values ("increased assessed value") that is used from year to year to finance the plan's project costs. The incremental increase in property values is the amount by which the value of the district's property as of October 1 of each year ("current assessed value") exceeds its value as of October 1 of the tax year before the district was established ("original assessed value"). The captured assessed value is subject to any fixed assessment agreements.

Once the municipality establishes the district and adopts its master plan, its assessor must certify the original assessed value of the taxable real property within the district's boundaries. The assessor must also annually certify the:

1. current assessed value of the district's taxable real property,
2. amount by which the current assessed value increased or decreased from the original assessed value, and
3. amount of the captured assessed value.

Apportioning Property Taxes in the Municipality. The act requires that property taxes paid by property owners within the district be apportioned equally with the property taxes paid by other property owners in the municipality located outside the district. It specifies that its provisions do not authorize the unequal apportionment or assessment of taxes on real property in the municipality.

District Master Plan Fund (§ 25(c))

Under the act, municipalities that designate a percentage or amount of captured assessed value in their district master plans must establish a fund for depositing the resulting incremental tax revenues and paying project costs. They must also deposit in the fund any benefit assessments imposed on real property in the district, as described below.

Account Structure. The fund must consist of a (1) project cost account and (2) development sinking fund account for any bonds issued to carry out or administer the district master plan. The act authorizes the municipality to transfer funds between the accounts, as long as they do not yield an insufficient balance in either account to cover its annual obligations.

The project cost account is pledged to and charged with paying project costs outlined in the financial plan, including reimbursing project cost expenditures incurred by a public body (e.g., the municipality, a developer, a property owner, or another third-party entity), other than reimbursements paid with bond proceeds.

The development sinking fund account is pledged to and charged with (1) paying interest and principal on district bonds as they come due, including any redemption premium; (2) paying the costs of providing or reimbursing any entity that provides a guarantee, letter of credit, bond insurance policy, or other credit enhancement device used to secure debt service payments on district bonds; and (3) funding any required reserve fund.

Depositing Tax Increment Revenues. The municipality must annually set aside all tax increment revenues on captured

assessed values and deposit the revenues in a specific order. The revenues must first go to the development sinking fund account, in an amount necessary to pay the annual debt service on the bonds issued (considering estimated future revenues that will be deposited to the account and earnings on this amount), excluding any GO bonds issued by the municipality that are backed solely by its full faith and credit. Any remaining revenues must go to the project cost account.

Excess Revenues. At any time during the district's term, the municipality's legislative body may vote to return to the municipality's general fund any tax increment revenues remaining in either account that exceed the amount necessary to pay the account's obligations. In doing so, it must consider any transfers made between the accounts.

Audit Requirement. The act requires the district master plan fund and its accounts to be audited annually by an independent auditor according to generally accepted accounting standards. The audit report must be open to public inspection and certified copies of it must be provided to the state's Auditors of Public Accounts.

Eligible Costs (§ 26)

The act limits the use of a district master plan fund to paying certain costs for (1) improvements made within the district, (2) improvements made outside the district that are directly related to or necessary for the district's establishment or operation, and (3) environmental improvement projects developed by the municipality that are associated with the district.

Improvements Made in the District. The act allows the fund to pay the following costs for improvements made within the district:

1. capital costs, as described below;
2. financing costs, including closing and issuance costs, reserve funds, and capitalized interest;
3. real property assembly costs;
4. technical and marketing assistance program costs;
5. professional service costs, including licensing, architectural, planning, engineering, development, and legal expenses;
6. maintenance and operation costs (i.e. the cost of the activities needed to maintain and operate facilities after their development, including informational, promotional, and educational programs, as well as safety and surveillance activities);
7. administrative costs, including reasonable charges for the time municipal employees, other agencies, or third-party entities spend implementing a district master plan; and
8. organizational costs related to the district's planning and establishment, including the cost of conducting environmental impact and other studies, informing the public about the district, and implementing the district master plan.

Under the act, capital costs include the cost of:

1. acquiring or constructing land, improvements, infrastructure, measures designed to improve resilience, environmental infrastructure, clean energy projects, public ways, parks, buildings, structures, railings, signs, landscaping, plantings, curbs, sidewalks, turnouts, recreational facilities, structured parking, transportation improvements, pedestrian improvements, and other related improvements, fixtures, and equipment for public or private use;
2. demolishing, altering, remodeling, repairing, or reconstructing existing buildings, structures, and fixtures;
3. remediating environmental contamination;
4. preparing a site and finishing work; and
5. incurring associated fees and expenses, such as licensing, permitting, planning, engineering, architectural, testing, legal, and accounting expenses.

Improvements Made Outside the District. For improvements made outside the district that are directly related to or necessary for establishing or operating the district, the fund may pay the:

1. portion of the costs reasonably related to constructing, altering, or expanding facilities required due to improvements or activities within the district, including roadways, traffic signals, easements, sewage or water treatment plants or other environmental protection devices, storm or sanitary sewer lines, water lines, electrical lines, fire station improvements, and street signs;
2. costs of public safety and public school improvements made necessary by the district's establishment; and
3. costs of mitigating any of the district's adverse impacts on the municipality and its constituents.

Benefit Assessments (§ 27)

Funding Mechanism. Under the act, a municipality that constructs, improves, extends, equips, rehabilitates, repairs,

acquires, provides a grant for, or finances the cost of public improvements in a district may assess a proportion of these costs as a benefit assessment on real property in the district that benefits from these public improvements. It may, by ordinance, apportion the value of the improvements according to a formula that reflects the actual benefits accruing to the various properties because of the development and maintenance.

The municipality may (1) require property owners to pay the benefit assessments in annual installments for up to 50 years and (2) forgive the benefit assessments in any given year without affecting future installments. It may assess buildings or structures constructed or expanded in the district after the initial benefit assessment is imposed as if they existed at the time of the original benefit assessment.

Revising and Adopting the Assessments. The municipality must revise and adopt the assessments at least once a year within 60 days before the start of the fiscal year. If the municipality imposes the benefit assessments before acquiring or constructing the public improvements, it may subsequently adjust the assessments once the improvements are complete to reflect their actual cost.

Public Hearing and Notice Requirement. Before estimating and imposing a benefit assessment, the municipality must hold at least one public hearing on the payment schedule or any revisions to it. It must publish a notice about the hearing at least 10 days in advance in a conspicuous place on the municipality's website (or municipalities' sites for joint districts), with the date and time of its posting. The notice must include:

1. the hearing's date, time, and place;
2. a legal description of the district's boundaries;
3. a statement that all interested property owners in the district will have an opportunity to be heard at the hearing and file objections to the assessment amount;
4. the maximum assessment rate to be increased in any one year; and
5. a statement indicating that the proposed list of properties to be assessed and the estimated assessments against those properties are available at the town or assessor's office.

The notice may also include the maximum number of years that the assessments will be levied. The municipality must make the proposed benefit assessment schedule available to any member of the public, upon request, by the notice's publication date.

The act generally applies the same statutory public hearing and appeal procedures to district benefit assessments as apply under existing law to municipal sewer system benefit assessments levied by water pollution control authorities (CGS § 7-250). It substitutes the municipality's board of finance (or legislative body if it has none) for the water pollution control authority for this process. The municipality must also follow this notice and hearing process when increasing benefit assessments or extending the number of years that they will be levied.

Collection and Enforcement. The municipality has the same powers to collect and enforce the benefit assessments as it does for municipal taxes. It must establish the payment due date and issue notice about the due date at least 30 days in advance by (1) publishing it in a conspicuous place on each applicable municipality's website (with the posting's date and time) and (2) mailing it to the last known address of each affected property owner. Assessment revenues must be paid into the appropriate district master plan fund account.

Unpaid benefit assessments are liens against the property. Property owners must pay the same interest rate on delinquent assessments as on delinquent property taxes (1.5% per month or 18% per year). The liens (1) may be continued, recorded, and released in the same manner as property tax liens; (2) take precedence over all other liens and encumbrances, except those for municipal property taxes; and (3) may be enforced in the same way as property tax liens.

Bonds (§ 28)

To carry out or administer a district master plan or other functions under the act's provisions, municipalities may issue bonds and other obligations (e.g., refunding bonds, notes, interim certificates, and debentures) backed by:

1. their full faith and credit (i.e. GO bonds);
2. the income, proceeds, revenues, and property within the district, including grants, loans, advances, or contributions from state, federal, or other sources;
3. tax increment and increased savings revenues and benefit assessments; or
4. any combination of these sources.

Under the act, only the municipality's GO bonds count towards its bond cap.

The act requires municipalities to authorize these bonds, including without the state's consent, by resolution of its legislative body, regardless of any other statute, municipal ordinance, or charter provision governing municipal bond issuances. The municipality's legislative body, or the municipal officers to which the legislative body delegates authority for issuing the bonds, must determine:

1. how the bonds will be issued and sold;
2. their interest rates, including variable rates;
3. the term over which they will mature, which must be no more than 30 years;
4. when interest will be paid;
5. whether and under what terms bonds may be purchased or redeemed; and
6. all other issuing conditions.

It allows the municipality to secure the bonds by executing a trust agreement with a bank or trust company that contains reasonable provisions for protecting and enforcing bondholders' rights. Any pledge the municipality makes concerning such an agreement is (1) valid and binding from the time it is made; (2) immediately subject to a lien without physical delivery of the money; and (3) valid and binding against all parties with claims against the municipality, regardless of whether the parties have notice of the lien. It specifies that any expenses the municipality incurs in carrying out the trust agreement may be treated as project costs.

The act assures bondholders that state and local entities may invest in the bonds and that the state will not limit or alter the district, or the municipality's powers and duties with respect to it, until the bonds are repaid.

It specifies that its provisions do not restrict a municipality's ability to raise revenue to pay project costs by any other legal means.

Priority Projects (§ 30)

Under the act, districts must prioritize the solicitation, selection, and design of infrastructure projects designed to increase resilience and that either:

1. use natural and nature-based solutions meant to restore, maintain, or enhance ecosystem services and processes that maintain or improve environmental quality in or next to the district or
2. address the needs of environmental justice communities (i.e. distressed municipalities or areas where at least 30% of the population consists of low-income people who are not institutionalized and have an income below 200% of the federal poverty level) or vulnerable communities (i.e. populations that may be disproportionately affected by climate change).

If the resiliency project results in affordable housing being demolished or reduced, the municipality, resiliency project developer, a property owner, or a third-party entity must commit to replacing these units in the district within four years. If this is not feasible within the district, then the units must be replaced reasonably close to the district at a rate of at least two units for each one that would have otherwise been replaced in the district.

§ 31 — SECOND-GENERATION ANTICOAGULANT RODENTICIDES

Requires DEEP, by January 1, 2026, to classify second-generation anticoagulant rodenticides as restricted use pesticides

The act requires the DEEP commissioner, by January 1, 2026, to classify all second-generation anticoagulant rodenticides for restricted use, meaning that they may cause unreasonable adverse environmental effects. By law, this classification requires pesticides to be applied only by, or under the direct supervision of, a certified applicator or subject to other restrictions the commissioner imposes through regulations. (Previously, DEEP classified these rodenticides for general use, meaning no specialized license was required to apply them.)

Under the act, "second-generation anticoagulant rodenticides" are pesticide products containing brodifacoum, bromadiolone, difenacoum, or difethialone.

EFFECTIVE DATE: Upon passage

Background — Second-Generation Anticoagulant Rodenticides

Most rodenticides are anticoagulant compounds that interfere with blood clotting and cause death from excessive bleeding. Second-generation anticoagulants were developed to control rodents that are resistant to first-generation anticoagulants. These pesticides are more likely to be effective after a single feeding and may remain in animal tissue longer than first-generation products. They are registered only for the commercial and structural pest control markets.

§ 32 — NEONICOTINOIDS

Generally prohibits, beginning October 1, 2027, using pesticides with neonicotinoids; exempts certain uses (e.g., for agriculture or in certain personal or pet care products)

Beginning October 1, 2027, the act prohibits using a pesticide that has any neonicotinoid, unless the DEEP commissioner, upon receiving a request, determines that there is no other effective control option available. To make this determination, the act requires the commissioner to consult with the Connecticut Agricultural Experiment Station's (CAES) director and it allows the director to consult with the Pesticide Advisory Council.

The act exempts from the ban any neonicotinoid that is:

1. for use in, or application to, agriculture, seeds, ornamental shrubbery, or trees or
2. not labeled for plant use, like those for personal care products, pet care, veterinary purposes, or indoor or structural pest control.

The act authorizes the DEEP commissioner to assess a civil penalty of up to $2,500 per violation to anyone who violates the ban.

EFFECTIVE DATE: Upon passage

Background — Neonicotinoids

By law, a neonicotinoid is a pesticide that selectively acts on an organism's nicotinic acetylcholine receptors (i.e. impacts the nervous system), including clothianidin, dinotefuran, imidacloprid, thiamethoxam, and any other pesticide that the DEEP commissioner, after consulting with CAES, determines will kill at least 50% of a bee population when up to two micrograms of it is applied to each bee (CGS § 22-61k). Neonicotinoids that are labeled for treating plants are "restricted use," and may only be applied by someone certified under state law to do so or by someone that person supervises.

PA 25-34—sHB 5019
Environment Committee
Judiciary Committee

AN ACT ESTABLISHING EXTENDED PRODUCER RESPONSIBILITY FOR CONSUMER BATTERIES

SUMMARY: This act establishes a framework for statewide stewardship programs to manage the collection and recycling of certain batteries. Beginning January 1, 2027, it prohibits certain battery and battery-containing product producers who fail to participate in a battery stewardship organization from selling specified batteries or products in Connecticut.

Under the act, producers must, either on their own or with other producers, be part of a stewardship organization that develops a plan for and implements a battery stewardship program. The Department of Energy and Environmental Protection (DEEP) is responsible for reviewing and deciding to approve a plan. These plans must be submitted by July 1, 2026, and producers of certain covered batteries must inform DEEP whether they will join a program jointly or individually by January 1, 2027. Starting July 1, 2028, the act prohibits retailers from selling, offering for sale, distributing, or otherwise making available for sale the covered batteries or battery-containing products of non-participating producers.

Starting January 1, 2028, the act generally prohibits producers and retailers from selling, offering for sale, or distributing in or into Connecticut covered batteries or battery-containing products without an identification mark of the battery's producer. Starting January 1, 2030, these batteries must be marked with specified labels to ensure they are properly collected and recycled.

The act authorizes DEEP to assess an annual fee of up to $50,000 on an organization for administration and enforcement of the act's requirements. It requires the collection of loose batteries; it does not require collecting battery-containing products. The act also sets requirements on retail battery sales, establishing collection sites, educational and promotional efforts, and annual reporting to DEEP.

The act (1) authorizes the DEEP commissioner to enforce the act's provisions under her general powers, and to ask the attorney general to bring an action to enforce the act's provisions; (2) extends certain antitrust and unfair trade practice liability protections to retailers, producers, and battery stewardship organizations; and (3) authorizes DEEP to cooperate with other states' battery recycling programs.

EFFECTIVE DATE: October 1, 2025

BATTERY STEWARDSHIP REQUIREMENTS

Producer Participation

Beginning January 1, 2027, for portable and medium format batteries, the act requires each producer selling, offering for sale, or distributing covered batteries or battery-containing products in the state to participate in and fund an approved battery stewardship organization. The act prohibits nonparticipating producers from selling these batteries or products in the state.

Batteries and Battery Products Involved

The act applies to the management of "covered batteries" and "battery-containing products." Covered batteries include portable batteries and medium format batteries, but not:

1. batteries used in medical devices;
2. batteries that contain an electrolyte as a free liquid;
3. lead acid batteries weighing more than 11 pounds;
4. motor vehicle batteries subject to the existing battery deposit law or any battery that is a component of a motor vehicle or intended for use exclusively in motor vehicles;
5. batteries recalled for safety reasons;
6. batteries in a battery-containing-device that are not easily, or not designed to be, removed; or
7. batteries subject to the state's electronic waste recycling law.

"Portable batteries" include (1) nonrechargeable batteries (e.g., alkaline, silver oxide, zinc air, carbon-zinc, and lithium metal) of up to four pounds, six ounces and (2) rechargeable batteries (e.g., with at least one voltaic or galvanic cell, electrically connected to produce electric energy) of up to 11 pounds and a maximum rating of 300 watt hours.

"Medium format batteries" are (1) nonrechargeable batteries weighing more than four pounds, six ounces, but no more than 25 pounds and (2) rechargeable batteries weighing more than 11 pounds, but no more than 25 pounds, or with a rating over 300 watt hours, but no more than 2,000 watt hours.

Products that are sold, offered for sale, or distributed that contain or are packaged with the above batteries are "battery-containing products," unless they are already subject to the state's electronic waste recycling law.

Producers

The act applies to "producers." For batteries that are sold, offered for sale, or distributed in or into the state under the battery manufacturer's brand, the producer is the battery manufacturer. But if they are under a retail brand or a brand owned by a person that is not the manufacturer, it is the brand owner. And if there is no person meeting the above criteria, then the following, in order, would be the producer:

1. the licensee of a brand or trademark under which the battery is sold, offered for sale, or distributed in Connecticut, regardless of whether the trademark is registered in this state;
2. the battery's importer of record into the United States; or
3. the person who first sells, offers for sale, or distributes the battery in Connecticut, if no person has a commercial presence in the state.

The act largely applies the same hierarchy to determine a producer for battery-containing products, though brand or trademark licensees may be deemed the producers if the product is used in a commercial enterprise, in addition to being sold, offered for sale, or distributed in the state as described above.

The act allows another party to contractually accept the responsibility as a producer and join a stewardship organization as the producer. In addition, producers of covered batteries that are included in battery-containing products must provide written certification of their membership in a battery stewardship organization to the battery-containing product's producer, and the battery stewardship organization of which the battery producer is a member.

RESTRICTIONS ON SALE, DISTRIBUTION, OFFERS, AND AVAILABILITY

Retailers

Beginning July 1, 2028, the act generally prohibits retailers from selling, offering for sale, distributing, or otherwise making available for sale (including to other businesses) the covered battery or battery containing product of a producer that is not participating in a battery stewardship organization with an approved plan. This ban does not apply if, at the time

the product is made available for sale, DEEP's website lists a producer or brand of covered battery or battery-containing product sold by the retailer as participating in or implementing an approved plan.

The act requires retailers selling or offering covered batteries or battery-containing products for sale in the state to give consumers the information that the battery stewardship organization gave the retailer on end-of-life management options for covered batteries the organization collects.

The act also prohibits retailers from selling, offering for sale, distributing, or otherwise making available for sale covered batteries unless they are properly marked (see *Identifying Markings* below). It requires battery-containing product producers to verify to retailers that the battery in the product is properly marked, which retailers may rely on for compliance reasons.

Lastly, the act prohibits retailers, producers, and battery stewardship organizations from charging consumers a specific fee during a sale to cover the organizations' or their programs' administrative or operational costs.

Identifying Markings

Beginning January 1, 2028, the act generally prohibits producers and retailers from selling, offering for sale, or distributing in or into Connecticut a covered battery or battery-containing product without an identification mark of the battery's producer. However, it exempts batteries with diameters of less than one half-inch or surfaces that do not exceed one half-inch. Beginning January 1, 2030, these batteries must be marked with labels to ensure that they are properly collected and recycled by identifying their chemistry and indicating that they should not be disposed of as household waste.

The act requires producers to verify to their customers and retailers that the above requirements were met.

PLAN DEVELOPMENT AND SUBMISSION

By January 1, 2027, the act requires each producer of covered portable batteries, or its designee (e.g., a battery stewardship organization), to notify the DEEP commissioner on a DEEP-prescribed form if it will individually or jointly submit a plan to establish a statewide battery stewardship program.

Under the act, each battery stewardship organization must submit its plan for covered batteries by July 1, 2026, to DEEP for review and approval. A battery stewardship organization may then submit a plan to DEEP at any time for its review and approval.

Required Plan Contents

Under the act, the plan must include the following information:

1. contact information for each producer, battery brand, and battery-containing product brand covered in the plan;
2. a performance goals proposal, including goals for each of the next three program years (see *Performance Goals* below);
3. promotional activities and consumer awareness goals and strategies to meet the program's goals;
4. collection site safety training procedures for battery collection, including protocols to reduce spill or fire risk, respond to a spill or fire, and safely manage damaged batteries;
5. collection goals for each of the program's first three years that are based on the estimated total weight of nonrechargeable and rechargeable covered batteries sold in the state during the previous three years;
6. goals for increasing public awareness; and
7. proposed sorters, transporters, processors, and facilities that the program will use for final battery disposition and how environmentally sound management practices will be used when managing collected batteries.

Under the act, "environmentally sound management practices" comply with applicable federal, state, and local regulatory requirements to protect workers, public health, and the environment. They also (1) provide for recording, tracking, and documenting materials' final disposition in the state and outside of it and (2) include comprehensive liability coverage for the stewardship organization with commercially practicable environmental liability coverage.

The plan must also describe the following:

1. how the organization will inform retailers about their obligation to only sell batteries and battery-containing products covered by an approved battery stewardship plan;
2. the education and communications strategy that will be used to effectively promote program participation, including the information needed for consumers, retailers, and others;
3. how the program's public education and outreach aspects will be implemented;
4. how the organization will provide collection sites with signs, written materials, and other promotional materials to inform consumers about end-of-life management options for covered batteries;

5. a method for establishing and administering a way to fully fund the program so that it equitably distributes program costs among participating producers;
6. financing methods to implement the plan;
7. how the program will collect all covered battery brands on a free, continuous, convenient, visible, and acceptable basis, including providing for convenient collection in towns;
8. criteria for determining if an entity may serve as a collection site; and
9. how the program will reach recycling efficiency rates of at least 70% for nonrechargeable batteries and at least 60% for rechargeable batteries.

Under the act, a "recycling efficiency rate" is a ratio of the weight of battery components and materials recycled by a program operator to the weight of batteries the operator collected. In calculating the rate, materials are not considered recycled if they are combusted, incinerated, or used in energy generation, fuel production, or for beneficial use in a solid waste landfill.

Performance Goals

The act requires each plan to have performance goals that annually measure the program's achievements on battery collection in the state, the recycling efficiency rate, and public awareness. Specifically, the goals must at least include the following:

1. target collection rates for nonrechargeable batteries and rechargeable batteries;
2. target recycling efficiency rates of at least 70% for nonrechargeable batteries and at least 60% for rechargeable batteries; and
3. goals for public awareness, convenience, and accessibility that at least meet the act's minimum requirements.

The act prohibits a battery stewardship organization from reducing or stopping collection, education and outreach, or other activities due to meeting program performance goals.

The "collection rate" is a percentage, by weight, that is calculated by dividing the total weight of batteries collected by the organization during the prior year by the average annual weight of batteries estimated to have been sold in the state during the previous three years by all producers participating in an approved plan.

Review and Approval Process

The act requires the DEEP commissioner to review submitted plans and base her approval on whether the plan has the above information. The commissioner may approve, disapprove, or conditionally approve a plan, but must do so in writing within 90 days after receiving it. A disapproval must explain how the plan is noncompliant.

If a plan is disapproved, the battery stewardship organization must submit a revised plan within 60 days after DEEP's disapproval notice and DEEP then has 90 days to review it for compliance with the act, and must approve, disapprove, or conditionally approve the revised plan. If the commissioner disapproves it again, she must again explain why in a notice of determination to the producer or stewardship organization. The act then requires revision and resubmission of the plan within 45 days after receipt of the last notice, but it limits resubmitting a revised plan for approval to two times. Once a plan is resubmitted, the commissioner has 45 days to approve, disapprove, or conditionally approve it.

Under the act, if there is no acceptable plan submitted, the DEEP commissioner must modify a submitted plan to make it compliant and approve it. Once a plan is approved, the battery stewardship organization must implement the program within 180 days.

Changes to a Plan

The act sets out circumstances that require plan amendments or a new plan to be submitted for DEEP's approval. Specifically, it requires plan amendments for (1) changes to performance goals due to program performance; (2) changes to the program financing method, including to the plan's fees or fee structure; and (3) an addition or removal of a sorter, processor, or transporter. It authorizes DEEP to identify other types of significant changes that would require submitting a new plan for approval and requires the submission of one if DEEP requests it.

The act also requires a stewardship organization to inform DEEP, in writing, within 30 days after a producer starts or ends participation in the organization.

Public Comment

Under the act, DEEP must make any plan or amendment submitted for DEEP approval available for public review and

comment for at least 30 days.

PROGRAM FUNDING

Under the act, a battery stewardship organization must ensure that there is adequate funding to fully implement its approved plan, including program evaluation. The act makes it responsible for all the costs of covered battery collection, transportation, processing, education, administration, department reimbursement, recycling, and end-of-life management according to the act's requirements. For an organization that implements a plan on behalf of producers, the act requires it to develop a system to collect charges from the producers to cover the plan's implementation costs.

The act separately authorizes a stewardship organization to seek reimbursement from producers of recalled batteries for its expenses to collect, transport, or process them.

BATTERY COLLECTION

General Provisions

The act requires each battery stewardship organization to meet the battery collection goals set out in its plan. It must have all covered batteries collected on a free, continuous, convenient, visible, and acceptable basis for individuals, businesses, government agencies, and nonprofits at each collection site it uses, with certain exceptions (see below).

Under the act, a stewardship organization must have statewide collection opportunities. It must coordinate with other program operators, like battery collection and recycle programs and electronic waste recyclers, to efficiently deliver services and avoid unnecessary duplication of work and costs. Geographic information modeling must be used to consider permanent collection sites and determine statewide collection opportunities. The act allows programs to rely on collection events to supplement permanent collection services, but only permanent services qualify to meet the act's collection location requirements.

Under the act, a battery stewardship program must use existing waste collection services and facilities, including battery collection sites, transporters, consolidators, processors, and retailers, when doing so is cost effective, mutually agreeable, and otherwise practicable. While the act does not require retailers to make their locations available as collection sites, those that do must participate in an approved stewardship plan and comply with all collection site requirements (see below).

The act limits the collection of medium format batteries to household hazardous waste collection sites or other staffed locations that meet applicable federal, state, and local regulatory requirements for managing these batteries. It also specifies that programs do not have to collect (1) battery-containing products or (2) batteries that are not easily removable from a product except by the manufacturer and that stay in a battery-containing product when it is brought to a collection site.

Collection Sites

Under the act, a "collection site" includes any (1) state resident; (2) political subdivision of the state; (3) transfer station, material recovery facility, drop off or event or disposal facility in Connecticut; or (4) other entity that the battery stewardship organization approved to participate in its approved collection plan.

The act requires a battery stewardship program to include municipalities, solid waste management facilities, and household hazardous waste facilities as collection sites if they meet the associated plan's collection site criteria and they ask to be one. It similarly requires a program to use any retailer or wholesaler meeting the collection site criteria as a collection site if it asks to be one and having it as a site will help meet the plan's minimum number of required sites.

The act also requires a program to use retailers, wholesalers, municipalities, solid waste management facilities, household hazardous waste facilities, or other entities meeting a plan's collection event criteria to serve as a collection event location if they ask to serve as one. And it allows a program to use additional sites agreed to by the battery stewardship organization and the collection site.

Under the act, for each collection site it uses, a battery stewardship organization must (1) provide suitable collection containers that are separated from other solid waste or (2) make mutually agreeable alternative arrangements to collect the batteries at a site. The organization must also provide the site with free training, signs, safety guidance, and educational materials.

Collection sites must follow (1) applicable federal, state, and local regulatory requirements and (2) the operations manual and other safety information the stewardship organization gives them.

Collection Container Signage

The act requires the collection containers to have the signs the stewardship organization gave the site to educate customers about the site's end-of-life management options for batteries.

Damaged or Defective Batteries

The act requires the stewardship organizations to collect damaged or defective batteries at collection sites, other than retailers, with staff trained to handle and ship the batteries. The batteries must also be collected at all permanent household hazardous waste facilities, household hazardous waste collection events, and participating permitted transfer stations that have staff trained to handle and ship the batteries. Under the act, these batteries are those that (1) are damaged or manufacturer identified as defective for safety reasons and (2) may produce dangerous heat, fire, or short circuit. The act allows DEEP to update this definition in regulations to stay consistent with federal definitions of damaged or defective batteries (49 C.F.R. § 173.185(f)).

Suspending or Ending a Collection Site

The act allows a stewardship organization to issue a warning to suspend or end a collection site or service that does not follow the plan's collection site criteria or poses an immediate health and safety concern.

Local Reimbursement

The act requires a stewardship organization to reimburse local governments for the demonstrable costs they incur from serving as a program collection site (e.g., like at a solid waste handling facility). The costs include things like labor or storage costs.

ADMINISTRATIVE FEE

The act allows DEEP to assess a reasonable annual fee, capped at $50,000, to each battery stewardship organization to administer and enforce the act's requirements.

PROMOTIONAL EFFORTS, EDUCATION, AND OUTREACH

Stewardship Organization

The act requires a battery stewardship organization to develop and take part in promotion, education, and outreach activities to support its approved plan's implementation. If multiple battery stewardship organizations are implementing DEEP-approved plans, they must coordinate education and outreach efforts.

Under the act, the promotion, education, and outreach activities must at least include the following:

1. maintaining a website;
2. distributing periodic press releases and articles;
3. advertising on social media or other relevant media platforms;
4. distributing promotional materials about the program and its restrictions on disposing of batteries for use by individuals, retailers, government agencies, waste and recycling collectors, and nonprofits;
5. distributing safety training procedures that comply with state law to collection sites to help properly manage batteries; and
6. implementing educational and outreach resources that are conceptually, linguistically, and culturally accurate for the communities the program serves and reach the state's diverse ethnic populations, such as through meaningful consultation with communities that are disproportionally affected by increased adverse environmental and social justice impacts.

For collection sites, the act requires a stewardship organization to provide (1) consumer-focused educational promotional materials; (2) safety information for the sites' operators related to battery collection, including appropriate methods to reduce spill or fire risks and response protocols for when a spill or fire happens or there is a damaged or defective battery; and (3) educational materials for the operators to manage recalled batteries, including transportation and processing.

For retailers and other potential collectors that ask for them, the act requires a stewardship organization to provide educational materials describing collection opportunities.

Additionally, during a program's first year and then every five years, a stewardship organization must conduct a public awareness survey about the program's requirements. It must share the survey's results with DEEP.

DEEP

The act requires DEEP to maintain a website that lists participating producers and their brands. The department must also make publicly available each plan, plan amendment, and annual report it receives.

ANNUAL REPORT

Beginning by June 1, 2029, the act requires each stewardship organization to report certain information in an annual report to DEEP that covers the previous calendar year. This information generally includes collected battery statistics, how batteries were managed, collection or recycling rates, educational and outreach efforts used, and certain financial information, as listed in the table below.

Annual Report's Required Components

General Report Topic	*Required Information*
Collected Materials	• Weight of (1) collected batteries, by chemistry, and (2) materials recycled from collected batteries, in total and by recycling method (specifies that battery and recovered resources weights must only be counted once and only by one stewardship organization) • Weight and chemistry of batteries sent to each disposal facility, which may be approximated based on extrapolations of national or regional data • Program collection rate, including how it was calculated and compared to the act's other collection rate goals
Battery Management	• Description of battery collection, transport, and recycling methods used • List of and addresses for all collection sites, including a current map showing their locations with links to the sites' websites, if any • Description of how collected batteries were managed and recycled, including best available technologies and the recycling efficiency rate • List of all facilities used to process or dispose of batteries, including their location, and whether the location is in (1) the United States, (2) an organization for economic cooperation and development (OECD) country, or (3) a country that meets OECD's operating standards • For domestically located processing or disposal facilities, a summary of any violations of environmental laws and regulations for the prior three years • For each disposal facility, how it recycled or otherwise disposed of batteries and battery components • Calculation of recycling efficiency rates • Summary on progress to meet performance goals and, if they were not met, an explanation as to why • If batteries are disposed of through energy recovery, incineration, or landfilling, steps that will be taken to make recycling cost effective, if possible, or to otherwise increase recycling rates
Education and Outreach	• Description of (1) education and outreach efforts to consumers, collection sites, manufacturers, distributors, and retailers by the

General Report Topic	*Required Information*
	program operator to promote collection and recycling and (2) how the efforts met the act's requirements • Sample materials • Summary of (1) coordinated efforts with other battery stewardship organizations with DEEP-approved plans and (2) changes to education and outreach activities • Effectiveness evaluation of education and outreach activities
Financial	• For each of the three prior years, estimated total sales, by weight and chemistry, of (1) batteries and (2) batteries contained in or with battery-containing products sold in Connecticut by participating producers • Copy of the most recent audit report prepared according to the act's requirements, as described below • Summary financial statement showing the program's financing and an analysis of program costs and expenses (e.g., collection, transportation, recycling, education, and overhead costs) (must be detailed enough to be transparent in determining if funds from producers with activity in Connecticut were spent on programs in the state, but may be submitted as a document covering programs in all states in which the organization operates if it breaks out Connecticut-specific information)

AUDIT AND RECORD RETENTION REQUIREMENTS

The act requires the battery stewardship organization to have a full performance audit of the program done five years after the program's implementation or at the DEEP commissioner's request (but no more than once every five years). The audit must be done by an independent third-party auditor approved by the DEEP commissioner. The commissioner must give the organization at least 180 days' notice before requesting a full performance audit and the organization must submit the audit to the commissioner within 180 days after the request.

The act also allows the commissioner to request a targeted and limited performance audit. In this case, she must give the organization notice at least 14 days before the request and the organization must submit the audit to her within 60 days after the request.

In either case, the audit must review the accuracy of the organization's program data and include any other information the commissioner requested. But the act specifies that the audit does not require disclosing any proprietary information or trade or business secret. The organization must pay for these audits and keep all program records for at least three years.

ENFORCEMENT

The act authorizes the DEEP commissioner to (1) enforce the act's provisions under her general powers and (2) ask the attorney general to bring an action to enforce the provisions.

LIABILITY PROTECTION

Under the act, to the extent a producer, retailer, or stewardship organization is exercising authority under the act's provisions, it is immune from liability for any antitrust or unfair trade practice claim based on a violation of antitrust law, except for intentional misrepresentation, fraud, or willful, wonton, or reckless acts.

PROPRIETARY INFORMATION

Under the act, any proprietary information submitted to DEEP as part of meeting the act's requirements is exempt from disclosure under state freedom of information laws.

INTER-STATE COOPERATION

The act allows DEEP to collaborate with any other state that implements a battery recycling program to more efficiently administer battery stewardship programs, as long as this collaboration is consistent with the act's requirements.

PA 25-45—sSB 55
Environment Committee
Appropriations Committee

AN ACT CONCERNING THE BOATING SEASON FOR WYASSUP LAKE IN NORTH STONINGTON

SUMMARY: This act sets the season for motorboating on Wyassup Lake in North Stonington. Specifically, it requires, regardless of any other state statutes, that Wyassup Lake be open to operating motorboats from the Saturday before Memorial Day to September 15.

Prior state law did not establish a specific motorboating season for Wyassup Lake, but regulations limit operating a vessel towing a water skier on the lake to between June 15 and the Sunday after Labor Day, and prohibit operating a vessel towing a water skier between the islands and the east shore of the lake (Conn. Agencies Regs. § 15-121-B16).
EFFECTIVE DATE: Upon passage

PA 25-58—SB 313
Environment Committee

AN ACT ESTABLISHING A SPEED LIMIT FOR LAKE MASHAPAUG IN UNION

SUMMARY: This act requires the Department of Energy and Environmental Protection to adopt regulations by April 1, 2026, to set a 10 miles per hour speed limit for motorboats and personal watercrafts operated on Mashapaug Lake in Union.
EFFECTIVE DATE: Upon passage

PA 25-84—sHB 6868
Environment Committee

AN ACT ENHANCING ENVIRONMENTAL PERMITTING PREDICTABILITY

SUMMARY: This act changes procedural requirements for petitioned hearings on Department of Energy and Environmental Protection (DEEP) licenses (permits and other approvals). For most DEEP-issued licenses, prior law allowed persons to request a public hearing by submitting a petition according to certain requirements. Under the act, these petitioned hearings are public informational hearings not subject to the Uniform Administrative Procedures Act (CGS §§ 4-166 to 4-189g) (UAPA; see BACKGROUND), except for petitions that meet specific requirements.

Additionally, the act authorizes DEEP to:

1. require "watershed-level compensatory mitigation" (i.e. compensation to offset impacts to water resources) for certain regulated activities and
2. extend a general permit's expiration date until a new permit is issued, or until DEEP declines to issue a new permit (prior law allowed DEEP to extend them for one year past the expiration date).

Finally, the act requires DEEP to (1) prepare a report evaluating potential improvements to its Endangered Species Act environmental reviews and (2) submit it to the Environment Committee and post it on the department's website by February 1, 2026.
EFFECTIVE DATE: Upon passage, except the general permit provision is effective October 1, 2025, and the mitigation provision is effective July 1, 2025.

§§ 4-8 — PUBLIC INFORMATIONAL HEARING REQUIREMENTS

Covered Petitions

The act's requirements apply to any DEEP license (i.e. permit, certificate, approval, registration, charter, or license) for which people can petition the DEEP commissioner for a hearing. This includes petitions authorized under the state's environmental protection laws, regulated floodplain activities law, or DEEP regulations. Under the act, these petitioned hearings are public informational hearings not subject to the UAPA, except as described below for petitions that satisfy specific requirements.

The DEEP commissioner must (1) accept written and verbal comments at these public informational hearings and (2) post a written response to the comments on the department's website before issuing a final decision on the underlying license.

Petitioned Hearings Subject to UAPA

Under the act, petitioned public hearings are subject to the UAPA if the petition for the hearing establishes specific facts that (1) show that at least one signatory's legal rights, duties, or privileges will be, or may reasonably be expected to be, affected by the decision or (2) satisfy the requirements to intervene as a party under the Connecticut Environmental Protection Act of 1971 (CGS § 22a-19) (see BACKGROUND).

The DEEP commissioner must give a copy of the petition to the license applicant, who may then object, in writing and within 10 days after receiving the petition, for it failing to have the specific facts described above. Applicants must submit their objections to the commissioner and give a copy to the petitioner. The petitioner may respond in writing to the objection within seven days after the objection's submittal.

The commissioner must decide if the petition meets the above requirements within 30 days after receiving it, or within 30 days after a response to an objection is submitted, whichever is later, and give the license applicant written notice about her determination. If she grants the petition request, the petitioner must be given intervening party status and DEEP must hold a hearing subject to the UAPA. If the commissioner determines that the petition does not satisfy the requirements, the petitioner may appeal the decision in Superior Court according to the UAPA.

Petitioned Hearings for Certain Transportation Capital Projects

For certain transportation capital projects, the act specifies that it must not be construed as requiring a public informational hearing or contested case hearing instead of the conditions required under existing law for petitioned hearings. However, it changes the requirements for these public hearing petitions to generally align with those the act establishes for petitioned hearings subject to the UAPA.

Covered Regulated Activities. Existing law limits the circumstances under which the DEEP commissioner must hold a public hearing on applications for certain regulated activities (e.g., for a tidal or inland wetland activity permit; structures, dredging, or fill permit; or certification to conduct certain work in a floodplain) if the regulated activity is:

1. a transportation capital project that is not at an airport;
2. one in which the federal government requires public participation; and
3. one for which the proposer (a) sought public input by implementing a plan a federal agency approved and (b) gave the commissioner a copy of the plan, a written summary of the public participation opportunities involved, and a copy or record of the comments received and how they were responded to or addressed.

Petition Requirements. By law, the DEEP commissioner must only hold a public hearing on these transportation capital projects if she receives a petition signed by at least 25 people alleging aggrievement or unreasonable pollution or destruction of the public trust. Under prior law, these petitions must have included specific facts to show either that:

1. at least one signatory's legal rights, duties, or privileges will or may reasonably be expected to be affected by the regulated activity or
2. the regulated activity involves conduct that has, or is reasonably likely to have, the effect of unreasonably polluting, impairing, or destroying the public trust in the state's air, water, or other natural resources.

The act removes the second option and instead requires these petitions to satisfy the same requirements described above for petitioned hearings subject to the UAPA. As under existing law, the petition must also identify the relevant law or regulation that the proposed regulated activity is alleged to not meet.

The act also changes the requirements for objections to these petitions to align with those established above for petitioned hearings. Specifically, it:

1. extends the period of time for the person proposing the activity to object to the petition from 7 to 10 days after receiving the petition,
2. requires the person to submit his or her objection to the commissioner and give a copy of it to the petitioner,
3. allows the petitioner to respond in writing to the objection within seven days after this submittal,
4. applies the same 30-day deadline described above for the commissioner to determine whether the petition satisfies the law's requirements and notify the applicant and petitioner of her decision in writing, and
5. allows the petitioner to appeal the commissioner's determination according to the UAPA.

Additional Hearings

The act specifies that its provisions do not prevent the DEEP commissioner from holding a hearing before she approves or denies an application if (1) she determines it is in the public's best interest to do so and (2) another statute gives her this discretion. It exempts these additional hearings from the UAPA.

§ 2 — WATERSHED-LEVEL COMPENSATORY MITIGATION

The act authorizes the commissioner to require "watershed-level compensatory mitigation" (mitigation) as a condition of issuing certain permits and a specified water quality certification. This mitigation is designed to offset impacts to water resources caused by regulated activities that are authorized under a permit and (1) conducted by any state department, agency, or instrumentality, other than local or regional boards of education, or (2) involves areas of public trust, including impacts to inland wetlands and watercourses, tidal wetlands, and coastal waters.

The commissioner may only require these conditions if the applicant shows that it is not prudent to further minimize the regulated activity's impact. For licenses and certificates for activities within public trust areas, the commissioner must also determine that the applicant has shown that the watershed-level mitigation project will result in a substantial public benefit. The act authorizes the commissioner to enter contracts or agreements with any contractor or state or federal agency to implement these provisions.

Applicable Permits and Certifications

Under the act, the commissioner may require this mitigation as a condition of the following:

1. permits for regulated activities in tidal wetlands (CGS § 22a-32);
2. municipal permits for regulated activities in wetlands and watercourses (CGS § 22a-42);
3. permits for dredging, erecting structures, placing fill, obstructions, encroachments, or related work in the state's tidal, coastal, or navigable waters waterward of the coastal jurisdiction line (CGS § 22a-361);
4. certificates of permission for certain repair activities involving dredging, building structures, maintaining fill and other activities in the state's tidal, coastal, or navigable waters (CGS § 22a-363b); and
5. water quality certifications for applicants for a federal license or permit seeking to conduct an activity that may result in discharge into the state's navigable waters (33 U.S.C. § 1341).

Mitigation Requirements for Permittees

Under the act, DEEP may require permittees to do one, or both, of the following:

1. purchase resource credits, in an amount determined by DEEP, to fund compensatory mitigation projects or
2. participate in a compensatory mitigation project instead of a fee program or a mitigation bank that the U.S. Army Corps of Engineers and DEEP have approved for use.

Mitigation Projects

Under the act, third parties must hold any land purchase, conservation easement, or other protective instrument used as a mitigation project unless the commissioner determines it is in the state's best interest to assume ownership. Lands or land interests acquired in this way must be preserved indefinitely to protect the wetland and hydrological functions.

Mitigation projects must be preserved in perpetuity and must create, restore, or enhance the same or similar water resources negatively impacted by the proposed regulated activities and the compensation must be proportional to the activities' impact. Any watershed-level compensation resources acquired must be adequately protected indefinitely to

preserve the underlying water resource.

Requests for Proposals for Contractors to Develop the Program

Under the act, the commissioner must issue, and may periodically reissue, a request for proposals (RFP) for one or more contractors to develop a mitigation program. The RFP may include any elements the commissioner determines the program needs. When selecting a contractor, the commissioner must evaluate the contractor's qualifications, including if it has (1) sufficient financial resources to monitor and maintain the project and (2) demonstrated financial controls to administer the accounts needed to conduct, monitor, and maintain the projects. The commissioner may select one or more contractors for the program, and the selected contractors are responsible for (1) identifying potential watershed-level mitigation project locations for the commissioner's approval and (2) performing wetland and water resource creation, restoration, or enhancement projects, including providing for the project's long-term management.

Any contractor that constructs a project must seek the commissioner's approval for the project's scope and location before starting it. Contractors may accept funds from private, state, or federal sources to enhance or expand the project.

§ 1 — GENERAL PERMIT EXTENSIONS

Under prior law, the DEEP commissioner could extend the expiration date for a general permit by one year. The act instead authorizes her to extend the permit until (1) a new general permit is issued or (2) she determines not to issue another permit. The act eliminates the prior requirement that a general permit automatically expire if the commissioner makes no decision on it within one year.

Existing law requires the commissioner to publish notice of her intent to renew the permit at least 180 days before the permit's expiration date and allows her to charge a fee for extending the expiration date, but not more than the amount of the permit's current registration fee.

§ 3 — ENVIRONMENTAL REVIEW DEEP REPORT

The act requires the commissioner to prepare a report evaluating potential improvements to environmental reviews done according to the state Endangered Species Act. By law, these reviews are determinations of whether state agency actions threaten the existence of any protected species or result in the destruction or degradation of its habitat. The report must include:

1. recommendations for improving environmental review processing to increase efficiency, transparency, and predictability;
2. an assessment of similar environmental review programs in other states;
3. recommendations on qualifications and proficiencies of third-party consultants that prepare mitigation plans and other materials required by DEEP's natural diversity data base review process (diversity review);
4. a description of the required components of a diversity review request;
5. the outcomes of a stakeholder engagement process (i.e. a compilation of public opinions on diversity review program improvements); and
6. a prioritized list of additional scientific and communications resources that would increase the efficiency and predictability of the environmental review process.

DEEP may hire a consultant within existing resources to help with the report. By February 1, 2026, the commissioner must submit the report to the Environment Committee and post it on DEEP's website.

BACKGROUND

Intervening Parties and Intervenors in UAPA Contested Cases

The UAPA sets procedural requirements for "contested cases," which are proceedings in which the legal rights, duties, or privileges of a party must be determined by an agency after an opportunity for a hearing or in which a hearing is held. Under these requirements, the presiding officer must grant a person status as a party in a contested case if the officer finds that the (1) person submitted a written petition to the agency and gave proper notice and (2) petition states facts demonstrating that the petitioner's legal rights, duties, or privileges are specifically affected by the agency's decision in the contested case.

The UAPA also allows the presiding officer to give a petitioner intervenor status in a contested case if the petition states facts that demonstrate that their participation is in the interest of justice and will not impair the proceeding's orderly

conduct. An intervenor may participate in the hearing process, but the presiding officer may set specified limits on their participation (e.g., inspecting and copying records and introducing evidence (CGS § 4-177a)).

Connecticut Environmental Protection Act Intervenors

The Connecticut Environmental Protection Act allows any person or legal entity to intervene in proceedings on, or judicial reviews of, conduct that could unreasonably pollute, impair, or destroy the public trust in the state's air, water, or other natural resources.

To do so, the individual's or entity's verified pleading must (1) include factual allegations establishing the unreasonable pollution, impairment, or destruction, and (2) be sufficient to allow the reviewing authority (i.e. the board, commissioner, or other decision-making agency in the administrative, licensing, or other proceeding, or the court in any judicial review) to determine from the pleading whether the intervention implicates an issue within the reviewing authority's jurisdiction.

PA 25-125—sHB 5004
Environment Committee

AN ACT CONCERNING THE PROTECTION OF THE ENVIRONMENT AND THE DEVELOPMENT OF RENEWABLE ENERGY SOURCES AND ASSOCIATED JOB SECTORS

TABLE OF CONTENTS:

§§ 1-3 — GREENHOUSE GAS EMISSIONS REDUCTION AND ZERO-CARBON GOALS

Establishes new state GHG emissions reduction levels; for state agencies, sets new GHG emissions reduction goals and a goal to use only zero-carbon generating electricity; modifies DEEP reporting requirements on GHG emissions and reduction progress reports

§ 4 — JOBSCT TAX REBATE PROGRAM

Allows the DECD commissioner to give a preference to applications under the JobsCT tax rebate program that (1) make significant investments in environmentally sustainable practices; (2) are in economic sectors like renewable energy, energy efficiency, and zero-emission vehicles; or (3) are for sustainable farming

§ 5 — BENEFIT CORPORATION REGISTRATION AND RENEWAL VOUCHERS

Provides vouchers for qualifying benefit corporations for registration and renewal fees

§§ 6 & 7 — CONNECTICUT CLEAN ECONOMY COUNCIL

Establishes a statutory Connecticut Clean Economy Council to advise on strategies and policies to further climate mitigation, clean energy, resilience, and sustainability efforts; requires the council to (1) develop a plan to transition workers away from fossil-fuel-based jobs to those in clean energy and (2) submit an annual report on its work to the governor, OPM, and four legislative committees

§ 8 — SCHOOL BUILDING CONSTRUCTION GRANTS

Adds air source and ground source heat pump projects to the list of school construction project grant applications that the DAS commissioner can approve at any time

§ 9 — RESIDENTIAL HEAT PUMP SYSTEMS PLAN & REBATE PROGRAM

Requires the DEEP commissioner to (1) develop a plan for installing affordable heat pumps and (2) report on the plan to the legislature

§ 10 — ENVIRONMENTALLY SUSTAINABLE PURCHASING BY MUNICIPALITIES

Requires DAS to (1) create a model policy or guidelines for environmentally sustainable purchasing that municipalities can use and (2) post it on the agency's website by January 1, 2026

§ 11 — STATE BUILDING ENERGY EFFICIENCY AND HEATING AND COOLING SYSTEMS

Requires DAS to develop a (1) process for considering certain energy-related aspects when deciding to repair or build state real assets under its authority and (2) plan and budget to retrofit existing fossil fuel-based heating and cooling systems to those that operate without carbon-emitting fuels

§ 12 — NATURE-BASED SOLUTIONS INITIATIVE

Requires DEEP to (1) evaluate how to integrate and advance nature-based solutions in specified programs to support climate change mitigation and adaptation, ecosystem resilience, and biodiversity; (2) consider specified best practices as part of this evaluation; and (3) post the evaluation on its website and solicit public and agency comment

§ 13 — SOLAR CANOPY STRATEGIC PLAN AND PROGRAM DESIGN

Requires PURA to report to the Energy and Technology Committee on a solar canopy strategy and program design

§ 14 — ENERGY COSTS, RESILIENCE, AND GHG REDUCTION REPORT

Requires DEEP, in consultation with OCC, to report to the legislature on lowering energy costs, increasing community extreme weather resilience, and contributing to GHG emission reductions

§ 15 — HOUSING ENVIRONMENTAL IMPROVEMENT REVOLVING LOAN AND GRANT FUND REVISIONS

Makes various changes to the Housing Environmental Improvement Revolving Loan and Grant Fund and a related program to, among other things, allow (1) the program to finance qualifying projects located anywhere, rather than just in targeted areas, and (2) DEEP to enter into contracts with electrical distribution and gas companies to administer the fund

§ 16 — OPEN SPACE AND WATERSHED LAND ACQUISITION GRANT PROGRAM GRANTS FOR URBAN AGRICULTURE USE

Broadens the purposes for which certain OSWA grants may be used to include repurposing open space land for urban agricultural use

§ 17 — RENTER UTILIZATION STUDY

Requires DEEP to study renters' use of certain state energy efficiency and clean energy programs and report its findings and recommendations to the Environment and Energy and Technology committees

SUMMARY: This act establishes various requirements relating to energy efficiency and greenhouse gas emissions reduction goals, as described in the section-by-section analysis below.
EFFECTIVE DATE: Upon passage, except as noted below.

§§ 1-3 — GREENHOUSE GAS EMISSIONS REDUCTION AND ZERO-CARBON GOALS

Establishes new state GHG emissions reduction levels; for state agencies, sets new GHG emissions reduction goals and a goal to use only zero-carbon generating electricity; modifies DEEP reporting requirements on GHG emissions and reduction progress reports

Connecticut Goals (§ 2)

The act generally requires the state to reach an economy-wide net zero greenhouse gas (GHG) emission level by January 1, 2050. It establishes this requirement as part of the state's Global Warming Solutions Act (GWSA).

By law, the GWSA requires the state to reduce GHG emissions from all sources to a level at least:

1. 10% below the 1990 emission level by 2020,
2. 45% below the 2001 emission level by 2030, and
3. 80% below the 2001 emission level by 2050.

It also requires the state to reduce GHG emissions from electricity supplied to electric customers in the state to zero by 2040. The act sets a new GHG reduction level requirement of 65% below the 2001 emission level by 2040. It also requires

that, by 2050, the state be at an economy-wide net-zero level, if direct and indirect GHG emissions are at least 80% below the 2001 level. (Direct emissions include those from manufacturing processes and factory stacks. Indirect emissions include those from electricity consumed by commercial and industrial businesses.)

By law, the Department of Energy and Environmental Protection (DEEP) commissioner determines emission levels. GHG includes any chemical or physical substance emitted into the air that the DEEP commissioner reasonably anticipates will cause or contribute to climate change (e.g., carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride) (CGS § 22a-200).

State Agency Goals (§ 1)

The act establishes the following GHG emission reduction goals for all state agencies, aggregated:

1. 45% from 2001 levels by 2030,
2. 70% from 2016 levels by 2040, and
3. a level determined to be net-zero by 2050.

It sets a separate goal for the agencies to use only zero-carbon generating electricity by 2030.

The act allows agencies to consider the social costs of GHG emissions (e.g., net agricultural productivity, harms to human health, property damage, and the value of ecosystem services) when evaluating the costs and benefits of their activities and facility improvements to meet these GHG reduction goals. By January 1, 2026, the DEEP commissioner must publish guidelines for state agencies on the social cost of GHG emissions on the department's website.

Periodic Reporting (§§ 2 & 3)

GHG Emissions Inventory. The act requires the DEEP commissioner, beginning January 1, 2026, to annually publish an inventory on GHG emission sources and carbon sequestered to (1) set an emissions baseline and (2) report on the quantifiable GHG emission reductions and carbon sequestration achieved.

GHG Reduction Progress Reports. By law, the DEEP commissioner, in consultation with the Office of Policy and Management (OPM) secretary and the Governor's Council on Climate Change, must report to the Energy and Technology, Environment, and Transportation committees every three years on quantifiable GHG reductions to achieve the emission reduction goals described above. The act (1) moves the deadline for the next report, from January 1, 2027, to January 1, 2026; (2) requires the report to also include quantifiable carbon sequestration achieved; and (3) requires DEEP to produce the report with an opportunity for public comment.

The act allows the DEEP commissioner to contract with a consultant to help prepare the report and to adopt regulations to implement the reporting requirement. As under existing law, the report must include:

1. a schedule of proposed regulations, policies, and strategies (which, under the act, may include carbon sequestration) designed to achieve the reduction levels;
2. an assessment of the latest scientific information and relevant data on global climate change; and
3. the status of other states' and countries' GHG emission reduction efforts.

The act also eliminates a requirement under prior law that DEEP, every three years and with help from a nonprofit association with northeastern state air quality and climate program expertise, develop a schedule of recommended regulatory actions by relevant agencies, policies, and other actions needed to further progress toward achieving the GHG reduction levels.

§ 4 — JOBSCT TAX REBATE PROGRAM

Allows the DECD commissioner to give a preference to applications under the JobsCT tax rebate program that (1) make significant investments in environmentally sustainable practices; (2) are in economic sectors like renewable energy, energy efficiency, and zero-emission vehicles; or (3) are for sustainable farming

By law, the Department of Economic and Community Development's (DECD) JobsCT tax rebate program gives companies in specified industries rebates against insurance premiums, corporation business taxes, and pass-through entity taxes for reaching certain job creation targets.

The act allows the DECD commissioner to give a preference to applications for the program that:

1. make significant investments in environmentally sustainable practices (e.g., zero-carbon energy and energy efficiency);
2. are in economic sectors such as renewable energy, energy efficiency, and zero-emission vehicles; or
3. are for farming operations that are sustainable from a climate perspective.

EFFECTIVE DATE: July 1, 2025

§ 5 — BENEFIT CORPORATION REGISTRATION AND RENEWAL VOUCHERS

Provides vouchers for qualifying benefit corporations for registration and renewal fees

The act requires the secretary of the state to give benefit corporations (b-corps) vouchers for their registration and renewal fees. To receive a voucher, the b-corp must (1) give the secretary evidence that it meets state law's requirements for a b-corp or (2) be certified by an entity the secretary of the state recognizes for the certification process.

By law, b-corps are business corporations that elect to become subject to the Connecticut Benefit Corporation Act and among other things, have a purpose of creating a "general public benefit," which generally means having a material positive impact on both society and the environment (CGS § 33-1351).

§§ 6 & 7 — CONNECTICUT CLEAN ECONOMY COUNCIL

Establishes a statutory Connecticut Clean Economy Council to advise on strategies and policies to further climate mitigation, clean energy, resilience, and sustainability efforts; requires the council to (1) develop a plan to transition workers away from fossil-fuel-based jobs to those in clean energy and (2) submit an annual report on its work to the governor, OPM, and four legislative committees

The act establishes 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, particularly for vulnerable communities (i.e. populations that may be disproportionately affected by climate change). (Executive Order (EO) 21-3 created an advisory council of the same name to offer input on strategies and policies to strengthen climate mitigation, clean energy, resilience, and sustainability programs.)

Duties and Reporting Requirements

Under the act, the council has the following duties:

1. identify opportunities to leverage state and federal funding to scale economic development and workforce opportunities associated with climate mitigation, clean energy, resilience, and sustainability investments (this must be led by the co-chairperson from DECD);
2. serve as a central coordinating body for (a) climate mitigation, clean energy, resilience, and sustainability workforce efforts, and (b) statewide opportunities for a technically advanced, enduring labor force (this must be led by the co-chairperson from the Office of Workforce Strategy);
3. develop economic development and workforce strategies that support investment and growth of climate mitigation, clean energy, resilience, and sustainability job growth; and
4. advise the governor on any statewide economic or workforce action plan in clean energy, climate, and sustainability.

The act requires the council to develop a plan to transition workers from fossil-fuel-based jobs to clean economy jobs, which must be submitted to the Commerce, Energy and Technology, and Environment committees by July 1, 2026. It correspondingly eliminates similar requirements for the advisory council created under EO 21-3 to develop and annually update a plan for worker transition to clean energy jobs and annually report on it to the Higher Education and Employment Advancement Committee.

Starting by February 15, 2026, the council must biennially submit a report to the governor, OPM, and the Commerce, Environment, Energy and Technology, and Higher Education and Employment Advancement committees on its work, findings, and recommendations.

Membership and Meetings

Under the act, the council consists of:

1. the commissioners of DECD, DEEP, and the departments of Transportation (DOT), Labor, and Consumer Protection, or their designees;
2. the Chief Workforce Officer or her designee, and one member she appoints to represent a regional workforce development board;
3. the OPM secretary or his designee;

4. the Connecticut Green Bank's and Connecticut Innovations, Inc.'s chief executive officers, or their designees;
5. a representative of the governor's office;
6. any other members the co-chairpersons designate, who serve at the co-chairpersons' pleasure; and
7. one member appointed by each of the six legislative leaders.

Members appointed by the legislative leaders must at least have a qualification or background as:

1. a Connecticut Technical Education Career System member,
2. a representative of a nonprofit organization that focuses on helping people overcome barriers to workforce participation,
3. an expert in hiring and training employees in green technology-related trades,
4. a higher education institution representative with expertise in technical education, or
5. a Connecticut State Building Trades Council member.

Under the act, the council co-chairpersons are the DECD and DEEP commissioners and the Chief Workforce Officer, or their designees. The act requires the council to meet at least quarterly, with the co-chairpersons setting the dates, times, and locations for the meetings. A majority of the council members constitutes a quorum.

§ 8 — SCHOOL BUILDING CONSTRUCTION GRANTS

Adds air source and ground source heat pump projects to the list of school construction project grant applications that the DAS commissioner can approve at any time

The act adds air source and ground source heat pump purchase and installation to the list of school construction project grant applications that the Department of Administrative Services (DAS) commissioner can approve at any time without putting them on an annual school construction priority list for the legislature's approval. By law, the commissioner may already approve applications for grants to do things like remedy code violations and fire damage; replace roofs; fix a certified school indoor air quality emergency; or purchase or install solar panels, wind generation systems, and windows.
EFFECTIVE DATE: July 1, 2025

§ 9 — RESIDENTIAL HEAT PUMP SYSTEMS PLAN & REBATE PROGRAM

Requires the DEEP commissioner to (1) develop a plan for installing affordable heat pumps and (2) report on the plan to the legislature

The act requires the DEEP commissioner to develop a plan for installing efficient heat pumps for affordable heating and cooling systems in the state. The plan must (1) provide for making affordable heat pump options available and (2) describe how the state could best use any available or future grant or loan funding.

The plan must focus on heat pump applications with the greatest potential benefits, including lowering consumers' energy costs, reducing electric grid impacts, and improving building resilience. It may include the following elements and focus areas, among others:

1. residences in environmental justice communities and long-term care facilities where at least 80% of the residents are Medicaid recipients in good financial standing with the state;
2. access to energy efficient, affordable air conditioning for residents experiencing high energy acts and health risks during heat waves;
3. increased resilience during extreme heat events for homes and businesses;
4. improved flood resilience for homes and businesses by enabling home heating systems to be located above ground;
5. low- or no-interest loans to replace heating, ventilation, and air conditioning equipment in residences impacted by extreme weather events;
6. cost savings and potential benefits for transitioning from electric resistance heating;
7. analysis of accelerating the adoption of heat pump water heaters, including public education and the possible need for contractor incentives; and
8. potential for a demand response program.

By January 1, 2027, the DEEP commissioner must report to the Environment and Energy and Technology committees on the plan's status and any recommendations for expanding or revising the plan.
EFFECTIVE DATE: October 1, 2025

§ 10 — ENVIRONMENTALLY SUSTAINABLE PURCHASING BY MUNICIPALITIES

Requires DAS to (1) create a model policy or guidelines for environmentally sustainable purchasing that municipalities can use and (2) post it on the agency's website by January 1, 2026

The act requires DAS, in consultation with the OPM secretary, to develop a model policy or guidelines for environmentally sustainable purchasing that municipalities may opt to use and implement. The policy or guidelines must include a list of any state contracts for sustainable purchasing that allow for municipal participation. The DAS commissioner must post the policy or guidelines on the agency's website by January 1, 2026.

§ 11 — STATE BUILDING ENERGY EFFICIENCY AND HEATING AND COOLING SYSTEMS

Requires DAS to develop a (1) process for considering certain energy-related aspects when deciding to repair or build state real assets under its authority and (2) plan and budget to retrofit existing fossil fuel-based heating and cooling systems to those that operate without carbon-emitting fuels

The act requires DAS, by January 1, 2026, to establish a process for its commissioner to consider certain energy-related aspects when deciding to remodel, alter, repair, construct, or enlarge any state real asset under its existing property authority. Specifically, it must consider the asset's capability to (1) increase energy efficiency, (2) reduce energy use, (3) use Class I renewable energy, (4) use zero-carbon heating and cooling and water heating alternatives, (5) support electric vehicle charging, and (6) act as a resilience hub. DAS must do this in consultation with OPM, DEEP, DOT, and any other state agency its commissioner deems necessary.

The act also requires DAS, by July 1, 2027, and in consultation with OPM and DEEP, to develop a plan and budget to retrofit existing fossil fuel-based heating and cooling systems at state buildings to systems able to operate without carbon-emitting fuels. The plan and budget must be submitted to the Environment and Energy and Technology committees.

§ 12 — NATURE-BASED SOLUTIONS INITIATIVE

Requires DEEP to (1) evaluate how to integrate and advance nature-based solutions in specified programs to support climate change mitigation and adaptation, ecosystem resilience, and biodiversity; (2) consider specified best practices as part of this evaluation; and (3) post the evaluation on its website and solicit public and agency comment

The act requires the DEEP commissioner to evaluate how to integrate and advance nature-based solutions in specified programs to support (1) climate change mitigation and adaptation, (2) ecosystem resilience, and (3) biodiversity. It requires that DEEP's efforts to advance nature-based solutions be known as "the nature-based solutions initiative."

Under the act, the evaluation must examine the potential for using nature-based solutions in the following programs:

1. the microgrid and resilience grant and loan pilot program;
2. the open space and watershed land acquisition program; and
3. other applicable state and federal programs administered by DEEP that advance nature-based solutions, including (a) federal Clean Water Act programs, (b) the Long Island Sound Study program, and (c) the Urban Forestry program.

Evaluation Development

The act requires the commissioner, as part of the evaluation, to consider best practices to encourage using the state's ecosystems to naturally sequester and store carbon, reduce GHG emissions, increase biodiversity, and protect against climate change impacts. These best practices include the following:

1. increasing carbon sequestration through increased forest acreage (e.g., by reforestation);
2. controlling invasive species;
3. encouraging soil health across all landscapes;
4. protecting carbon stocks by avoiding conversion of forests and wetlands to other purposes;
5. restoring habitats to improve biodiversity;
6. increasing climate-smart agriculture and soil conservation to reduce GHG emissions while improving habitat and protecting biodiversity;
7. increasing community resilience by improving water quality and addressing flooding and drought through nature-based stormwater management and shoreline protection that uses nature-based approaches (e.g., living shorelines);

8. improving air quality and reducing urban heat island effects through urban forestry and increasing green spaces; and
9. increasing access to open spaces for public health benefits.

Under the act, the commissioner must (1) post the nature-based solutions initiative program evaluation on DEEP's website by July 1, 2026, for review and written comment and (2) hold a listening session after the report is posted to obtain public comment. She must also give it to the following agencies for review and input: DOT and the departments of Agriculture, Housing, Insurance, and Public Health; the Connecticut Green Bank; and OPM.

§ 13 — SOLAR CANOPY STRATEGIC PLAN AND PROGRAM DESIGN

Requires PURA to report to the Energy and Technology Committee on a solar canopy strategy and program design

The act requires the Public Utilities Regulatory Authority's (PURA) chairperson, by January 15, 2027, to submit a report to the Energy and Technology Committee on the results of a study to develop a solar canopy strategic plan and program design. The plan must:

1. identify opportunities for solar canopies in the state and examine different methods to promote them;
2. prioritize their development in environmental justice communities; and
3. recommend policies, programs, or regulations that would promote their construction according to GHG reduction goals.

§ 14 — ENERGY COSTS, RESILIENCE, AND GHG REDUCTION REPORT

Requires DEEP, in consultation with OCC, to report to the legislature on lowering energy costs, increasing community extreme weather resilience, and contributing to GHG emission reductions

The act requires DEEP, by February 1, 2026, and in consultation with the Office of Consumer Counsel (OCC), or the office's designee, to submit a report to the Environment and Energy and Technology committees on recommended regulations, policies, and strategies to (1) significantly lower energy costs for families and businesses; (2) increase community resilience to extreme weather events (e.g., flooding and extreme heat); and (3) contribute to GHG emission reductions.

The report may use modeling scenarios for GHG emissions, and the commissioner may engage a consultant to help prepare all or part of it.

§ 15 — HOUSING ENVIRONMENTAL IMPROVEMENT REVOLVING LOAN AND GRANT FUND REVISIONS

Makes various changes to the Housing Environmental Improvement Revolving Loan and Grant Fund and a related program to, among other things, allow (1) the program to finance qualifying projects located anywhere, rather than just in targeted areas, and (2) DEEP to enter into contracts with electrical distribution and gas companies to administer the fund

Prior law required DEEP, in collaboration with the Department of Housing, to start one or more pilot programs to provide financing (including grants) to qualifying retrofit projects in multifamily homes in environmental justice communities or alliance districts (e.g., energy efficiency projects or projects to address health concerns). The financing is funded through the Housing Environmental Improvement Revolving Loan and Grant Fund, with $225 million in general obligation bonds authorized to capitalize the fund (PA 25-174, § 72, increased the authorization from $125 million to $225 million).

The act alters the program by:

1. eliminating the requirement that the retrofit projects be located in environmental justice communities or alliance districts to qualify for the financing;
2. limiting the program's beneficiaries to low-income households, rather than prioritizing them as under prior law;
3. allowing the program to provide financing to single-family homes in addition to multifamily homes;
4. expanding the list of qualifying retrofit projects to include (a) adding resilience measures (e.g., flood protection) and (b) replacing heating, ventilation, and air conditioning systems of homes impacted by extreme weather events;
5. allowing DEEP to enter contracts with electrical distribution or gas companies, in addition to quasi-public agencies and nonprofits as existing law allows, to administer the fund; and
6. limiting the projects DEEP may approve for financing under the program to those benefiting current or prospective

low-income residents, rather than requiring DEEP to prioritize projects benefiting these residents.

§ 16 — OPEN SPACE AND WATERSHED LAND ACQUISITION GRANT PROGRAM GRANTS FOR URBAN AGRICULTURE USE

Broadens the purposes for which certain OSWA grants may be used to include repurposing open space land for urban agricultural use

The Open Space and Watershed Land Acquisition Program (OSWA), which DEEP administers, generally gives state grants to municipalities, land trusts, and water companies to preserve land as open space in perpetuity.

Existing law allows DEEP, under OSWA, to award grants to certain municipalities and land trusts to restore or protect open space land they already own. The act additionally allows DEEP to award these grants for repurposing open space land for urban agricultural use. It also expands the types of restoration or protection projects for which DEEP may award the grants to include urban agricultural use. As under existing law, restoration or protection may also include restoring wetland, wildlife, or plant habitats or replacing vegetation.

By law, DEEP may award these grants to distressed municipalities, targeted investment communities, municipalities seeking to restore or protect open space in an environmental justice community, and land trusts seeking to restore or protect open space in these municipalities.

§ 17 — RENTER UTILIZATION STUDY

Requires DEEP to study renters' use of certain state energy efficiency and clean energy programs and report its findings and recommendations to the Environment and Energy and Technology committees

The act requires DEEP to study renters' use of the state energy efficiency and clean energy programs for which it can obtain data, including any barriers renters experience accessing the programs and any recommendations for addressing them. DEEP must report on its recommendations to the Environment and Energy and Technology committees by July 1, 2026.

PA 25-126—sHB 5013
Environment Committee

AN ACT ADDING CERTAIN PLANTS TO THE INVASIVE PLANTS LIST

SUMMARY: This act prohibits municipalities from adopting ordinances on the retail sale or purchase of invasive plants. (A similar ban was previously in place from July 1, 2009, until October 1, 2014.) The act also adds, over a series of years, 10 plants to the list of invasive or potentially invasive plants that are generally banned in the state. By law, a violator is subject to a fine of up to $100 per plant.

Specifically, the act prohibits anyone, regardless of any municipal ordinance, from importing; moving (except for eradication, research, or educational purposes); selling; purchasing; transplanting; cultivating (except for research purposes); or distributing the following plants or their reproductive portions (e.g., seeds, flowers, roots, tubers):

1. beginning on the act's passage, the star of Bethlehem;
2. beginning October 1, 2028, the Glossy buckthorn, European buckthorn, reed canary grass, winged euonymus, European privet, black locust, miscanthus, and Japanese barberry; and
3. beginning October 1, 2030, the Norway maple.

EFFECTIVE DATE: Upon passage

PA 25-127—sHB 5916
Environment Committee

AN ACT REQUIRING SOLAR DEVELOPERS TO PROVIDE FARMLAND RESTORATION BONDS FOR BOTH PETITION AND APPLICATION PROJECTS APPROVED BY THE SITING COUNCIL

SUMMARY: This act prohibits the Connecticut Siting Council from approving by declaratory ruling a two-megawatt or more solar photovoltaic facility on prime farmland or forestland unless the project applicant provides a decommissioning bond (e.g., a bond to cover the costs of decommissioning the facility and restoring the land).

Existing law already prohibits the council from issuing a certificate of environmental compatibility and public need approving a two-megawatt or more solar photovoltaic facility on prime farmland or forestland unless the project applicant provides a decommissioning bond.
EFFECTIVE DATE: Upon passage

PA 25-129—sHB 6277
Environment Committee

AN ACT CONCERNING THE ADOPTION OF ANIMALS FROM CERTAIN INSTITUTIONS OF HIGHER EDUCATION

SUMMARY: This act requires public and private higher education institutions, under certain circumstances, to offer any rabbit, guinea pig, or ferret used for research or testing to an animal adoption or rescue organization for adoption. An education institution must make the adoption offer when the (1) research or testing is complete, (2) destruction of the animal is not required, and (3) animal is no longer needed by the institution. Existing law already requires these institutions to make an adoption offer for cats and dogs used in research or testing.

The law allows the institutions to enter into agreements with adoption or rescue organizations for this purpose. It specifies that these organizations include a collaboration of individuals or nonprofit organizations who sell or place animals that were removed from animal shelters, municipal dog pounds, or homes.
EFFECTIVE DATE: October 1, 2025

PA 25-138—sHB 7231
Environment Committee

AN ACT AUTHORIZING SUNDAY HUNTING ON PRIVATE LANDS

SUMMARY: This act expands the ability to hunt on Sundays. Previously, the law generally only allowed the following on Sundays: deer hunting with bow and arrow on private property with the property owner's permission, shooting birds at private shooting preserves, and trapping.

The act generally allows Sunday hunting on private land with any approved hunting implements, except hunting migratory birds on Sunday remains prohibited (§ 2). A hunter must get and carry written permission from the private property owner to hunt there on Sunday. The act also specifically prohibits Sunday hunting within 40 yards of a blazed trail that is open to the public, including Connecticut blue blazed trails and federally designated and regulated trails. Relatedly, the act effectively requires the Department of Energy and Environmental Protection (DEEP) commissioner to develop regulations on hunting deer on private land on Sundays (§ 4).

The act also expands the law by allowing the following:

1. the DEEP commissioner to take (e.g., hunt or kill) wildlife on Sundays consistent with wildlife management principles (§ 1);
2. DEEP to authorize municipalities, homeowner associations, and nonprofit land-holding organizations to take deer on Sundays consistent with wildlife management principles if they show, to the DEEP commissioner's satisfaction in a plan they file with DEEP, that deer are a severe nuisance or are causing ecological damage (§ 3); and
3. the DEEP commissioner to authorize municipalities, homeowner associations, and nonprofit land-holding organizations to take resident Canadian geese on Sundays, consistent with wildlife management principles and a plan they file with DEEP (§ 5).

By law, generally no one can hunt in Connecticut without first getting the appropriate licenses and permits from DEEP.

Hunters must also comply with the relevant hunting regulations, which address things like the allowed hunting season, reporting requirements, and bag limits.

Violations of the state's hunting laws carry a range of penalties depending on the specific statute violated. For example, illegally hunting on Sundays in violation of § 2 of the act is a class D misdemeanor (see Table on Penalties) (CGS § 26-81). And a person who takes deer without a permit in violation of § 4 of the act is subject to a fine between $200 and $500, up to 30 days in prison, or both for a first violation, and a fine between $200 and $1,000, up to one year of prison, or both for a subsequent violation (CGS § 26-86a(b)).

EFFECTIVE DATE: October 1, 2025

PA 25-141—sHB 5064
Environment Committee

AN ACT ESTABLISHING A GRANT PROGRAM FOR AGRICULTURAL PRESERVATION AND FARMLAND ACCESS PURPOSES

SUMMARY: This act allows the Department of Agriculture, within available appropriations, to establish and administer a grant program to fund agricultural land preservation by agricultural nonprofits, municipalities, groups of municipalities, municipalities in a regional interlocal agreement, or regional councils of governments.

Under the act, grantees may use the funds to develop new farmland access and affordability programs. However, grants cannot be used for any purpose that conflicts with farmland preservation.

EFFECTIVE DATE: July 1, 2027

PA 25-152—sSB 1497
Environment Committee
Appropriations Committee
Finance, Revenue and Bonding Committee
Judiciary Committee

AN ACT CONCERNING PROGRAMMING AT THE DEPARTMENT OF AGRICULTURE AND OTHER FARMING AND AGRICULTURE RELATED PROVISIONS

TABLE OF CONTENTS:

§ 1 — PERFORMING STATE VETERINARIAN DUTIES

Allows the DoAg commissioner to temporarily designate veterinarians to perform state veterinarian duties at anytime

§§ 2 & 3 — FERTILIZER AND SOIL AMENDMENT REGISTRATION FEES

Caps the annual fertilizer registration fee at $75; imposes an annual soil amendment registration fee of up to $75

§ 4 — DOG TAG COSTS

Allows DoAg to charge municipalities the actual costs of dog tags, rather than five cents per tag

§ 5 — FARM INVESTMENT TAX CREDIT

Creates a 20% refundable business tax credit for farmers' investments in eligible machinery, equipment, and buildings that may be applied against the corporation business or personal property income taxes; sets eligibility criteria; requires all or part of the credit to be repaid under certain conditions for five years after the property is acquired

§ 6 — FARM MACHINERY PROPERTY TAX EXEMPTION

Increases, from $100,000 to $250,000 in assessed value, the mandatory property tax exemption for farm machinery, other than motor vehicles

§ 7 — USE OF DRONES IN AGRICULTURE

Requires DEEP to amend regulations by March 1, 2026, to allow the use of unmanned aircraft to (1) plant seeds and (2) analyze, treat, and apply pesticides and fertilizers to crops

§ 8 — HOOP HOUSES UNDER THE STATE BUILDING CODE

Exempts the agricultural use of hoop houses from permitting or construction standards under the State Building Code

§ 9 — FARMERS' CROP LOSS REIMBURSEMENT GRANT PROGRAM

Creates a grant program to reimburse farmers for crop loss from major weather events; requires DoAg to set the program parameters

§ 10 — AGRITOURISM LIABILITY IMMUNITY

Grants limited immunity from civil liability to agritourism businesses that offer the public opportunities to participate in agriculture-related activities on a farm (e.g., you-pick, corn maze) when the participant incurs damage or injury from the agritourism activity's inherent risks

§ 11 — SHELLFISH SANITATION

Eliminates state requirements that are not in line with the National Shellfish Sanitation Program Model Ordinance

§§ 12-14 — SHELLFISH HARVEST SEASON

Shortens the state's commercial shellfish (e.g., oyster, clam, mussel) harvest season

§§ 15 & 16 — SHELLFISH TAX FILINGS AND APPEAL RIGHTS

Requires shellfish grounds owners and franchise holders to certify to DoAg that they complied with all required business and shellfish-related state tax filings for the prior year, and grants them appeal rights

§ 17 — POWER DREDGE LIMIT

Increases the allowed power dredge limit, from 30 to 60 pounds, for gathering shellfish

§ 18 — MANURE MANAGEMENT GRANT PROGRAM

Creates a grant program to support farmers in adopting best practices for maintaining manure management systems; requires DoAg to set the program parameters

§ 19 — HEARING ON CERTAIN PROGRAMS

Allows the Environment Committee to hold an informational hearing on the (1) CT Grown for CT Kids Grant Program, (2) local food for schools incentive program, and (3) Local Food Purchase Assistance Cooperative Agreement Program

§ 20 — SHIPPING CONTAINER FARMS GRANT PROGRAM

Requires DoAg to administer a shipping container farms grant program

§§ 21 & 22 — FERTILIZERS AND SOIL AMENDMENTS WITH PFAS

Extends a ban on soil amendments with biosolids containing PFAS to fertilizers; requires the DoAg commissioner to enforce this provision and authorizes him to request certificates of compliance from manufacturers and suppliers; requires the DEEP commissioner to coordinate with DoAg, the Department of Consumer Protection, and the Department of Public Health to enforce the state's law regulating the sale of certain consumer products containing PFAS

§ 23 — SHELLFISH RECOVERY VESSEL

Repeals requirements for DoAg's shellfish recovery vessel, which DoAg no longer owns

SUMMARY: This act adds, and makes changes to, statutes and programs related to agriculture. A section-by-section analysis follows below.
EFFECTIVE DATE: Various, see below.

§ 1 — PERFORMING STATE VETERINARIAN DUTIES

Allows the DoAg commissioner to temporarily designate veterinarians to perform state veterinarian duties at anytime

The act allows the Department of Agriculture (DoAg) commissioner to designate one or more veterinarians to perform state veterinarian duties at any time, instead of just in the state veterinarian's absence as under prior law. The act requires a designation to be within existing resources and for up to two months.
EFFECTIVE DATE: Upon passage

§§ 2 & 3 — FERTILIZER AND SOIL AMENDMENT REGISTRATION FEES

Caps the annual fertilizer registration fee at $75; imposes an annual soil amendment registration fee of up to $75

The act caps the annual fertilizer registration fee at $75. By law, each brand and grade of fertilizer must be registered with DoAg before it can be distributed in the state. Registrations expire annually on June 30. The law allows the DoAg commissioner to set the fee by regulation.

The act also requires annual soil amendment registrations to be accompanied by a fee that the DoAg commissioner may set, up to $75. By law, soil amendments must be registered with DoAg before being distributed. Registrations expire annually on September 30.
EFFECTIVE DATE: Upon passage

§ 4 — DOG TAG COSTS

Allows DoAg to charge municipalities the actual costs of dog tags, rather than five cents per tag

The act allows the DoAg commissioner to charge municipalities the actual cost to obtain and distribute dog tags, rather than five cents per tag as under prior law. (By law, dog owners must license their dogs with and get a dog tag from their town clerk, and town clerks must order the necessary number of dog tags from the DoAg commissioner.)

Relatedly, the act eliminates the requirement for the commissioner to account to the comptroller for any balance remaining after deducting the cost of obtaining and distributing the tags from the amount municipalities paid.
EFFECTIVE DATE: October 1, 2025

§ 5 — FARM INVESTMENT TAX CREDIT

Creates a 20% refundable business tax credit for farmers' investments in eligible machinery, equipment, and buildings that may be applied against the corporation business or personal property income taxes; sets eligibility criteria; requires all or part of the credit to be repaid under certain conditions for five years after the property is acquired

The act creates a refundable business tax credit for farmers' investments in eligible machinery, equipment, and buildings. The credit equals 20% of the amount a farmer spends or incurs on this eligible property and may be applied against the corporation business or personal income taxes. The act sets eligibility criteria for credit-eligible investments and requires farmers to derive a specified percentage of their total income from farming in order to qualify. It also requires all or part of the credit to be repaid under certain conditions for five years after the property is acquired.
EFFECTIVE DATE: January 1, 2026, and applicable to income and taxable years beginning on and after that date.

Eligible Farmers

Under the act, a farmer is eligible for the credit if he or she is a Connecticut taxpayer whose federal gross income from farming for the income or taxable year is at least two-thirds of excess federal gross income.

Eligible Property and Agricultural Production

Under the act, the credit is 20% of the amount the eligible farmer paid or incurred for eligible property in the applicable income or tax year. Eligible property ("farm investment property") includes:

1. machinery and equipment purchased by an eligible farmer on or after January 1, 2026, and
2. buildings and structural components an eligible farmer acquired, constructed, reconstructed, or erected and placed in service on or after that date.

In either case, the farm investment property must (1) be located in the state; (2) have a class life of more than four years, as determined under specified IRS rules; and (3) be held and used in the state by an eligible farmer in the course of agricultural production for at least five years after being acquired or placed in service. Property is not eligible if it is (1) acquired from a related person (e.g., other business entities controlled by the farmer) or (2) leased or acquired to be leased to another person during the first 12 months after being acquired or placed into service.

Under the act, "agricultural production" is engaging in any of the following as a trade or business: (1) raising or harvesting any agricultural or horticultural commodity; (2) dairy farming; (3) forestry; (4) raising, feeding, caring for, shearing, training, or managing livestock; or (5) raising and harvesting fish, oysters, clams, mussels, or other molluscan shellfish. It includes producing (1) wine under a farm winery license, (2) Christmas trees, and (3) apple juice and cider under both an apple juice and cider manufacturing permit and farmer tax exemption permit.

Credit Claims and Refunds

Under the act, farmers may claim the tax credit against the corporation business tax or the personal income tax (but not the withholding tax). They may not claim any other state tax credit for the same acquisition.

If the taxpayer is an S corporation or treated as a partnership for federal income tax purposes, the taxpayer's shareholders and partners may claim the credit. If the taxpayer is a single member limited liability company (LLC) that is disregarded for federal tax purposes, the LLC's owner may claim the credit as long as the owner is subject to corporation business or personal income tax.

If a farmer's credit amount exceeds his or her tax liability, the Department of Revenue Services commissioner must treat the excess as an overpayment and refund the excess amount to the farmer without interest. By law, and under the act, the commissioner may withhold tax refunds to pay outstanding liabilities for other taxes and to reimburse the state for certain debts.

Credit Recapture

The act imposes a credit recapture requirement that applies for five years after the property is acquired. Specifically, the farmer must repay (1) 100% of the credit if the property is no longer held or used in the state for agricultural production within the first three years after it was acquired or (2) 50% of the credit if this occurs within the next two years. The farmer must repay the recaptured amount on his or her tax return for the income or tax year immediately after the year in which the three- or five-year period expires, as applicable.

Recapture payments that are not paid within three months after the income or tax year ends are subject to interest at the rate of 1% per month or partial month. Under the act, the recapture requirements do not apply to property for which the farmer received a credit and that was subsequently replaced.

Background — Related Act

PA 25-168, § 373, also creates a farm investment tax credit that applies to a different range of agricultural production.

§ 6 — FARM MACHINERY PROPERTY TAX EXEMPTION

Increases, from $100,000 to $250,000 in assessed value, the mandatory property tax exemption for farm machinery, other than motor vehicles

The act increases, from $100,000 to $250,000 in assessed value, the mandatory property tax exemption for farm machinery, other than motor vehicles. As under existing law, municipalities may exempt up to an additional $250,000 in assessed value for farm machinery by local option.

By law, to qualify for the farm machinery exemptions, farmers must individually or as a part of a group, partnership, or corporation, derive at least $15,000 per year in gross sales from the farming operation or have incurred at least $15,000

in farm-related expenses in the most recent tax year before the assessment year to which the exemption applies.
EFFECTIVE DATE: October 1, 2025, and applicable to assessment years beginning on and after that date.

Background — Related Act

PA 25-168, § 455, contains the same provision.

§ 7 — USE OF DRONES IN AGRICULTURE

Requires DEEP to amend regulations by March 1, 2026, to allow the use of unmanned aircraft to (1) plant seeds and (2) analyze, treat, and apply pesticides and fertilizers to crops

The act requires the Department of Energy and Environmental Protection (DEEP) commissioner, by March 1, 2026, to amend existing regulations on pesticide applications from aircraft to allow qualifying applicators to use unmanned aircraft (i.e. drones) to (1) plant seeds and (2) analyze, treat, and apply pesticides and fertilizers to crops. Under the act, this authority applies only to licensed commercial or private pesticide applicators who are Federal Aviation Administration (FAA)-licensed to operate unmanned aircraft.
EFFECTIVE DATE: Upon passage

Background — FAA Drone Licenses

Under FAA regulations, commercial drone pilots must have one of two FAA certifications, depending on the drone's weight. To fly a drone weighing less than 55 pounds, prospective pilots must generally (1) obtain a remote pilot certificate and (2) pay a registration fee (14 C.F.R. § 107). To fly a drone weighing 55 pounds or more, prospective pilots must generally (1) acquire an exemption from the transportation secretary and a Certificate of Waiver or Authorization and (2) register their drone with the FAA (49 U.S.C. § 44807 & 14 C.F.R. § 91).

Background — Federal Regulation of Agricultural Aircraft Operations

The FAA regulates agricultural aircraft operations, which generally is using aircraft, including drones, to (1) dispense certain substances and fertilizers and (2) engage in dispensing activities that directly affect agriculture, horticulture, or forest preservation. To operate a drone under these regulations, applicators generally must obtain (1) an agricultural aircraft operator certificate, (2) a valid exemption based on the type of drone used, and (3) a specified airspace authorization or waiver (14 C.F.R. § 137).

§ 8 — HOOP HOUSES UNDER THE STATE BUILDING CODE

Exempts the agricultural use of hoop houses from permitting or construction standards under the State Building Code

The act specifies that, regardless of any State Building Code provision, the agricultural use of structures commonly known as "hoop houses" or "high tunnels" are not subject to any permitting or construction standards.

A hoop house, also known as a high tunnel, is a structure used in agricultural applications to provide protected growing space for crops or livestock. It is usually made of metal, wood, or PVC pipe framing with a covering, and it anchors into the soil rather than a concrete foundation.
EFFECTIVE DATE: October 1, 2025

§ 9 — FARMERS' CROP LOSS REIMBURSEMENT GRANT PROGRAM

Creates a grant program to reimburse farmers for crop loss from major weather events; requires DoAg to set the program parameters

The act establishes the Farmers' Crop Loss Reimbursement Grant Program within DoAg. The department must use program funds to reimburse Connecticut farmers who incur crop loss from "significant acute" weather events. The act requires DoAg to set the program's parameters and post them on the agency's website. The parameters must at least include eligibility criteria, funding prioritization rules, maximum reimbursement amounts, the weather events that trigger reimbursement eligibility, and the reimbursement application process.

EFFECTIVE DATE: July 1, 2025

§ 10 — AGRITOURISM LIABILITY IMMUNITY

Grants limited immunity from civil liability to agritourism businesses that offer the public opportunities to participate in agriculture-related activities on a farm (e.g., you-pick, corn maze) when the participant incurs damage or injury from the agritourism activity's inherent risks

The act grants immunity from civil liability to agritourism businesses that offer the general public the opportunity to observe or participate in agriculture-related activities on a farm (e.g., you-pick operations, corn mazes, hay rides, farm markets), whether or not for a fee. Under the act, an agritourism provider (i.e. an agritourism activity's owner, operator, or sponsor and their employees) is not civilly liable for a participant's property damage or personal injury resulting from an agritourism activity's inherent risks (see below).

The act places limitations on the immunity granted. Specifically, an agritourism provider will be liable for harm to a participant if the provider (1) acts negligently or with willful or wanton disregard for the participant's safety, (2) purposely causes a participant's personal injury or property damage, or (3) commits criminal conduct that causes a participant's personal injury or property damage.

EFFECTIVE DATE: October 1, 2025

Inherent Risks

Under the act, a "risk inherent in an agritourism activity" is any danger or condition that is an integral part of the activity, including the following:

1. the land's surface and subsurface conditions;
2. the behavior or actions of wild animals that the agritourism provider does not keep or control;
3. the behavior or actions of livestock or domestic animals (other than damage by a dog when the dog is not provoked);
4. ordinary dangers associated with land, structures, animals, or equipment typically used in agriculture or agritourism activities;
5. the possibility of sustaining injury, property damage, or illness from being near to or having contact with structures, equipment, animals, animal feed, farm chemicals, or animal waste; and
6. the possibility that an activity participant may act negligently, including by not (a) following the agritourism provider's instructions or (b) exercising reasonable care during the activity.

§ 11 — SHELLFISH SANITATION

Eliminates state requirements that are not in line with the National Shellfish Sanitation Program Model Ordinance

By law, DoAg must allow shell fishermen to relay (i.e. transplant) shellfish from shellfish grounds classified as restricted (i.e. polluted) to other grounds, in keeping with the National Shellfish Sanitation Program Model Ordinance. The ordinance establishes sanitary controls over growing, harvesting, shucking, packing, and distributing shellfish.

The act eliminates specific requirements from prior law that no longer align with the ordinance or are otherwise unnecessary. These include provisions that (1) require identification tags with shellfish location information to be confidential, (2) prescribe the order of harvest and relay, and (3) require a harvester to notify DEEP about a planned relay. (In practice, DoAg's combined shellfish harvest and relay license requires market activity to occur before the movement of contaminated fish.)

EFFECTIVE DATE: Upon passage

§§ 12-14 — SHELLFISH HARVEST SEASON

Shortens the state's commercial shellfish (e.g., oyster, clam, mussel) harvest season

The act shortens the commercial shellfish harvest season by closing the natural beds sooner than allowed under prior law. Specifically, it moves up the annual expiration date of shellfish licenses from July 20 to June 30.

It also revises the time period for assessing penalties for violating shellfishing restrictions. Under prior law, anyone taking oysters or shells from natural beds beginning July 20 and through the end of an established period (which varies

depending on location), was generally subject to a fine of up to $250. The act moves up the start of this period from July 20 to June 15.
EFFECTIVE DATE: Upon passage

§§ 15 & 16 — SHELLFISH TAX FILINGS AND APPEAL RIGHTS

Requires shellfish grounds owners and franchise holders to certify to DoAg that they complied with all required business and shellfish-related state tax filings for the prior year, and grants them appeal rights

The act requires the owner of shellfish grounds or a franchise within the state's exclusive jurisdiction to certify to the DoAg commissioner that he or she completed all required business and shellfish-related state tax filings for the prior year.

The act also grants appeal rights to shellfish grounds owners and franchise holders aggrieved by any DoAg commissioner actions under the state law that allows the taxation of shellfish grounds. Appeals must be made to the Superior Court in the judicial district where the franchise or ground is located or the owner appealing resides.
EFFECTIVE DATE: Upon passage

§ 17 — POWER DREDGE LIMIT

Increases the allowed power dredge limit, from 30 to 60 pounds, for gathering shellfish

The act increases the allowed power dredge limit, from 30 to 60 pounds, for gathering shellfish. By law, dredges cannot be used for taking shellfish from public shellfish beds and no dredge can have a capacity of more than 1.5 bushels. (A 60-pound dredge conforms with industry practice and is compatible with the 1.5 bushel capacity limit.)
EFFECTIVE DATE: Upon passage

§ 18 — MANURE MANAGEMENT GRANT PROGRAM

Creates a grant program to support farmers in adopting best practices for maintaining manure management systems; requires DoAg to set the program parameters

The act establishes the Manure Management Grant Program within DoAg. The department must use program funds to support farmers in adopting best practices for maintaining manure management systems. The act requires DoAg to set the program's parameters and post them on the agency's website. The parameters must at least include eligibility criteria, funding prioritization rules, maximum reimbursement amounts, and the reimbursement application process.
EFFECTIVE DATE: July 1, 2025

§ 19 — HEARING ON CERTAIN PROGRAMS

Allows the Environment Committee to hold an informational hearing on the (1) CT Grown for CT Kids Grant Program, (2) local food for schools incentive program, and (3) Local Food Purchase Assistance Cooperative Agreement Program

The act authorizes the Environment Committee to hold an informational hearing to get information on the funding and administration of the following programs:

1. the CT Grown for CT Kids Grant program, which helps local and regional boards of education develop farm-to-school programs;
2. the local food for schools incentive program, which reimburses eligible boards of education for purchasing locally and regionally sourced food for eligible meal programs; and
3. the Local Food Purchase Assistance Cooperative Agreement Program, which is a statewide grant program funded through the U.S. Department of Agriculture to maintain and improve local food and agricultural supply chain resiliency.

Under the act, the DoAg commissioner must testify at the hearing and answer committee members' questions on these programs.
EFFECTIVE DATE: July 1, 2025

§ 20 — SHIPPING CONTAINER FARMS GRANT PROGRAM

Requires DoAg to administer a shipping container farms grant program

The act requires DoAg to administer a program to provide grants for purchasing and operating shipping container farms to grow fresh vegetables for schools and local food pantries. The program may be made a part of any other DoAg program for which the schools and pantries are eligible.
EFFECTIVE DATE: July 1, 2025

§§ 21 & 22 — FERTILIZERS AND SOIL AMENDMENTS WITH PFAS

Extends a ban on soil amendments with biosolids containing PFAS to fertilizers; requires the DoAg commissioner to enforce this provision and authorizes him to request certificates of compliance from manufacturers and suppliers; requires the DEEP commissioner to coordinate with DoAg, the Department of Consumer Protection, and the Department of Public Health to enforce the state's law regulating the sale of certain consumer products containing PFAS

Prior law banned using, selling, or offering for sale as a soil amendment any biosolids (i.e. residue from treating domestic sewage) or wastewater sludge containing per- and polyfluoroalkyl substances (PFAS). The act instead bans using, selling, or offering for sale any fertilizer intended to be applied to land or soil amendment that contains biosolids or wastewater sludge containing PFAS. Under prior law, the DEEP commissioner could enforce the provision. The act instead requires the DoAg commissioner to enforce it.

PFAS Law Enforcement

Further, prior law allowed the DEEP commissioner to coordinate with the DoAg, consumer protection, and public health commissioners to enforce the law that regulates the sale and use of certain consumer products containing PFAS (adopted as PA 24-59). The act instead requires her to do so.

Certificate of Compliance

By law, upon DEEP's written request, a product's manufacturer or supplier must give DEEP a certificate of compliance stating that a product complies with the law's provisions. The law also requires anyone to give the DEEP commissioner, upon her request, any information that the person may have or can reasonably get that is relevant to show compliance.

The act extends to DoAg the authority to request a certificate of compliance on whether a product, fertilizer, or soil amendment complies with the law, and to receive information relevant to show compliance.

Under existing law and the act, a manufacturer's or supplier's authorized official must sign a certificate of compliance. Additionally, the manufacturer or supplier must keep the certificate of compliance on file and may make it available on its website or through its authorized representative.
EFFECTIVE DATE: Upon passage

§ 23 — SHELLFISH RECOVERY VESSEL

Repeals requirements for DoAg's shellfish recovery vessel, which DoAg no longer owns

The act repeals requirements for DoAg's shellfish recovery vessel, the John H. Volk, which DoAg no longer owns.
EFFECTIVE DATE: Upon passage

PA 25-170—HB 7170
Environment Committee

AN ACT CONCERNING CERTAIN RECOMMENDATIONS OF THE DEPARTMENT OF AGRICULTURE REGARDING AQUACULTURE AND MINOR REVISIONS TO PROGRAMS AND STATUTES RELATING TO THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION

SUMMARY: This act makes numerous unrelated changes to statutes concerning the Department of Energy and Environmental Protection (DEEP). Primarily, it does the following:

1. expands the list of real assets under DEEP's control that it may build or repair on its own or with the administrative services (DAS) commissioner's approval (§ 1);
2. expands the types of "by-product materials" subject to the state's atomic energy laws to include certain materials made with fusion machines, to align with changes in federal law (§§ 2 & 3);
3. extends the duration of the declarations DEEP issues to comply with interstate fishery management plans (§ 4);
4. limits the duration of commercial fishing licenses temporarily transferred due to certain medical situations and specifies documentation required for these transfers (§ 5); and
5. eliminates certain defunct programs and obsolete statutes and makes conforming changes (§§ 6-14).

EFFECTIVE DATE: Upon passage

§ 1 — DEEP CONSTRUCTION PROJECTS

The act expands the types of real assets that DEEP may independently (without DAS approval) construct or repair or for which it may enter construction or repair contracts. Under prior law, DEEP could do so for any dam or flood and erosion control system under its control and management.

Under the act, DEEP may do so for the following under its control and management: (1) service roads, trails, greenways, bridges, and dams; (2) flood prevention, climate resilience, and erosion control systems (e.g., dams, dikes, seawalls, and nonstructural and nature-based measures to prevent flood or erosion damage); and (3) other civil or natural resource infrastructure.

The act also raises the cap on alterations, repairs, or additions the DEEP commissioner may make to any other real asset she controls and manages. Under prior law the cap was $500,000, unless she had the DAS commissioner's prior approval, in which case it was $1 million. The act increases these caps to $1 million and $3 million, respectively.

It also requires DAS to annually adjust these caps for inflation, beginning July 1, 2028, and post them on its website. DAS must adjust them using the percentage change in the U.S. Department of Labor's Producer Price Index by Commodity: Construction (Partial), not seasonally adjusted, or its successor index. DAS must round the adjustment to the nearest multiple of $100.

§§ 2 & 3 — DEFINITIONS OF BY-PRODUCT MATERIAL AND FUSION MACHINE

The act expands the definition of "by-product material" under the state's laws on atomic energy and ionizing radiation, which concern DEEP's coordination and supervision of atomic activities in the state and regulation of certain radioactive materials, following federal law. Under prior law, "by-product material" included any material that was made radioactive with a particle accelerator for commercial, medical, or research uses. Under the act, it also includes any material made radioactive with a fusion machine, regardless of use. Under the act, as under federal law, a "fusion machine" is a machine capable of (1) transforming atomic nuclei through fusion processes into different particles and (2) directly capturing and using the resulting products, including particles, heat, or other electromagnetic radiation.

§ 4 — DECLARATIONS MADE TO COMPLY WITH INTERSTATE FISHERY MANAGEMENT PLANS

Existing DEEP regulations authorize the commissioner to issue declarations setting or adjusting closed seasons and length, creel, and trip limits to comply with interstate fishery management plans adopted by the Atlantic States Marine Fisheries Commission or U.S. Department of Commerce (Conn. Agencies Regs. § 26-159a-22). Under the regulations, these declarations' maximum durations were limited to 120 days (or 240 days if the commissioner has published a notice of intent to amend the regulation). The act instead requires that these declarations remain in effect until new ones are made or the regulation is amended.

§ 5 — COMMERCIAL FISHING LICENSE TRANSFERS

Existing law allows the DEEP commissioner to temporarily reissue certain commercial fishing licenses (i.e. principal or general commercial fishing licenses and commercial lobster pot fishing licenses) if (1) the license holder either becomes temporarily incapacitated and unable to fish or operate a vessel or (2) an immediate family member's medical situation prevents the licensee from fishing. The act requires the licensee to submit a written request for the reissuance and include a medical note from the applicable treating practitioner. The act also defines "temporary incapacitation" as a reported physical or mental illness or injury that will affect a person for a limited period. Under prior law, the temporary license is valid for the duration of the licensee's incapacity or family member's medical situation. Under the act, the temporary license is instead valid for the remainder of the calendar year in which it is issued, and the licensee may renew the license and reapply for a temporary transfer license if the incapacity or medical situation continues.

The act also makes a clarifying change to existing law that allows the DEEP commissioner to permanently transfer a commercial fishing license to another person if the original licensee, among other requirements, reported landings to the commissioner for at least 30 fishing days in each year. The act specifies that these landings must be license specific.

§§ 6-14 — REPEAL OF DEFUNCT OR OBSOLETE PROGRAMS

The act eliminates the following defunct programs and statutes:

1. the Face of Connecticut account for acquiring, restoring, or managing specific types of property and the related Face of Connecticut Steering Committee, which determined how the commissioner spent the account's funds;
2. the municipal solid waste recycling program (which, among other things, authorized grants to municipalities and regional organizations for recycling facilities) and the related advisory council charged with helping the DEEP commissioner implement the program;
3. the Lobster Restoration Advisory Committee, charged with advising the DEEP commissioner on developing a lobster v-notch conservation program to enhance the Long Island Sound's lobster stock;
4. the Natural Area Preserves Advisory Committee, charged with advising the DEEP commissioner on acquiring, designating, and maintaining natural preserve areas, among other things; and
5. requirements for the Department of Agriculture's (DoAg) shellfish recovery vessel, the John H. Volk, which the department no longer owns.

BACKGROUND

Related Act

PA 25-152, § 23, also repeals requirements for DoAg's shellfish recovery vessel.

PA 25-140—sHB 7267
Finance, Revenue and Bonding Committee

AN ACT CONCERNING THE FISCAL ACCOUNTABILITY REPORT

SUMMARY: This act changes specified components of the annual legislative reports the Office of Policy and Management and Office of Fiscal Analysis must submit on revenue and spending estimates for the current biennium and the three following fiscal years (fiscal accountability reports). Specifically, the act requires the reports to include an:

1. estimate of material and likely changes to nonfixed costs (in addition to spending changes due to fixed cost drivers, as existing law requires), and
2. analysis of the state's preparedness for plausible recession scenarios, including (a) estimating the size of multiyear budget deficits from revenue declines and other contingencies and (b) assessing whether the Budget Reserve Fund and other state resources are enough to address these deficits.

The act also eliminates the requirements that the reports include (1) the total spending change required to accommodate fixed cost drivers without exceeding current revenue estimates and (2) an analysis of possible uses of surplus funds, including paying into the Budget Reserve Fund, retiring debt, and funding pension liabilities.

As under existing law, the reports must also include:

1. the estimated level of spending change from current year spending allowed by consensus revenue estimates in each fund;
2. any changes to current year spending needed due to fixed cost drivers, such as debt service, pension contributions, retiree health care, entitlement programs, and federal mandate costs; and
3. specified other analyses, including the projected Budget Reserve Fund balance for the applicable fiscal years.

EFFECTIVE DATE: Upon passage

PA 25-172—sSB 1558
Finance, Revenue and Bonding Committee

AN ACT CONCERNING INCOME TAXES IMPOSED BY OTHER JURISDICTIONS ON RESIDENTS OF THE STATE

SUMMARY: This act creates an income tax credit for Connecticut residents who successfully challenge another state, another state's political subdivision, or the District of Columbia for taxing their income earned in Connecticut and denying them a refund on those taxes. Generally, the credit equals 60% of the amount of the Connecticut taxes owed because of the resulting adjustment to the credit the taxpayer received for taxes paid to the other jurisdiction. Additionally, the act exempts late income tax payments from penalties and interest if, among other things, they result from the taxpayer receiving a refund from another jurisdiction that required the person's income for working in Connecticut be sourced to his or her employer's location in that other jurisdiction. (This requirement is sometimes referred to as the "convenience of the employer rule" (see BACKGROUND).) Under the act, these provisions apply to tax years that began on or after January 1, 2020.

The act also requires the attorney general to study specific steps his office, the governor's office, or the General Assembly can take to defend Connecticut residents from having taxes imposed by another jurisdiction on income derived from services rendered while they were in Connecticut. By January 1, 2026, he must submit a report with findings and recommendations to the Finance, Revenue and Bonding Committee.

EFFECTIVE DATE: Upon passage

INCOME TAX CREDIT AND EXEMPTION FOR LATE PAYMENT PENALTIES AND INTEREST

The act allows Connecticut residents who satisfy certain conditions to have a credit against their income taxes (but not the withholding tax) in an amount equal to 60% of the amount of taxes owed to Connecticut after applying the credit for taxes paid to another state, another state's political subdivision, or the District of Columbia. To be eligible for this new credit, a resident must have:

1. paid any income or wage tax imposed for the tax year (2020 and after) by one of those other jurisdictions,
2. applied for and been denied a refund from the other jurisdiction for taxes paid to it on income derived from services rendered while the resident was in Connecticut,
3. filed an appeal with a court or tribunal through which the resident formally protested the denial, and
4. obtained a final decision that resulted in the other jurisdiction refunding the resident taxes paid to it on income

derived from services rendered while the resident was in Connecticut.

By law, Connecticut taxpayers must file an amended income tax return if they claimed a credit for income tax paid to another state, another state's political subdivision, or the District of Columbia on their original return and the tax officials or courts of those jurisdictions made a change to, or a correction that changes, the amount of the taxpayer's allowable credit (and thus changes the amount of Connecticut income tax due) (CGS § 12-704). Under the act, penalties or interest do not apply to any late payment of Connecticut income taxes (but still apply to the withholding tax) if:

1. the late payment is attributable to a reduction in the credit for taxes paid to one of those other jurisdictions that was directly caused by a refund that a Connecticut resident received from the other jurisdiction,
2. the refund relates to income derived from services rendered while the resident was not within the other jurisdiction, and
3. the other jurisdiction requires employee income to be sourced to an employer's location if a nonresident renders services from an out-of-state location.

BACKGROUND

Convenience of the Employer Rule

Most states that impose an income tax require nonresidents who work there to source their wage income to the state based on the number of days they worked there. Some states, however, use a convenience of the employer rule to source nonresident wage income. Under this rule, the income from days the nonresident taxpayer was working from a location outside the state (e.g., in their home state) is sourced based on whether he or she was working remotely for convenience or the employer's necessity. At least seven states (Alabama, Connecticut, Delaware, Nebraska, New Jersey, New York, and Pennsylvania) apply the convenience of the employer rule. Connecticut and New Jersey apply a reciprocal convenience rule, meaning that it applies only if the taxpayer's resident state applies a similar rule.

PA 25-175—sSB 1529
Finance, Revenue and Bonding Committee

AN ACT REVISING THE EFFECTIVE DATES OF PROVISIONS REGARDING CERTAIN MUNICIPAL REFERENDA AND EQUITY JOINT VENTURES AND CONCERNING CONTRACTS WITH THE DEPARTMENT OF DEVELOPMENTAL SERVICES, THE COMMISSIONER OF EDUCATION'S NETWORK OF SCHOOLS, THE REPORTING OF CERTAIN SCHOOL DISTRICT FINANCIAL INFORMATION, THE FAILURE TO FILE FOR CERTAIN GRAND LIST EXEMPTIONS AND THE DEFERRALS OF CERTAIN TOWNS' REAL PROPERTY REVALUATIONS

TABLE OF CONTENTS:

§ 1 — START DATE OF VETOED ACT

Specifies the start date of a vetoed act, which would have expanded when certain DEEP decisions on facilities in environmental justice communities may be challenged

§ 2 — ELIMINATION OF MINIMUM DISTANCE PROHIBITION

Moves up effective date of provision in PA 25-101 by six months

§ 3 — DDS RATE INCREASES

Amends a provision in PA 25-174 on FY 28 rate increases for DDS-contracted providers by requiring specific increases at the beginning and midpoint of that fiscal year

§§ 4, 5 & 17 — SUNSETTING THE COMMISSIONER'S NETWORK OF SCHOOLS

Sunsets the education commissioner's network of schools program by prohibiting the commissioner from adding any schools to the program after July 1, 2025; permits schools already participating to finish their three-year terms plus any extensions; repeals similar provisions in PA 25-93, §§ 41 & 42

§§ 6 & 7 — EDUCATION RESERVE FUND REPORTING REQUIREMENTS

Beginning with FY 26, and then annually, requires (1) local BOEs to report to SDE specified information about their nonlapsing accounts for unspent education funds and (2) regional BOEs to make the same information available about their reserve funds for educational expenditures

§§ 8-14 — PROPERTY TAX EXEMPTION FILING DEADLINES

Allows taxpayers in six municipalities to claim a property tax exemption even though they missed the filing deadline

§§ 15 & 16 — REVALUATION DELAY

Allows Newington and Trumbull, with legislative body approval, to delay a revaluation scheduled for 2025 to the 2026 assessment year

SUMMARY: This act makes various changes related to provisions on certain municipal referenda, cannabis equity joint ventures, contracts with the Department of Developmental Services (DDS), the commissioner of education's network of schools, school district financial information reporting, failure to file for certain property tax exemptions, and deferrals of certain towns' real property revaluations.
EFFECTIVE DATE: Various, as noted below.

§ 1 — START DATE OF VETOED ACT

Specifies the start date of a vetoed act, which would have expanded when certain DEEP decisions on facilities in environmental justice communities may be challenged

This act amends a provision in PA 25-169, which the governor vetoed. That act would have expanded when people can petition for a town referendum to reverse a Department of Energy and Environmental Protection (DEEP) decision on whether to grant a permit to a facility in an environmental justice community. This act specifies the vetoed act would have applied on and after September 30, 2025.
EFFECTIVE DATE: Upon passage

§ 2 — ELIMINATION OF MINIMUM DISTANCE PROHIBITION

Moves up effective date of provision in PA 25-101 by six months

PA 25-101, § 15, allows cannabis retailer or hybrid retailer equity joint ventures to be located within 20 miles of each other even if they share a common cultivator backer or owner. It does so by eliminating prior law's prohibition against this. This act moves up the effective date of PA 25-101, § 15, from January 1, 2026, to July 1, 2025.
EFFECTIVE DATE: Upon passage

§ 3 — DDS RATE INCREASES

Amends a provision in PA 25-174 on FY 28 rate increases for DDS-contracted providers by requiring specific increases at the beginning and midpoint of that fiscal year

PA 25-174, § 222, requires the DDS commissioner, in FY 28, to increase rates for DDS-contracted providers to support wage increases from an available $105 million pool. This act instead requires the commissioner, from this $105 million pool, to increase the rates for contracted services on July 1, 2027, and again on January 1, 2028, each time by 3.3%, with an additional 3% for residential services providers.
EFFECTIVE DATE: July 1, 2025

§§ 4, 5 & 17 — SUNSETTING THE COMMISSIONER'S NETWORK OF SCHOOLS

Sunsets the education commissioner's network of schools program by prohibiting the commissioner from adding any schools to the program after July 1, 2025; permits schools already participating to finish their three-year terms plus any extensions; repeals similar provisions in PA 25-93, §§ 41 & 42

The act sunsets the education commissioner's network of schools program by prohibiting the commissioner from adding more schools to the program after July 1, 2025. Under the program, the commissioner can select up to 25 low-achieving schools to participate and receive intensified State Board of Education (SBE) supervision and direction. Prior law limited the number of schools the commissioner could select in the same school district to five in a single school year. The act removes this limit.

The act permits schools already in the program to finish their program participation and allows schools an additional year or two. Under prior law, at the end of three years, a school could opt for an additional year or two, for a maximum of five years. The act allows an additional year or two for all schools in the program as of the act's effective date (July 1, 2025), so any school in year five as of the effective date has up to two additional years for a maximum of seven. The act repeals PA 25-93, §§ 41 & 42, which sunset the network of schools program but did not allow the program's current participants to have an additional year or two in the program.

The program sets steps the commissioner, school district turnaround committees, and local and regional boards of education must take to improve academic achievement. Each school's turnaround committee must create and implement a turnaround plan, based on a turnaround model it chooses. The law requires the commissioner to give participating schools funding and technical and operational support.

Beginning July 1, 2025, the act requires the commissioner to do an evaluation of a school's participation in the program before the end of its third year of participation. Under prior law, the commissioner had to do this evaluation to determine whether a school was prepared to exit the program.

The act requires the board for the participating school to develop, in consultation with the commissioner and subject to SBE approval, a plan to transition the school back to full control by the local or regional board of education. Under prior law, the board developed this plan if the commissioner determined the school would exit the network or after the school's fifth year of program participation.

EFFECTIVE DATE: Upon passage

§§ 6 & 7 — EDUCATION RESERVE FUND REPORTING REQUIREMENTS

Beginning with FY 26, and then annually, requires (1) local BOEs to report to SDE specified information about their nonlapsing accounts for unspent education funds and (2) regional BOEs to make the same information available about their reserve funds for educational expenditures

By law, local boards of education (BOEs) may deposit unspent education funds into a nonlapsing account. The deposit may be up to 2% of the previous fiscal year's total budgeted appropriation for education, and account expenditures must be only for educational purposes. Additionally, regional BOEs may create reserve funds for educational expenditures and the aggregate amount of annual and supplemental appropriations by a district to the fund cannot exceed 2% of the annual district budget for the fiscal year.

Beginning with FY 26, and then annually, the act requires each (1) local BOE to create and submit to the state Department of Education (SDE) a report on its account, including the total balance, the amount deposited during the fiscal year, and an accounting of expenditures and (2) regional BOE to make available and update information about its reserve fund, including the same information local BOEs must put in their annual reports to SDE. (Under existing law, regional BOEs must annually submit a complete and detailed report on the condition of their reserve fund to member towns.)

EFFECTIVE DATE: July 1, 2025

§§ 8-14 — PROPERTY TAX EXEMPTION FILING DEADLINES

Allows taxpayers in six municipalities to claim a property tax exemption even though they missed the filing deadline

The act allows taxpayers in six municipalities to claim a property tax exemption for eligible machinery and equipment (CGS § 12-81(76)) for the grand lists shown in the table below, even though they missed the filing deadline to claim the exemption. It does so by waiving the deadline if the taxpayer (1) files for the exemption by July 31, 2025, and (2) pays the statutory late filing fee. The tax assessor must confirm that he or she received the fee, verify the property's eligibility for

the exemption, and then approve the exemption. The municipality must refund any taxes, interest, or penalties paid on the property as if the claim was timely filed.

Exemption Deadline Waivers

Municipality	*Grand List*
Berlin	2023 and 2024
Canton	2023
Manchester	2023
Milford	2024
New Haven	2022
Newington	2023

EFFECTIVE DATE: July 1, 2025

§§ 15 & 16 — REVALUATION DELAY

Allows Newington and Trumbull, with legislative body approval, to delay a revaluation scheduled for 2025 to the 2026 assessment year

The act allows Newington and Trumbull to delay a revaluation scheduled for 2025 until the 2026 assessment year if their legislative bodies approve the delay. If either town opts to do so, it must implement its next revaluation according to the schedule it was following before the delay. The act allows the towns to prepare new tax bills based on the delayed revaluation.

The act allows the municipalities to make these adjustments regardless of any conflicting requirements in municipal charters, special act or home rule ordinances, or the law on municipal property revaluations.

EFFECTIVE DATE: Upon passage

PA 25-31—SB 1238
General Law Committee

AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR MINOR AND TECHNICAL REVISIONS TO STATUTES CONCERNING CONSUMER PROTECTION

SUMMARY: This act makes technical changes to consumer protection-related statutes.
EFFECTIVE DATE: October 1, 2025

PA 25-36—HB 7020
General Law Committee

AN ACT CONCERNING CERTIFIED PUBLIC ACCOUNTANTS

SUMMARY: This act changes the requirements for obtaining a certified public accountant (CPA) certificate, including eliminating good character requirements and modifying the education and experience requirements. It also alters the requirements for granting a practice privilege to a person with a principal place of business outside the state, which allows the person to act as a CPA in Connecticut without obtaining a Connecticut CPA certificate.

Finally, the act makes technical and conforming changes.
EFFECTIVE DATE: October 1, 2025

CPA REQUIREMENTS

By law, the State Board of Accountancy issues CPA certificates to qualified applicants. The act makes changes to each of the required qualifications, other than the examination requirements.

Good Character

The act eliminates the board's authority to deny a CPA certificate based on good character when there is clear and convincing evidence of a substantial connection between a person's prior dishonest act or felony and a CPA's professional responsibilities. Existing law still permits the board to deny an application based on, among other reasons, a felony conviction or crime of dishonesty or fraud (after considering certain factors) (CGS § 20-281a(a)(8)).

Education

Prior law required a person to satisfy the education requirement by (1) completing at least 150 semester hours of college education including a bachelor's degree or higher from a college or university acceptable to the board and (2) having an accounting or equivalent concentration, as determined by the board in a regulation.

Beginning October 1, 2025, the act instead requires the applicant to have, from a college or university acceptable to the board, an appropriate accounting concentration or equivalent, as determined by the board in its regulations, and a (1) bachelor's degree, (2) bachelor's degree plus an additional 30 college semester hours, or (3) post-baccalaureate degree. The act limits the board's authority to adopt regulations on education requirements to implementing the act's requirements, rather than allowing the regulations to specify these requirements.

Experience

Prior law allowed the board to adopt regulations to set the experience requirements for CPAs and the board's regulations required two years of experience. Beginning October 1, 2025, the act retains the two-year requirement for those who satisfy the education requirement with a bachelor's degree, but reduces it to one year for those who have completed 30 additional college semester hours or hold a post-baccalaureate degree as described above.

The act limits the board's authority to adopt regulations on experience requirements to implementing the act's requirements, rather than allowing the regulations to specify these requirements.

PRACTICE PRIVILEGES

The act changes how a person with a principal place of business outside the state qualifies for a practice privilege in

Connecticut that allows the person to act as a CPA without obtaining a Connecticut license.

Previously, a person generally qualified for practice privileges (with certain exceptions for those licensed prior to January 1, 2012) if he or she held a CPA license from another state and the National Association of State Boards of Accountancy (NASBA) verified that the:

1. other state's licensure requirements were substantially equivalent to those in the Uniform Accountancy Act (an act developed by NASBA and the American Institute of Certified Public Accountants) or
2. person's qualifications were substantially equivalent to those in the Uniform Accountancy Act.

The act eliminates these provisions and instead qualifies a person for practice privileges if he or she:

1. holds a CPA license in good standing from another state and meets the education, experience, and examination requirements applicable to Connecticut licensees or
2. passes the Uniform CPA Examination by September 30, 2025, and holds a CPA license in good standing from another state on that date.

PA 25-40—HB 5425
General Law Committee

AN ACT CONCERNING RAILWAYS AND ALCOHOLIC LIQUOR

SUMMARY: This act lowers the annual fee for cafe permits for a railway from $2,000 to $200.

By law, these cafe permits are for any corporation that operates a railway in Connecticut or that operates club, parlor, dining, buffet, or lounge cars on Connecticut railway lines. The permit allows for the sale and public consumption of alcoholic liquor in any of these areas on the train.

EFFECTIVE DATE: July 1, 2025

PA 25-44—sSB 3
General Law Committee
Judiciary Committee
Appropriations Committee

AN ACT CONCERNING CONSUMER PROTECTION AND SAFETY

TABLE OF CONTENTS:

§ 1 — TOTAL PRICE DISCLOSURE

Generally prohibits businesses that offer to sell, lease, or provide any goods or services from advertising, displaying, or offering them for a price that does not include all fees, charges, and costs, excluding applicable taxes or government-imposed fees, among others

§ 2 — CONNECTED DEVICE'S DISCLOSURES, STATEMENT, AND PROHIBITIONS

Requires (1) providers of certain Internet-connected devices to prominently display and disclose certain information about the device's camera or microphone before activation and (2) anyone who records and transmits any personally identifying information collected through a device's camera or microphone to use reasonable security measures

§ 3 — RIGHT-TO-REPAIR

Requires certain electronic or appliance manufacturers to make available, on fair and reasonable terms, products' repair manuals, functional parts, and tools (i.e. right-to-repair)

§ 4 — MUNICIPAL INTERNET WEBSITES

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 & 6 — PRICE GOUGING

Defines price gouging as charging an unconscionably excessive price during certain declared emergencies; 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; gives the attorney general exclusive authority to enforce this law

§ 7 — AUTOMATIC RENEWALS AND CONTINUOUS SERVICES

Requires each business that enters into a consumer agreement that includes an automatic renewal or continuous services provision to (1) send consumers an annual reminder with certain information and (2) enable consumers to stop the renewal or services through a website, email, or telephone

§§ 8-10 — RENTAL PRICES

Generally requires a landlord advertising, displaying, or offering a dwelling unit for rent to include any fee, charge, or cost that the tenant must pay on a periodic basis; requires DOH to develop a rental terms summary form that landlords must use starting January 1, 2026

BACKGROUND

SUMMARY: This act makes various unrelated changes to consumer protection laws, as described in the section-by-section analysis below.
EFFECTIVE DATE: July 1, 2026, unless otherwise noted below.

§ 1 — TOTAL PRICE DISCLOSURE

Generally prohibits businesses that offer to sell, lease, or provide any goods or services from advertising, displaying, or offering them for a price that does not include all fees, charges, and costs, excluding applicable taxes or government-imposed fees, among others

Total Price Disclosure Required

The act generally prohibits businesses that offer to sell, lease, or provide any goods or services to any persons (e.g., individuals and entities) from advertising, displaying, or offering them for a price that does not include all fees, charges, and costs, excluding applicable taxes. It also prohibits businesses from requiring the persons to pay a fee, charge, or cost that is (1) not advertised, displayed, or offered to them as required by the act or (2) intentionally obscured, unclear, or misrepresented by the business.

Exceptions

However, the act does not prohibit a business from omitting any applicable federal, state, or local tax, or any mandatory fee imposed by governmental or quasi-governmental entities, from the advertised, displayed, or offered price if it is disclosed to the person before they purchase, lease, or receive the good or service.

The act also does not prohibit a business from imposing a mandatory gratuity or omitting it from an advertised or displayed price, as long as it and the way it is calculated are clearly and conspicuously disclosed to the person before the person selects the good or service for purchase, leasing, or receipt.

Additionally, the act does not prohibit businesses from imposing or omitting fees, charges, or other costs on the advertised or displayed price if the additional cost:

1. depends on a person's selection;
2. cannot feasibly be calculated in full when the price is first advertised or displayed, including costs for shipping or delivery or that vary according to a person's location or the quantity or number of goods purchased, leased, or received; or
3. is a charge of up to $1 to confirm identity or payment information, as long as the charge is promptly refunded.

In these circumstances, the business instead must disclose the cost's existence when the good or service is advertised or displayed to the person and provide the final amount including that cost to the person before they purchase the good or service.

Lastly, these provisions do not apply to the following:

1. any transaction subject to the Connecticut Unfair Insurance Practices Act;
2. transactions or actions permitted under law as administered by a regulatory board or officer acting under statutory authority;
3. prohibited surcharges based on a specific payment method; and
4. transactions that do not involve a Connecticut resident or the offer, sale, rent, lease, or distribution of a good or service in Connecticut.

Penalty

Under the act, a violation of the total price disclosure requirement is an unfair or deceptive trade practice under the Connecticut Unfair Trade Practices Act (CUTPA, see BACKGROUND).

§ 2 — CONNECTED DEVICE'S DISCLOSURES, STATEMENT, AND PROHIBITIONS

Requires (1) providers of certain Internet-connected devices to prominently display and disclose certain information about the device's camera or microphone before activation and (2) anyone who records and transmits any personally identifying information collected through a device's camera or microphone to use reasonable security measures

The act establishes requirements for certain entities that provide, or collect information from, a "connected device" (i.e. an Internet-connected home appliance, television, or toy that includes a camera or microphone). It specifies information they must disclose to consumers and measures they must take to protect personally identifiable information. It also prohibits, among other things, requiring providers to build features that allow law enforcement to monitor communications through the camera or microphone.

The act generally makes violations of its requirements or prohibitions CUTPA violations (see BACKGROUND).

Required Disclaimer and Statement

The act requires providers, before activating any device, to prominently display a (1) disclaimer when the initial consumer or someone on their behalf first sets up the device and (2) statement with certain disclosures. It also requires providers to give the initial consumer or the designated person, when first installing or setting up the connected device, the ability to decline to activate the camera or microphone, unless declining would render the device useless.

A "provider" is (1) a manufacturer of Internet-connected devices or (2) any person who contracts with a manufacturer and receives access to certain items in an Internet-connected device the manufacturer manufactures. Specifically, these items are any camera or microphone or image, video, spoken word, or other sound collected, recorded, stored, analyzed, interpreted, or transmitted by the camera or microphone.

The disclaimer must state the following: "This device transmits audio and/or video back to the manufacturer and/or a third party and which may be recorded."

The statement must disclose the following:

1. that the device includes a camera or microphone that will be enabled or turned on and might record the initial consumer;
2. that the device's manufacturer or another provider might retain the initial consumer's recordings;
3. which command or action activates or enables the camera or microphone;
4. the categories of images, videos, or sounds that (a) the camera or microphone will look for, listen for, or record or (b) might be disclosed to any person other than the initial consumer;
5. the categories of individuals and entities to whom disclosures may be allowed; and
6. that the initial consumer must not be discriminated against if he or she declines to activate a camera, unless (a) the device is provided to the consumer as a condition of employment or (b) declining to activate the camera or microphone would make the device useless.

Personally Identifying Information

The act requires providers to use and maintain reasonable security measures to protect any personally identifying information collected through an Internet-connected device's camera or microphone from any unauthorized access, acquisition, destruction, disclosure, modification, or use.

Under the act, "personally identifying information" is an individual's birthday, mother's maiden name, driver's license

number, Social Security number, health insurance identification number, financial account number, security code or personal identification number, or government-issued identification number that is not otherwise directly available to the public.

Existing law similarly requires anyone who possesses another person's personal information to safeguard it from misuse by third parties. Willful violators may be subject to civil penalties of $500 for each violation, up to $500,000 for any single event (CGS § 42-471).

Prohibitions and Limitations

The act prohibits providers from:

1. using or selling any recordings collected through a connected device's camera or microphone for targeted advertising (i.e. displaying specific advertisements to a consumer based on personal data obtained or inferred from their activities) unless the initial consumer opts in to the use or sale for this purpose and
2. being required to build specific features to allow a law enforcement agency or officer to monitor communications through a connected device's camera or microphone.

The act also specifies that it does not:

1. impose any liability on a provider for any application functions that an initial consumer (a) downloads and installs or (b) chooses to use on a network of remote servers hosted on the Internet to store, manage, and process data;
2. authorize disclosure of any recording retained by a provider to another person, including a law enforcement agency or officer, unless another law or a court order authorizes it; or
3. modify, limit, or supersede any other privacy or security law.

CUTPA

The act makes a violation of the provisions on disclosures, statements, and reasonable security measures, and prohibiting the use or sales of recordings CUTPA violations (see BACKGROUND).

§ 3 — RIGHT-TO-REPAIR

Requires certain electronic or appliance manufacturers to make available, on fair and reasonable terms, products' repair manuals, functional parts, and tools (i.e. right-to-repair)

The act requires electronic or appliance product manufacturers to make available certain resources needed to diagnose, maintain, or repair their products. Under the act, manufacturers must make these resources available on fair and reasonable terms (see below) to the product's owners, service and repair facilities, and service dealers (i.e. anyone, other than an authorized repair provider or manufacturer, in the business of installing, maintaining, repairing, or servicing any electronic or appliance product for pay).

The act's requirements apply to certain electronic or appliance products that are first manufactured, sold, or used in Connecticut on or after July 1, 2026 ("products"). For these products, the manufacturer must make the following resources available if it makes them available to an "authorized repair provider" (see below):

1. documentation (e.g., product diagrams, manuals, reporting outputs, schematics, service code descriptions, or similar information);
2. functional parts (e.g., new or used replacement components); and
3. tools (e.g., hardware, software, or other apparatus to calibrate or repair a product, including updates).

The act requires each manufacturer to make these resources available for different lengths of time, depending on the product's wholesale price to a retailer (or in any sale other than a direct sale). They must provide these resources:

1. for at least three years after the last date it manufactured the product's model or type if the product's wholesale price is between $50 and $99.99 and
2. for at least five years afterward if the product's wholesale price is at least $100.

The act specifies that (1) the wholesale price described above must not exceed the manufacturer's suggested retail price for the product and (2) these time periods apply even if they exceed the product's warranty periods.

Authorized Repair Providers and Electronic or Appliance Products

Under the act, an "authorized repair provider" is a person (i.e. individual or entity) who is unaffiliated with a manufacturer and has an arrangement under which the:

1. manufacturer grants the person a license to use a trade name, service mark, or other proprietary identifier to offer diagnostic, maintenance, or repair services for products under the manufacturer's name or
2. person offers diagnostic, maintenance, or repair services for products on the manufacturer's behalf.

An authorized repair provider also includes a manufacturer for its own electronic or appliance products, if the manufacturer (1) offers diagnostic, maintenance, or repair services for the product and (2) does not have an arrangement with an unaffiliated person to provide these services.

An "electronic or appliance product" includes any antenna, electronic set, major home appliance (e.g., dishwasher, microwave, or air conditioner), or rotator that is sold through any method other than a direct retail sale. It does not include any video game console; alarm system; or motor vehicle or any component used to maintain, manufacture, or repair one.

An "electronic set" includes any audio or video recorder or playback equipment, computer system, fax machine, photocopier, radio, television, video camera, or video monitor that is normally used or sold for personal, family, household, or home office use. A "rotator" includes an electromechanical device, used in an antenna installation or repair, that is operated from a remote location to rotate an antenna on a horizontal plane.

Fair and Reasonable Terms

Under the act, the product manufacturer must make the required resources available on fair and reasonable terms, meaning at costs and on terms equal to the most favorable costs and terms it offers to authorized repair providers, accounting for any incentives or preferences (e.g., discounts, rebates, convenient and timely means of delivery, means of enabling fully restored and updated functionality, or rights of use) it offers the provider.

Additionally, the manufacturer must provide for free (1) documentation, including any relevant updates, and (2) tools, without imposing any barriers to accessing or using them in an efficient and cost-effective way. The manufacturer may, however, charge for its reasonable, actual costs to prepare and send physical versions of the tools and documentation, if requested.

If a manufacturer does not use an authorized repair provider, the act instead requires it to make these resources available at a price that reflects the actual costs it incurred to prepare and deliver the resources, excluding any research and development costs.

Disclosure by Dealers or Services That Are Not Authorized Repairers

Under the act, service dealers or service and repair facilities that are not authorized repair providers for a manufacturer must, before repairing a product, give the customer written notice disclosing:

1. that the dealer or facility is not an authorized repair provider for the product and
2. whether the dealer or facility uses any (a) used replacement parts or (b) replacement parts provided by a supplier other than the product manufacturer.

Liability

Under the act, a manufacturer or authorized repair provider is generally not liable for any damage or injury caused to any electronic or appliance product, person, or property due to a diagnosis, maintenance, modification, or repair that an owner or service dealer performs. This includes any (1) indirect, incidental, special, or consequential damages; (2) loss of data, privacy, or profits; or (3) inability to use, or reduced functionality of, the product.

However, this does not apply to any design defect or manufacturing flaw that existed before, or independent of, any of the actions listed above.

Exceptions

The act specifies that its right-to-repair provisions do not require an electronic or appliance product manufacturer to do the following:

1. disclose any trade secret or license any intellectual property, including any copyright or patent, unless the disclosure or license is needed to comply with these provisions;
2. make available any special documentation, tools, or parts that would disable or override antitheft security measures the owner sets on any product without the owner's authorization;
3. sell any part if the manufacturer no longer (a) provides the part or (b) makes the part available to authorized repair providers; or
4. allow distribution of the source code for an electronic or appliance product.

Under existing law and the act, a "trade secret" is information, including a formula, pattern, compilation, program, device, method, technique, process, drawing, cost data, or customer list, that (1) derives actual or potential independent economic value from not being generally known to, and not being readily ascertainable by proper means by, other individuals who can get economic value from its disclosure or use and (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy (CGS § 35-51).

The act also does not require a covered manufacturer that is also an authorized repair provider to make any documentation or tools available that:

1. it exclusively uses to perform free diagnostic services for customers remotely (e.g., using the Internet, email, telephone, or a chat function), unless the manufacturer also makes them available to any unaffiliated person, or
2. are exclusively used by machines that simultaneously repair several electronic or appliance products, as long as the manufacturer makes available alternative documentation and tools that are sufficient to diagnose, maintain, or repair the product.

The right-to-repair provisions also do not apply to a manufacturer if it gives its customers a free replacement product that is readily available and equivalent to, or better than, the replaced product. It also does not apply to any dealer, distributor, importer, or manufacturer of any equipment designed and manufactured exclusively for off-road or non-road use, including any:

1. all-terrain sports, marine, racing, or recreational vehicle;
2. construction or compact construction equipment;
3. electric vehicle charging infrastructure equipment;
4. farm or utility tractor;
5. farm implement or farm machinery;
6. forestry, industrial, mining, outdoor power, garden, turf, or yard equipment;
7. fuel cell, generator set, or portable generator;
8. integrated, stand-alone, mobile, or stationary internal combustion engine;
9. power tool;
10. road building or utility equipment; or
11. accessory, attachment, component, repair part, technology, or tool for any equipment described above.

Penalty

The act deems a right-to-repair violation a CUTPA violation enforceable solely by the attorney general and specifies that CUTPA's provisions for a private right of action, class actions, equitable relief, and jury trials do not apply to these violations (see BACKGROUND).

§ 4 — MUNICIPAL INTERNET WEBSITES

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

The act requires all municipalities, by July 1, 2027, to maintain a .gov Internet domain and register it with the Department of Homeland Security's Cybersecurity and Infrastructure Security Agency. Municipalities must redirect any other domains they use to the .gov domain or stop using them. The act's requirements apply regardless of any municipal charter, special act, or home rule ordinance requiring otherwise.

EFFECTIVE DATE: Upon passage

§§ 5 & 6 — PRICE GOUGING

Defines price gouging as charging an unconscionably excessive price during certain declared emergencies; 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; gives the attorney general exclusive authority to enforce this law

Prior law prohibited any person, firm, or corporation from increasing the price of any item sold at retail in a location subject to certain emergency declarations while the declaration is in effect, unless the seller can justify doing so as a price fluctuation that occurs during the normal course of business. The act replaces this general provision with more specific

provisions defining what constitutes prohibited price gouging behavior. The act's prohibition applies during the same emergency declarations as existing law (which the act calls "precipitating events").

Under existing law and the act, precipitating events are:

1. a civil preparedness emergency, which the governor may declare in the event or imminence of a serious disaster or enemy attack, sabotage, or other hostile action in the state or a neighboring state (CGS § 28-1);
2. a transportation emergency, which the governor may declare when a substantial disruption in the operation of a major transportation facility or service occurs, endangering the public health, safety, or welfare (CGS § 3-6b); and
3. major disaster or emergency declarations issued by the U.S. president.

Price Gouging Definition (§ 5)

Under the act, price gouging is selling, renting, or leasing an item, or offering to do so, at an amount that represents an "unconscionably excessive price." An "unconscionably excessive price" is an increased price of an item for lease, rent, or sale at location subject to a precipitating event if it is (1) grossly disproportionate to the price of the item, either immediately before the precipitating event or before the event was reasonably anticipated, and (2) not attributable to additional costs incurred in leasing, renting, or selling the item during the event.

Applicability to Additional Transactions (§ 5)

Additionally, the act expands prior law's price gouging prohibition by:

1. adding distributors, manufacturers, suppliers, and wholesalers to the actors ("vendors") to which the prohibition applies;
2. expanding the prohibition to cover an item's entire chain of distribution, rather than just at retail; and
3. adding rental and leasing, or offers to rent or lease, to the transactions covered by the prohibition.

Enforcement (§§ 5 & 6)

By law and unchanged by the act, a violation of the price gouging prohibition is a CUTPA violation. The act gives the attorney general exclusive authority to enforce this on the state's behalf. It also authorizes the attorney general to, as outlined in CUTPA, (1) order an investigation or examination or (2) take other enforcement action as necessary (see BACKGROUND).

The act removes the provision specifying that an item's price fluctuation does not violate the price gouging law when sold at retail during the normal course of business. It also removes the requirement that violators be fined up to $99.

Correspondingly, the act removes price gouging from the list of infractions in existing law that the Superior Court's Centralized Infractions Bureau oversees, which allows alleged violators to plead guilty and pay a fine or plead not guilty and go to trial in an unspecified judicial district.

EFFECTIVE DATE: July 1, 2025

§ 7 — AUTOMATIC RENEWALS AND CONTINUOUS SERVICES

Requires each business that enters into a consumer agreement that includes an automatic renewal or continuous services provision to (1) send consumers an annual reminder with certain information and (2) enable consumers to stop the renewal or services through a website, email, or telephone

The act requires each business that enters into a consumer agreement that includes an automatic renewal or continuous services provision to (1) send consumers an annual reminder with certain information and (2) enable consumers to stop the renewal or services through a website, email, or telephone. It also requires businesses that establish telephone lines for this purpose to answer their telephones during business hours and sets a procedure for responding to voicemails that consumers leave.

Covered Consumer Agreements and Automatic Renewals

By law and under the act, a "consumer agreement" is a verbal, telephonic, written, or electronic agreement between a business and a consumer (1) in which the business agrees to provide consumer goods or services and (2) that is initially entered into or amended on or after October 1, 2023. "Consumer goods" and "consumer services" are any articles or services purchased, leased, exchanged, or received primarily for personal, family, or household purposes. A "consumer" is a

Connecticut resident who is a prospective recipient of consumer goods or services. But the law specifies that "consumer agreements" do not include agreements:

1. concerning a service provided by a business or its affiliate where either is doing business under a (a) franchise issued by a political subdivision of the state or (b) license, franchise, certificate, or other authorization issued by the Public Utilities Regulatory Authority (PURA);
2. concerning a service provided by a business or its affiliate where either the business or its affiliate is regulated by PURA, the Federal Communications Commission, or the Federal Energy Regulatory Commission;
3. with any entity regulated by the Insurance Department or an affiliate of such an entity;
4. with any bank, out-of-state bank, bank holding company, Connecticut credit union, federal credit union, or out-of-state credit union, or any subsidiary of them; or
5. concerning any global or national service largely or predominately consisting of audiovisual content.

An "automatic renewal provision" is a consumer agreement provision that allows the business to renew the agreement without any action by the consumer. A "continuous services provision" is a consumer agreement provision that allows the business to continue providing service to the consumer until the consumer takes action to prevent or terminate it.

Annual Reminder

Beginning on July 1, 2026, the act requires each business that enters into a consumer agreement that includes an automatic renewal or continuous services provision to send the consumer an annual reminder about these provisions. These reminders must include:

1. a statement identifying (a) the consumer goods or services subject to the automatic renewal or continuous services provision and (b) how the consumer may prevent an automatic renewal or terminate the continuous consumer services and
2. the frequency and amount of charges associated with the automatic renewal or continuous consumer services under the consumer agreement.

The reminder must be sent:

1. in the same way the automatic renewal or continuous services provision was activated, if the provision was activated by any means other than an in-person transaction between the business and the consumer;
2. by the means in which the consumer is used to interacting with the business, if it is email, mail, or telephone; or
3. by either email, mail, or telephone if the (a) automatic renewal or continuous services provision was activated as part of an in-person transaction between the business and the consumer or (b) consumer is not used to interacting with the business by email, mail, or telephone.

Cancellations

Under existing law, businesses that enter into an online consumer agreement with an automatic renewal or continuous services provision must allow consumers to cancel through:

1. a prominently displayed direct link or button that may be located in the consumer's account or profile, or device or user settings or
2. an email from the business that the consumer may immediately access and reply to without obtaining additional information.

In addition to those options, the act also allows each business with these renewal or service consumer agreement provisions, beginning July 1, 2026, to fulfill the cancellation method requirements by allowing consumers to stop the renewal of services through a telephone number that the consumer may keep and that is clearly and conspicuously displayed on the business's website.

Cancellations by Telephone

If the business allows customers to stop renewal through a telephone number, the act requires the business to (1) promptly answer all calls made to the number during normal business hours and (2) not obstruct or delay any consumer's ability to stop the renewal or services. If a consumer leaves a voicemail with the business requesting to end the consumer agreement, the business must, within one business day after the voicemail is left, either process the request or return the consumer's telephone call regarding the consumer's intentions. If the voicemail includes enough information for the business to prevent or terminate the agreement, the business may return the consumer's telephone call, but must effectuate the prevention or termination within one business day after the voicemail was left if the business is unable to reach the consumer.

If a consumer requests to prevent an automatic renewal or terminate a continuous consumer service through a telephone call, the business may present the consumer with a discounted offer, a retention benefit, or information on the effect of the request. The business must clearly and conspicuously inform the consumer, before presenting the offer, benefit, or information, that the consumer may complete the request at any time by stating his or her intention to "cancel" or by saying similar words to that effect. If the consumer states these words, then the business must promptly process the request.

As under existing law, the act specifically prohibits businesses from taking any action to obstruct or delay a consumer's efforts to prevent an automatic renewal or terminate a continuous consumer service under a consumer agreement.

The act also references telephone numbers, rather than toll-free telephone numbers, as one way to enable a consumer to prevent automatic renewal or terminate continuous services.

Penalty

The act makes a violation of the automatic renewal provisions a CUTPA violation and eliminates prior law's prohibition on creating a private right of action (see BACKGROUND). The act also eliminates an explicit prohibition on businesses taking actions that obstruct or delay a consumer's efforts to prevent or terminate an automatic renewal or continuous services provision in a consumer agreement.

§§ 8-10 — RENTAL PRICES

Generally requires a landlord advertising, displaying, or offering a dwelling unit for rent to include any fee, charge, or cost that the tenant must pay on a periodic basis; requires DOH to develop a rental terms summary form that landlords must use starting January 1, 2026

The act generally requires a landlord advertising, displaying, or offering a dwelling unit for rent to include any periodic fee, charge, or cost that the tenant must pay in the advertised, displayed, or offered rent. Any monthly default fee, charge, or cost to the tenant must also be prorated and included in the advertised, displayed, or offered rent, regardless of whether the tenant may opt out.

Exceptions

The act allows a landlord to advertise, display, or offer a unit for rent without including the following fees and costs:

1. any payment processing fee that reflects the actual payment processing, as long as the landlord offers the tenant an alternative payment type without the payment processing fee;
2. any fee or deposit imposed for keeping a pet in the dwelling unit;
3. utility costs that (a) are submetered or (b) the tenant pays directly to a utility company and that may vary from month to month;
4. a fee charged for damage to the dwelling unit that is not imposed for normal wear and tear; or
5. a separate fee charged for performing a service for the tenant, such as responding to a lockout or replacing a key.

Standardized Form

By January 1, 2026, the act requires the Department of Housing (DOH) to publish a standardized rental terms summary form on its website. The form must clearly summarize the key terms of a rental agreement, including the rental agreement terms, the landlord's name, the point of contact for property management purposes, each tenant's name, and the total periodic rent including all applicable fees, charges, or costs that must be included under the act. The summary form must be published and provided in both English and Spanish.

Starting April 1, 2026, the act prohibits landlords from giving any tenant a written rental agreement unless its first page is a completed copy of the DOH standardized rental terms summary form.

Payment Order

Under the act, all payments a tenant makes according to a rental agreement must be applied first toward rent, and then toward the payment of any other fees or charges.

Penalty

Under the act, any landlord who violates these provisions is liable to the tenant for a civil penalty of one month's rent, and the court may award reasonable attorney's fees and costs to the tenant.
EFFECTIVE DATE: October 1, 2025
BACKGROUND

CUTPA

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the consumer protection commissioner, under specified procedures, to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than $10,000, impose civil penalties of up to $5,000**,** enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to $5,000 for willful violations and up to $25,000 for a restraining order violation.

PA 25-47—SB 1465
General Law Committee

AN ACT AUTHORIZING THE COMMISSIONER OF CONSUMER PROTECTION TO ALLOW CERTAIN SKILLED TRADE LICENSEES TO DEVIATE FROM CERTAIN SKILLED TRADE HIRING RATIOS

SUMMARY: Existing law sets a hiring ratio that certain trades must follow (see below). The hiring ratio requires a certain number of licensed journeypersons or contractors before another apprentice may be hired in the following trades: electrical; plumbing; heating, piping, and cooling; sprinkler fitter; and sheet metal work.

This act allows a licensed contractor in one of these fields to hire one or more additional apprentices even if the contractor does not employ enough licensees to satisfy the hiring ratio under certain conditions. To do so, the contractor must apply for ratio relief to the Department of Consumer Protection (DCP) in a way the commissioner sets. DCP must approve the application, subject to certain approval criteria, if (1) it determines that the contractor employs a combination of up to eight journeypersons and contractors, including the licensed contractor, and (2) the applicant attests that the labor department has not taken any wage-related enforcement action against the licensed contractor during the three-year period immediately before the application date.

Lastly, the act allows the DCP commissioner to amend any adopted hiring ratio regulations to effectuate the act's provisions.
EFFECTIVE DATE: October 1, 2025

HIRING RATIO

Under prior law, the DCP commissioner had to establish regulations to reflect the hiring ratios mandated by law. Without changing the ratios, the act eliminates the requirement for regulations and instead sets the ratios exclusively by law.

The table below shows the number of licensed journeypersons or contractors a company must have before hiring apprentices.

Hiring Ratios of Apprentices to Licensed Journeypersons or Contractors

Apprentices	*Licensees (Journeypersons or Contractors)*
1	1
2	2
3	3
4	6

Apprentices	*Licensees (Journeypersons or Contractors)*
5	9
6	12
7	15
8	18
9	21
10*	24*

*If there are 11 or more apprentices, the ratio continues at 1:3 (apprentice to licensees).

Ratio Relief Application

The act allows a licensed contractor to submit a ratio relief application to DCP. The application must at least include:

1. the name and contact information of (a) the licensed contractor, (b) the licensed and registered apprentices the licensed contractor currently employs, and (c) each additional apprentice, if known by the licensed contractor;
2. information demonstrating the criteria for relief have been satisfied (see below);
3. a statement disclosing whether DCP has taken any disciplinary action against the licensed contractor during the three-year period immediately before the application date, and if so, a description of the disciplinary action;
4. a statement disclosing whether the labor department has taken any wage-related enforcement action against the licensed contractor during the three-year period immediately before the application date, and if so, a description of the enforcement action;
5. a copy of each notice of termination of an apprenticeship agreement that the licensed contractor submitted to the labor department during the three-year period immediately before the application date;
6. if during the three-year period before the application date, a state agency authorized the licensed contractor to hire more apprentices than the hiring ratio, an attestation from the contractor that (a) the agency authorized the hire, (b) he or she continues to employ the apprentice or offered to rehire the apprentice before the application date, and (c) he or she did not terminate the apprentice's employment for any reason other than the position was unavailable; and
7. any other information the DCP commissioner deems relevant to the hiring ratio relief.

Approval Criteria

Under the act, if the DCP commissioner or his designee determines that the licensed contractor employs a combination of up to eight journeypersons and contractors including the licensed contractor, and the applicant attests that the labor department has not taken any wage-related enforcement action against the licensed contractor during the three-year period immediately before the application date, the commissioner or the designee must approve the application, as long as the licensed contractor:

1. seeks to hire one or more additional apprentices at a ratio that does not exceed one apprentice to one journeyperson or contractor;
2. attests that at least one apprentice is enrolled in a qualified apprenticeship training program offered by a school in the Technical Education and Career System, unless the licensed contractor made a good faith effort to find an apprentice enrolled in such a program and was unsuccessful; and
3. attests that the licensed contractor is suffering from an undue operational hardship due to the hiring ratio.

The commissioner or his designee must send the licensed contractor notice about the decision within 10 business days after DCP received the application. Each decision is considered a final decision for Uniform Administrative Procedure Act (UAPA) purposes.

The act requires the commissioner or his designee to refer the application to the appropriate examining board if, after reviewing the application, he or she determines that the (1) licensed contractor employs a combination of more than eight journeypersons and contractors including the licensed contractor, (2) labor department has taken any wage-related enforcement actions against the licensed contractor during the three-year period immediately before the application date, or (3) licensed contractor does not satisfy the required approval criteria.

Examining Boards

The act requires each examining board of a trade subject to these hiring ratios, by February 1, 2026, to establish a set of criteria to determine whether good cause exists for the board to approve referred ratio relief applications. The criteria must include criteria for reviewing applications a licensed contractor submits when the labor department has taken wage-related enforcement actions.

Under the act, each board may only amend the criteria once a calendar year and the DCP commissioner must post all criteria and amended criteria on DCP's website.

Within 90 days after DCP refers a ratio relief application to the appropriate examining board, the board must:

1. determine whether good cause exists to approve the application based on the posted criteria,
2. approve or reject the application based on the determination, and
3. send notice to the applicant disclosing the board's decision and the basis for determining whether good cause existed.

Under the act, a board's decision is a final decision under the UAPA and exempt from the laws allowing the DCP commissioner to (1) reject or modify actions taken by certain boards or commissions and (2) reject a board or commission's proposed final decision based on a finding that the decision will have an anticompetitive effect and ensure compliance with federal anti-trust law.

PA 25-51—sHB 6854
General Law Committee

AN ACT CONCERNING THE DEPARTMENT OF CONSUMER PROTECTION'S RECOMMENDATIONS REGARDING ALCOHOLIC LIQUOR REGULATION

TABLE OF CONTENTS:

§ 1 — CASE BOTTLE QUANTITIES

Expands the quantities and numbers of bottles allowed in a case of alcoholic liquor to reflect federal regulations on container size

§§ 2-9, 12-14 & 16 — DAILY IN-STATE TRANSPORTER'S PERMIT

Establishes a daily in-state transporter's permit that allows the permittee to sell and serve alcoholic liquor on certain boats and livery services (e.g., limousines); allows a daily permittee to convert to an annual permit

§ 9 — GROCERY STORE BEER PERMIT

Updates the qualifications for a grocery store beer permit to specify that (1) the store must derive more than 50% of its retail sales from groceries and (2) stores that primarily sell one particular food item do not qualify for the permit

§§ 10, 18 & 19 — QUALIFIED MANAGED RESIDENTIAL COMMUNITIES

Allows a qualified managed residential community to hold a restaurant caterer permit to allow the community to serve alcohol at the daily scheduled meal on the community's premises as well as for on-site functions, occasions, or events

§ 11 — CONCESSION PERMIT

Allows a concession permittee to sell prepackaged canned beverages containing spirits of up to 6% ABV

§ 12 — TEMPORARY AUCTION PERMIT

Increases (1) how long a temporary auction permit is valid from up to three consecutive days to a total of 12 days in a calendar year and (2) how many times DCP may issue the permit to an auctioneer from 4 to 12 times a calendar year

§ 13 — LIQUOR APPLICATIONS

Prohibits DCP from reviewing an initial permit application without all the required documentation; sets procedures for automatic withdrawal of a permit application; eliminates the general requirement for applicants to publish notice in a local newspaper; requires a liquor education program to be mandatory for certain key individuals before getting a permit

§ 15 — THC-INFUSED BEVERAGE PERMIT PENALTIES

Allows DCP to impose permit penalties and fine applicants, backers, or permittees for THC-infused beverage violations

§ 15 — DCP SETTLEMENT AGREEMENTS

Allows the DCP commissioner to enter into a settlement agreement instead of proceeding to an administrative hearing; eliminates a provision allowing DCP to require a permittee's employees to take an alcohol and server training program instead of facing permit suspension or revocation

§ 17 — DCP STING OPERATIONS INVOLVING MINORS

Allows DCP to conduct, and DCP and law enforcement agencies to authorize, sting operations involving minors purchasing alcohol

§ 20 — CONVERSION TO RESTAURANT PERMIT WITHOUT PLACARDING

Allows, for one year, certain cafe and restaurant permittees for wine and beer to convert their permit to a restaurant permit without being required to follow the placarding requirements

§ 21 — ELIMINATION OF MUNICIPAL RECORDING REQUIREMENT FOR LIQUOR PERMITS

Eliminates the requirement for liquor permits to be filed in duplicate with the applicable town clerk

SUMMARY: This act makes various unrelated changes to the Liquor Control Act, including minor, technical, and conforming changes.
EFFECTIVE DATE: October 1, 2025, unless otherwise stated.

§ 1 — CASE BOTTLE QUANTITIES

Expands the quantities and numbers of bottles allowed in a case of alcoholic liquor to reflect federal regulations on container size

Existing law establishes the quantity and number of bottles generally allowed in a case of alcoholic liquor (other than beer, cocktails, cordials, prepared mixed drinks, and wines). The act expands the allowable quantities and numbers of bottles to reflect federal regulations on authorized container sizes (27 C.F.R. § 5.203). The table below shows the additional bottle case quantities allowed under the act.

Allowable Quantity by Bottle Size Under the Act

Quantity	Bottle Size
6	3.75 liters, 3 liters, 2 liters, 1.5 liters, and 945 milliliters (mL)
12	710 mL, 570 mL, 500 mL, and 475 mL
24	355 mL, 350 mL, and 331 mL
48	250 mL and 187 mL

§§ 2-9, 12-14 & 16 — DAILY IN-STATE TRANSPORTER'S PERMIT

Establishes a daily in-state transporter's permit that allows the permittee to sell and serve alcoholic liquor on certain boats and livery services (e.g., limousines); allows a daily permittee to convert to an annual permit

The act establishes a daily in-state transporter's permit as an alternative to the annual permit. Like the annual permit, the daily permittee may commercially transport alcoholic liquor (e.g., beer, wine, and spirits) as well as sell and serve it on certain boats and livery services (e.g., limousines).

The act allows the daily permittee, with Department of Consumer Protection (DCP) approval, to sell and serve alcoholic liquor for consumption on boats hired to transport passengers and motor vehicles in livery services. One permit covers all boats and vehicles under common control, direction, management, or ownership.

When applying for DCP approval, in a manner the commissioner sets, the act requires the owner to specifically identify each boat and vehicle where alcohol sales or consumption will be available. It sets the permit fee at $150 for each boat or vehicle to be used during the calendar day as requested on the application, and allows the commissioner to issue up to eight permits to any backer in a calendar year.

Under the act, the permittee may apply to DCP, as the commissioner requires, to convert to an annual permit at any point in the year. The annual permit's effective date is the date of the first daily permit issuance that calendar year. The annual fee is $1,250 for the first boat or vehicle and another $200 for each additional boat or vehicle, but the applicant can subtract any fees already paid that calendar year, except there is no rebate for fees exceeding this amount.

§ 9 — GROCERY STORE BEER PERMIT

Updates the qualifications for a grocery store beer permit to specify that (1) the store must derive more than 50% of its retail sales from groceries and (2) stores that primarily sell one particular food item do not qualify for the permit

The act updates the qualifications for a grocery store beer permit to specify that the store must derive more than 50% of its retail sales from groceries, rather than just be primarily engaged in retail sale of groceries. As under existing law, a grocery store does not have to sell any particular type of grocery item.

The act also specifies (1) that stores that primarily engage in the retail sale of one particular food item or items (e.g., bakery products) do not qualify for a permit and (2) additional examples of different foods that are considered groceries (e.g., dairy products, eggs, and fruit).

§§ 10, 18 & 19 — QUALIFIED MANAGED RESIDENTIAL COMMUNITIES

Allows a qualified managed residential community to hold a restaurant caterer permit to allow the community to serve alcohol at the daily scheduled meal on the community's premises as well as for on-site functions, occasions, or events

The act allows a qualified managed residential community (MRC) to hold a restaurant caterer permit to allow the community to serve alcohol at the daily scheduled meals on its premises.

Under the act, a qualified MRC is generally a facility consisting of private residential units in a managed group living environment that includes housing and services for people primarily ages 55 and older. It also (1) has an adequate, suitable, and sanitary kitchen, dining room, and facilities to provide hot meals in compliance with the local department of health's regulations; (2) complies with all other local health department regulations; (3) provides daily meals in a dining room; and (4) exclusively serves meals to residents and their guests as well as MRC employees.

The act allows a qualified MRC to serve alcoholic liquor on the community's premises at (1) a function, occasion, or event and (2) the daily scheduled meals. It requires the community to only sell alcohol to invited individuals and during specifically scheduled times on the premises. But DCP may waive these requirements permanently if alcohol is only served with daily scheduled meals on-site.

Under the act, the permit is subject to the hours of sale established under the allowable alcohol times and hours law for on-premises alcohol consumption. By law, with minor exceptions, these allowable hours are between 9:00 a.m. and 1:00 a.m. the next morning on Monday through Thursday, 9:00 a.m. and 2:00 a.m. the next morning for Friday and Saturday, and 10:00 a.m. and 1:00 a.m. the next morning on Sunday.

The act sets a $1,450 fee for the annual permit.

§ 11 — CONCESSION PERMIT

Allows a concession permittee to sell prepackaged canned beverages containing spirits of up to 6% ABV

The act allows a concession permittee to sell canned beverages containing spirits of up to 6% alcohol by volume (ABV). The spirit must be combined with other nonalcoholic ingredients that the manufacturers premix and package in original containers, and the permittee must not mix or adulterate the product.

§ 12 — TEMPORARY AUCTION PERMIT

Increases (1) how long a temporary auction permit is valid from up to three consecutive days to a total of 12 days in a calendar year and (2) how many times DCP may issue the permit to an auctioneer from 4 to 12 times a calendar year

The act increases how long a temporary auction permit is valid from up to three consecutive days to a total of 12 days in a calendar year. As under existing law, each permit is valid for one auction.

The act also increases how many times DCP may issue the permit to an auctioneer from 4 to 12 times a calendar year.

By law, an auctioneer must obtain the alcohol for auction from an individual collector, package store permittee, or certain cancelled alcoholic liquor permittees (e.g., restaurant). An "auctioneer" is anyone who (1) regularly provides professional services by auctioning items for sale and (2) does not hold an alcoholic liquor permit. An "individual collector" is anyone who is not a backer; permittee; or a backer's director, officer, or employee.

§ 13 — LIQUOR APPLICATIONS

Prohibits DCP from reviewing an initial permit application without all the required documentation; sets procedures for automatic withdrawal of a permit application; eliminates the general requirement for applicants to publish notice in a local newspaper; requires a liquor education program to be mandatory for certain key individuals before getting a permit

Initial Application

The act prohibits DCP from reviewing an initial permit application until the applicant has submitted all documents needed to establish that state and local building, fire, zoning, and sales time requirements will be met.

Under the act, if the applicant does not submit all of these documents within 30 days after DCP receives the initial application, or if the documents are not fully executed by the appropriate authorities, then the application is deemed withdrawn and invalid.

Newspaper Notice

The act eliminates the general requirement that before a permit is granted, applicants must publish local newspaper notices under certain timeframes detailing the permit type, business location, and whether they will offer live entertainment.

It also makes conforming changes by eliminating (1) the publication requirement for amending the type of entertainment and (2) a deadline in the remonstrance (i.e. objection) process that is tied to the newspaper notice (it instead ties the deadline to the date the applicant posts a placard). By law, applicants generally must place placards visible from the road that include certain information.

Liquor Education Program

Beginning January 1, 2026, the act makes a liquor education program mandatory for certain individuals. Specifically, to get a new permit, transfer a permit, or substitute permittees, the applicant, backers, members of these backers, and permittees must all complete a liquor education program.

The act requires DCP to create, offer, and conduct the education program in a form and manner it prescribes. The program must address (1) preventing alcohol sales to minors (under age 21) and overservice, (2) restrictions on alcoholic beverage promotions, and (3) any other topics DCP chooses.

However, DCP may waive these requirements in writing. Additionally, those with a provisional or final permit on January 1, 2026, do not need to complete the program to receive a final or renewal permit, respectively.

§ 15 — THC-INFUSED BEVERAGE PERMIT PENALTIES

Allows DCP to impose permit penalties and fine applicants, backers, or permittees for THC-infused beverage violations

The act allows DCP to suspend, revoke, or refuse to grant or renew a permit for selling alcoholic liquor, or impose a fine of up to $1,000 per violation, if it has reasonable cause to believe that the applicant, applicant's backer, backer, or permittee has violated the laws or regulations on THC-infused beverages. By law, wholesaler permittees may distribute THC-infused beverages to package stores to sell at retail.

§ 15 — DCP SETTLEMENT AGREEMENTS

Allows the DCP commissioner to enter into a settlement agreement instead of proceeding to an administrative hearing; eliminates a provision allowing DCP to require a permittee's employees to take an alcohol and server training program instead of facing permit suspension or revocation

The act allows the DCP commissioner to enter into a settlement agreement or a comparable negotiated settlement for Liquor Control Act violations instead of proceeding to an administrative hearing. The agreement may have provisions imposing settlement fees, probation, permit suspension or conditions, training requirements, or additional security measures.

The act also eliminates a provision that allows the commissioner to require a permittee to have employees participate in an alcohol and server training program instead of suspending or revoking a permit.

§ 17 — DCP STING OPERATIONS INVOLVING MINORS

Allows DCP to conduct, and DCP and law enforcement agencies to authorize, sting operations involving minors purchasing alcohol

Under existing law, law enforcement agencies may conduct an official investigation or enforcement activity that includes inducing a minor to obtain alcohol from an alcoholic liquor permittee (i.e. a sting operation). The act expands this authority to include DCP and allows both DCP and law enforcement agencies to authorize these operations.
EFFECTIVE DATE: Upon passage

§ 20 — CONVERSION TO RESTAURANT PERMIT WITHOUT PLACARDING

Allows, for one year, certain cafe and restaurant permittees for wine and beer to convert their permit to a restaurant permit without being required to follow the placarding requirements

Regardless of any provision in the Liquor Control Act, the act allows, from July 1, 2025, to June 30, 2026, certain cafe permittees or restaurant permittees for wine and beer to apply to DCP to convert their permit to a restaurant permit without needing to follow the placarding requirements (e.g., post certain information visible from the road). The DCP commissioner must prescribe how the permittees apply for the conversion.

The cafe permits that qualify for the conversion exemption are those that have a suitable space in a permanent building, vessel, or structure that is held out to the public as a place where alcoholic liquor and food is served at retail for on-premises consumption. They cannot have public sleeping accommodations and do not need to serve hot meals or have a kitchen or dining room, but must employ an adequate number of employees.
EFFECTIVE DATE: July 1, 2025

§ 21 — ELIMINATION OF MUNICIPAL RECORDING REQUIREMENT FOR LIQUOR PERMITS

Eliminates the requirement for liquor permits to be filed in duplicate with the applicable town clerk

The act eliminates the requirement that before a new or renewed liquor permit is active, it be filed in duplicate with the applicable town clerk, which is generally where the business is located.

PA 25-101—sHB 6855
General Law Committee

AN ACT CONCERNING THE DEPARTMENT OF CONSUMER PROTECTION'S RECOMMENDATIONS REGARDING DRUG CONTROL AND CANNABIS AND HEMP REGULATION

TABLE OF CONTENTS:

§§ 1, 20 & 21 — HEMP FLOWER, MODERATE-THC HEMP PRODUCT, AND MANUFACTURER HEMP PRODUCT REQUIREMENTS

Creates conditions and restrictions on the sale of hemp flower by moderate-THC hemp product vendors, cannabis establishments, and others, including that sellers verify purchasers are at least age 21; allows moderate-THC hemp product vendors to count hemp flower sales towards their required minimum sales threshold; extends existing law's prohibition on manufacturer hemp products claiming health benefits in advertising to moderate-THC hemp products and hemp flower

§§ 2 & 3 — NON-RESIDENT PHARMACY INSPECTION REPORTS

Requires non-resident pharmacies that offer sterile compounded products to submit to DCP inspection reports from certain entities showing they comply with the most recent U.S. Pharmacopeia standards

§ 4 — CONTROLLED SUBSTANCES

Requires DCP to (1) redesignate marijuana's controlled substance classification if there is a change in its federal classification and (2) designate additional items as controlled substances

§ 5 — MEDICAL MARIJUANA USE CERTIFICATIONS

Allows a (1) written certification for medical marijuana use to have durations of 6 months, 18 months, or 2 years and (2) caregiver and a person with medical decision-making authority to hear the risks and benefits of medical marijuana use on behalf of a qualifying patient

§ 5 — MEDICAL MARIJUANA USE TEMPORARY EXTENSIONS AND TEMPORARY WRITTEN CERTIFICATIONS

Allows a licensed dispensary to (1) grant a 90-day extension for an expired written certification for medical marijuana use previously issued by a provider and (2) issue a 90-day temporary written certification without a provider's involvement subject to specific conditions

§§ 6, 8 & 18 — TEMPORARY CANNABIS OPERATOR LICENSE AND AUTHORIZED REPRESENTATIVES

Establishes a temporary cannabis operator license for a court appointee to operate a cannabis establishment up to 60 days or more upon DCP approval; requires certain individuals appointed as an authorized representative to be licensed as a key employee

§§ 6 & 9 — CANNABIS ESTABLISHMENT SIGNAGE

Requires DCP to develop standardized signage to allow anyone to determine if a cannabis establishment is licensed; requires establishments to display this signage; prohibits certain actions related to the signs and makes violations a CUTPA violation

§§ 6 & 10 — CANNABIS ESTABLISHMENT NONRENEWAL NOTICES AND REINSTATEMENTS

Requires cannabis establishments to submit a nonrenewal notice to DCP at least 30 days before the license expires; allows DCP to reinstate licenses for 90 days after the license expires, upon payment of the renewal and late fees

§§ 6, 22 & 27 — CANNABIS REPORTS

Modifies RERACA-related reporting DCP must give the governor and the General Law Committee quarterly until October 1, 2026

§ 7 — BANK EXCLUSION

Excludes certain financial institutions that provide non-equity financing and do not directly control or manage a cannabis establishment from being considered a backer

§ 11 — CANNABIS ESTABLISHMENT LICENSE APPLICATIONS AND CERTIFICATES OF OCCUPANCY AND PREMISES SECURITY

Specifies that some of the evidence required for a final cannabis establishment license (1) must be evidenced by certain local building official approvals and (2) only applies to security requirements related to the establishment's premises

§§ 12-14 — SELLING, TRANSPORTING, OR TRANSFERRING CANNABIS

Allows certain cannabis establishments to sell, transport, or transfer cannabis or cannabis products to every type of cannabis establishment rather than just certain specified ones

§§ 15-17 — ELIMINATION OF MINIMUM DISTANCE PROHIBITION

Allows certain equity joint ventures to be located within 20 miles of each other even if they share certain backers or owners

§§ 19 & 23-26 — TECHNICAL CHANGES

Makes technical changes

BACKGROUND

SUMMARY: This act makes various changes to laws on adult-use cannabis, medical marijuana, other controlled substances, hemp, and sterile compounding pharmacies.
EFFECTIVE DATES: Various, see below.

§§ 1, 20 & 21 — HEMP FLOWER, MODERATE-THC HEMP PRODUCT, AND MANUFACTURER HEMP PRODUCT REQUIREMENTS

Creates conditions and restrictions on the sale of hemp flower by moderate-THC hemp product vendors, cannabis establishments, and others, including that sellers verify purchasers are at least age 21; allows moderate-THC hemp product vendors to count hemp flower sales towards their required minimum sales threshold; extends existing law's prohibition on manufacturer hemp products claiming health benefits in advertising to moderate-THC hemp products and hemp flower

The act places various conditions and restrictions on licensed cannabis establishments, moderate-THC hemp product vendors, and others selling hemp flowers, and makes other related changes. It also further regulates moderate-THC hemp products.

Under the act, "hemp flower" is the flower, including any abnormal or immature flower, of hemp. It does not include the hemp leaves or stem.

By law and under the act, a "cannabis establishment" is a cannabis producer, dispensary facility, cultivator, micro-cultivator, retailer, hybrid retailer (i.e. one licensed to sell both recreational cannabis and medical marijuana), food and beverage manufacturer, product manufacturer or packager, delivery service, or transporter. A "moderate-THC hemp product vendor" is a person with a Department of Consumer Protection (DCP) registration to sell moderate-THC hemp products at retail (and who is not a licensed cannabis establishment).

"Moderate-THC hemp products" are manufacturer hemp products (i.e. generally those intended for human ingestion, inhalation, absorption, or other internal consumption) with a total THC of between .5 mg and 5 mgs, on a per-container basis, but not infused beverages. The act specifies that these thresholds refer to the total THC concentration.
EFFECTIVE DATE: October 1, 2025

Hemp Flower and Moderate-THC Hemp Product Sale Conditions and Restrictions (§§ 1 & 20)

The act regulates hemp flower sales by licensed cannabis establishments and moderate-THC hemp product vendors. It does so by (1) expanding what a moderate-THC hemp product vendor certificate of registration allows to explicitly include sales and offers to sell hemp flowers to consumers at their retail location and (2) prohibiting licensed cannabis establishments, moderate-THC hemp product vendors, and their agents and employees, from selling hemp flower to anyone younger than age 21. As under existing law for moderate-THC hemp products, before selling hemp flower to an individual, a cannabis establishment, moderate-THC vendor, or their agents or employees, must first verify the buyer's age with a valid government-issued driver's license or identity card. Relatedly and for both moderate-THC hemp product and hemp flower sales, the act explicitly requires moderate-THC hemp product vendors to ensure the receiver's age is verified at purchase and verified upon delivery, using the same identification as above, when they sell either in a way other than in an in-person transaction at their registered retail locations (e.g., Internet or mail order).

Additionally, the act imposes hemp flower sale restrictions on any person (e.g., individual or entity) who is not a moderate-THC hemp product vendor or licensed cannabis establishment. Specifically, it only allows them to sell hemp flower if they exclusively do so through (1) a direct, in-person exchange on commercial premises or (2) delivery, including through online or mail order sales. Under the act, these in-person sales must:

1. require the seller's assistance, or his or her agent's or employee's assistance, to access hemp flower and
2. maintain all hemp flower behind a sales counter that is either inaccessible to consumers or in a locked container.

The act requires these sellers to ensure that the individual purchasing and receiving the hemp flower is at least age 21 before the purchase and upon delivery. Verification must be done with a valid government-issued driver's license or identity card.

Moderate-THC Hemp Product Vendors and Minimum Sales Threshold (§ 20)

Prior law generally required a person seeking a certificate of registration as a moderate-THC hemp product vendor to submit to DCP an application showing, among other things, (1) for an existing retail location, at least 85% of the location's average monthly gross revenue in the prior year was from retail sales of moderate-THC hemp products to consumers or (2) for a proposed retail location, it was reasonably likely that at least 85% of the average monthly gross revenue would be from these sales. It also had the same sales threshold requirement for renewals. The act allows these percentages to include hemp flower sales.

As under existing law, the DCP commissioner generally cannot issue the certificate unless he has determined that the applicant satisfies, or is reasonably likely to satisfy, the minimum sales threshold.

Relatedly, prior law exempted vendors seeking a certificate from having to satisfy the minimum sales threshold if, among other things, they were actively licensed as a hemp products manufacturer and sold or proposed to sell moderate-THC hemp products they manufactured to consumers at retail. Beyond licensure, the act also requires these vendors to be actively operating as a hemp products manufacturer.

Hemp Flower and Moderate-THC Hemp Product Health Claims (§ 21)

Existing law prohibits manufacturer hemp products (wherever made) from claiming health impacts, medical effects, or physical or mental benefits on any advertising, labeling, or marketing. The act extends this prohibition to moderate-THC hemp products and hemp flower, regardless of where they were manufactured or cultivated.

By law, a violation of this prohibition is a Connecticut Unfair Trade Practices Act (CUTPA, see BACKGROUND) violation.

§§ 2 & 3 — NON-RESIDENT PHARMACY INSPECTION REPORTS

Requires non-resident pharmacies that offer sterile compounded products to submit to DCP inspection reports from certain entities showing they comply with the most recent U.S. Pharmacopeia standards

The act adds and changes reporting requirements for certain non-resident pharmacies and sterile compounding pharmacies that are also non-resident pharmacies.

By law, and for the act's purposes, a "nonresident pharmacy" is any pharmacy located outside Connecticut that ships, mails, or delivers, in any manner, legend devices or legend drugs (i.e. prescription) into Connecticut according to a prescription order (CGS §§ 20-571 & 20-627). A "sterile compounding pharmacy" is a pharmacy or nonresident pharmacy that dispenses or compounds sterile pharmaceuticals (CGS § 20-633b).

EFFECTIVE DATE: January 1, 2026

Reporting Requirements

The act requires each DCP-registered non-resident pharmacy that sells, delivers, or offers sterile compounded products in Connecticut to submit to DCP inspection reports from a government agency or third-party entity with expertise in sterile compounding showing that the pharmacy's program, processes, and facilities comply with the most recent U.S. Pharmacopeia standards in Chapter 797.

The act imposes a similar requirement on sterile compounding pharmacies that are also non-resident pharmacies. Under prior law, each of these pharmacies had to provide DCP with proof that it had passed an inspection in its home state based on U.S. Pharmacopeia standards in Chapters 797, 800, and 825. The act instead requires that each submit to DCP an inspection report from a government agency with regulatory oversight over it, or from a third-party entity with expertise in sterile compounding, showing that it complies with the most recent U.S. Pharmacopeia standards in Chapter 797.

Submission Requirements

Under existing law and the act, the two sets of non-resident pharmacies subject to the above reporting requirements must submit to DCP a copy of their most recent inspection report with their initial applications for a non-resident pharmacy registration with the department. The act specifies that the report must be dated by the inspector with evidence that the inspection was done within six months of the initial application's submission.

The act also sets uniform deadlines for when subsequent inspection reports must be submitted. Under prior law, a copy of the pharmacy's most recent inspection report had to be submitted every two years after the initial application. The act instead requires these pharmacies to submit a new inspection report by June 30 of each even-numbered calendar year after the initial application. Each new inspection report must indicate the inspection occurred during that calendar year and show that the pharmacy remains compliant with the most recent U.S. Pharmacopeia standards in Chapter 797. The act specifies that sterile compounding pharmacies that are also a non-resident pharmacy do not have to submit more than one inspection report during the calendar year after they are issued an initial registration.

Lastly, the act eliminates an alternative under prior law to providing inspections based on U.S. Pharmacopeia standards. It does so by eliminating a provision that allowed sterile compounding pharmacies that were also non-resident pharmacies in a state that did not do inspections based on these standards to give satisfactory proof to DCP that the pharmacy complied with the standards.

§ 4 — CONTROLLED SUBSTANCES

Requires DCP to (1) redesignate marijuana's controlled substance classification if there is a change in its federal classification and (2) designate additional items as controlled substances

Marijuana

Federal law classifies marijuana (cannabis) as a schedule I controlled substance; Connecticut regulations classify it in schedule II. Under the act, if marijuana is federally reclassified as a schedule III, IV, or V controlled substance under the Controlled Substances Act, or if it is unscheduled by the Drug Enforcement Administration or a successor agency, then the DCP commissioner must adopt the federal schedule (see BACKGROUND).

Additional Substances

The act requires the DCP commissioner to amend department regulations to designate the following substances as controlled substances and classify each in the appropriate schedule. The act specifies that the designation may be by whatever official, common, usual, chemical, or trade name applies to the substances. The substances are:

1. 7-hydroxymitragynine;
2. bromazolam;
3. flubromazolam;
4. mitragyna speciosa (kratom), including its leaves, stem, and any extracts;
5. nitazenes, including isotonitazene;
6. tianeptine; and
7. phenibut.

EFFECTIVE DATE: Upon passage

§ 5 — MEDICAL MARIJUANA USE CERTIFICATIONS

Allows a (1) written certification for medical marijuana use to have durations of 6 months, 18 months, or 2 years and (2) caregiver and a person with medical decision-making authority to hear the risks and benefits of medical marijuana use on behalf of a qualifying patient

The act allows a written certification for medical marijuana use to have durations of 6 months, 1 year, 18 months, or 2 years, as determined by the physician, physician assistant (PA), or advanced practice registered nurse (APRN) issuing the certification. Prior law only allowed certifications to last one year.

Relatedly, the act modifies a condition for physicians, PAs, and ARPNs to qualify for protection from certain penalties as a result of providing a written certification for medical marijuana use. Specifically, this condition requires them to explain the potential risks and benefits of medical marijuana to the qualifying patient or certain individuals on behalf of a patient who lacks legal capacity. The act expands the list of these individuals to include the qualifying patient's caregiver and a person with medical decision-making authority for the qualifying patient.

EFFECTIVE DATE: January 1, 2026

§ 5 — MEDICAL MARIJUANA USE TEMPORARY EXTENSIONS AND TEMPORARY WRITTEN CERTIFICATIONS

Allows a licensed dispensary to (1) grant a 90-day extension for an expired written certification for medical marijuana use previously issued by a provider and (2) issue a 90-day temporary written certification without a provider's involvement subject to specific conditions

The act expands the authority of "licensed dispensaries," which, by law, are licensed pharmacists employed by a marijuana dispensary facility or hybrid retailer (CGS § 21a-408). Under prior law, only a physician, PA, or APRN could issue a written certification for a patient's medical marijuana use. The act allows a licensed dispensary to grant a temporary extension, of up to 90 days, for an expired certification issued by one of these providers. The dispensary may do so as part of his or her employment on the dispensary facility or hybrid retailer's premises.

Subject to certain requirements, the act also allows a licensed dispensary to issue his or her own temporary written certification for up to 90 days. As under existing law for PA- or APRN-issued certifications, the act prohibits a licensed dispensary from issuing a temporary written certification to a person for glaucoma.

EFFECTIVE DATE: January 1, 2026

Dispensary-Issued Temporary Certifications

Criteria. The dispensary, as part of his or her employment on the dispensary facility's or hybrid retailer's premises, may issue a temporary written certification for a patient's medical marijuana use if the dispensary has:

1. reasonably determined, after reviewing the patient's medical history, that the patient is at least age 18 and has a debilitating medical condition (other than glaucoma);
2. done an in-person assessment at his or her employer's premises; and
3. reviewed DCP's electronic prescription drug monitoring program and verified that no other licensed dispensary had prescribed or dispensed marijuana to the patient during the prior year.

Form. Under the act, each temporary written certification must be in a DCP-prescribed form and include a statement, signed and dated by the licensed dispensary, saying that it is his or her professional opinion that the:

1. patient produced sufficient proof that he or she has a debilitating medical condition and
2. potential benefits the patient would derive from medical marijuana likely outweigh the health risks.

Fee. The act allows a licensed dispensary (or the dispensary facility or hybrid retailer that employs him or her) to impose a fee of up to $25 for a temporary written certification. It prohibits them from imposing any other fee connected to these certifications.

Documentation. A licensed dispensary that issues a temporary written certification must keep all related patient assessment and eligibility documentation for at least three years after issuing the certification. The documentation must be organized and maintained in (1) hard copy at the premises where the in-person assessment was done or (2) an electronic system the licensed dispensary can readily access.

The act requires these dispensaries to ensure that all patient assessment and eligibility documentation is made readily available to DCP and to submit any documentation to the department, in a DCP-set form and manner, within 48 hours after the department requests it.

Protection From Punishment. The act prohibits a licensed dispensary from being arrested, prosecuted, or otherwise penalized, including being subject to civil penalties, or denied any right or privilege, such as being disciplined by the pharmacy commission or another professional licensing board, for issuing a temporary written certification. The dispensary is immunized if he or she has:

1. reasonably determined, after reviewing the patient's medical history, that the patient is at least age 18 and has a debilitating medical condition (other than glaucoma) and
2. explained the potential risks and benefits of medical marijuana to the patient and, if the patient lacks legal capacity, to a parent, guardian, or person having legal custody of, or legally authorized to make medical decisions for, the patient.

§§ 6, 8 & 18 — TEMPORARY CANNABIS OPERATOR LICENSE AND AUTHORIZED REPRESENTATIVES

Establishes a temporary cannabis operator license for a court appointee to operate a cannabis establishment up to 60 days or more upon DCP approval; requires certain individuals appointed as an authorized representative to be licensed as a key employee

The act sets additional procedures in the Responsible and Equitable Regulation of Adult-Use Cannabis Act (RERACA) for instances when an unlicensed third party, such as a receiver, takes over management of a cannabis establishment. It also establishes a temporary cannabis operator license and requires certain other individuals appointed as an authorized representative to be licensed as a key employee.

EFFECTIVE DATE: July 1, 2025

Temporary Cannabis Operator License (§ 8)

The act allows DCP, upon receiving a complete application and fee payment, to issue a temporary cannabis operator license to a court appointee to operate a cannabis establishment for up to 60 days. The DCP commissioner may allow a longer period if he deems it reasonably necessary to allow the orderly disposition of (1) the establishment in a court supervised proceeding or (2) any delinquencies or deficiencies the court identifies.

Under the act, a "court appointee" is a person appointed or designated as part of a court supervised proceeding to exercise court oversight of a cannabis establishment's property, assets, management, or operations, and includes, a receiver, custodian, guardian or trustee, or the executor or administrator of an estate.

DCP Recommendation. Under the act, DCP may recommend a person to any state court to be appointed or designated as the court appointee for any court supervised proceeding. Each court appointee licensed as a temporary cannabis operator must comply with all applicable provisions in state statutes, regulations, policies, and procedures.

Application. The act requires a court appointee to apply to DCP, in a commissioner-prescribed form and manner, for a temporary cannabis operator license. The application must include:

1. the court appointee's contact information;
2. proof that the appointee has been appointed or designated to exercise court oversight of the relevant cannabis establishment's property, assets, management, or operations;
3. the requested duration of the temporary license; and
4. a summary of the circumstances that led to the application.

Regardless of any other state law, the act specifies that a court appointee who applies for a temporary cannabis operator license is not required to submit to or pass a criminal history records check or financial history check.

The act requires each application submitted to DCP to be accompanied by a nonrefundable $500 fee, which must be paid to the state treasurer and credited to the General Fund.

Extension. The act allows a court appointee to submit an extension request to DCP, in a commissioner-prescribed form and manner. The department may grant an extension if the commissioner determines, in his discretion, that the extension is reasonably necessary to allow for resolution of the court supervised proceeding.

Reasons for Not Issuing or Extending, or Revoking, License. Under the act, the commissioner may refuse to issue or extend, or revoke, a temporary cannabis operator license:

1. if the court appointee does not begin operating the cannabis establishment immediately after the license is issued (or does not propose to do so), unless the commissioner, in his discretion and in writing, waives the requirement and extends the period for the appointee to begin operating it;

2. for sufficient cause, as set by the laws governing adult-use cannabis (e.g., furnishing false or fraudulent information in an application);
3. if the court appointee operates the establishment in violation of any applicable state statute, regulation, policy, or procedure; or
4. if the temporary license's term has expired.

Authorized Representatives (§ 18)

The act requires certain authorized representatives who temporarily engage in the control, management, or operation of a cannabis establishment to get a key employee license from DCP. This applies when a bank or certain other entities that provided nonequity financing to the establishment but are not "backers" of it (see § 7 below) appoint this representative due to a failure to comply with the terms of a security instrument created by a security interest.

The authorized representative must apply for a key employee license according to existing procedures, except that he or she is not required to submit to a state and national criminal history records check.

These requirements do not apply to court appointees under the act.

§§ 6 & 9 — CANNABIS ESTABLISHMENT SIGNAGE

Requires DCP to develop standardized signage to allow anyone to determine if a cannabis establishment is licensed; requires establishments to display this signage; prohibits certain actions related to the signs and makes violations a CUTPA violation

The act requires DCP, as part of RERACA, to develop standardized signage with a quick response code or comparable electronic identifier that allows any person to determine whether the cannabis establishment displaying the sign has an active DCP-issued license.

Under the act, each cannabis establishment must display this standardized signage in a department-prescribed form and manner.

The act prohibits (1) establishments from displaying the sign in any other way and (2) any other person or establishment from displaying the standardized sign or substantially similar signs that incorrectly indicate the person or establishment holds an active DCP cannabis establishment license.

The act deems violations a violation of CUTPA (see BACKGROUND). Additionally, a cannabis establishment that violates the signage requirement is subject to additional license penalties (e.g., suspension or revocation).

EFFECTIVE DATE: July 1, 2025

§§ 6 & 10 — CANNABIS ESTABLISHMENT NONRENEWAL NOTICES AND REINSTATEMENTS

Requires cannabis establishments to submit a nonrenewal notice to DCP at least 30 days before the license expires; allows DCP to reinstate licenses for 90 days after the license expires, upon payment of the renewal and late fees

The act makes two changes to RERACA concerning cannabis establishment licensing. Under the act, if a cannabis establishment decides not to renew its license, it must submit a nonrenewal notice to DCP, in a commissioner-prescribed form and manner, to coordinate efforts to dispose of any cannabis it may possess when the license expires. The establishment must submit this notice at least 30 days before the license expires.

The act prohibits a lapsed cannabis establishment license holder from (1) engaging in any activity that requires a license or (2) possessing any cannabis on the lapsed cannabis establishment premises.

Additionally, under the act, if DCP does not receive a complete license renewal application from a cannabis establishment before its license expires, DCP may accept a license reinstatement application from the establishment for 90 days after the expiration date. If DCP accepts a reinstatement application, the applicant must:

1. pay to the department the current year's license renewal fee and a 10% late fee and
2. submit a signed statement, in a commissioner-prescribed form and manner, attesting that the applicant did not engage in any activity in Connecticut that required an active cannabis establishment license while the license was lapsed.

DCP may, in its discretion, reinstate the lapsed license for an applicant that has satisfied the act's reinstatement requirements. If the reinstated license was issued to a social equity applicant, the period the license was lapsed does not count toward the time the applicant was licensed for the purposes of ownership and control requirements. (Existing law prohibits certain ownership changes in an equity joint venture's first seven years.)

EFFECTIVE DATE: July 1, 2025

§§ 6, 22 & 27 — CANNABIS REPORTS

Modifies RERACA-related reporting DCP must give the governor and the General Law Committee quarterly until October 1, 2026

The act modifies RERACA-related reporting DCP must give to the governor and the General Law Committee quarterly until October 1, 2026. It does so by repealing an existing law and replacing it with a similar one. By comparison to the repealed law, the act does the following:

1. extends by one month the due date for each report (for example, requiring the first report in 2026 by February 1 instead of January 1);
2. eliminates the requirement that the number of final licenses by DCP under RERACA be broken down by county, but still requires it to be broken down by town;
3. limits the prior requirement to report the mechanism DCP used to issue each license to only final licenses;
4. eliminates the requirement that DCP include a good faith estimate on anticipated increases in the number of cannabis establishments during the next calendar year; and
5. adds a requirement that DCP include a chart for the previous four fiscal quarters showing the change in the number of cannabis establishment licenses issued for each license type per fiscal quarter.

Like prior law, the act requires DCP to submit the report to the governor and the General Law Committee and include the number of applicants that were selected from the lottery and provisional licenses, broken down by license type.
EFFECTIVE DATE: July 1, 2025, except the repealer is effective June 30, 2025.

§ 7 — BANK EXCLUSION

Excludes certain financial institutions that provide non-equity financing and do not directly control or manage a cannabis establishment from being considered a backer

By law, a cannabis establishment "backer" is generally any individual with a direct or indirect financial interest in a cannabis establishment. RERACA regulates backers by, among other things, generally requiring them to be licensed by DCP (CGS § 21a-421). The act excludes certain financial institutions that provide non-equity financing to a cannabis establishment and do not directly participate in the establishment's control, management, or operation from being considered a "backer."

Specifically, the act excludes any bank, bank and trust company, bank holding company, Connecticut bank, Connecticut credit union, federal bank, federal branch, federal credit union, financial institution, foreign bank, holding company, out-of-state bank, out-of-state credit union, out-of-state trust company, savings and loan association, savings bank, or savings and loan holding company, as defined under the state's banking laws, and their wholly-owned subsidiaries.

Under existing law, "control" is the power to direct, or cause the direction of, a cannabis establishment's management and policies, regardless of whether this power is possessed directly or indirectly (CGS § 21a-420).
EFFECTIVE DATE: Upon passage

§ 11 — CANNABIS ESTABLISHMENT LICENSE APPLICATIONS AND CERTIFICATES OF OCCUPANCY AND PREMISES SECURITY

Specifies that some of the evidence required for a final cannabis establishment license (1) must be evidenced by certain local building official approvals and (2) only applies to security requirements related to the establishment's premises

Existing law requires applications for final cannabis establishment licenses to include evidence of a right to occupy the location where the establishment operations will be located. The act specifies that this must be evidenced by a certificate of occupancy, temporary certificate of occupancy, or a substantively similar written approval from the local building official showing that the premises to be occupied are substantially complete.

Another existing requirement is providing evidence of all other DCP-set security requirements based on license type. The act specifies that the security requirements are only for those related to the premises.
EFFECTIVE DATE: July 1, 2025

§§ 12-14 — SELLING, TRANSPORTING, OR TRANSFERRING CANNABIS

Allows certain cannabis establishments to sell, transport, or transfer cannabis or cannabis products to every type of cannabis establishment rather than just certain specified ones

The act expands the entities to whom certain cannabis establishments may sell, transport, or transfer their cannabis or cannabis products. Under prior law, only the following licensees could sell, transport, or transfer cannabis or cannabis products to these specified entities:

1. micro-cultivators to a dispensary facility, hybrid retailer, retailer, delivery service, food and beverage manufacturer, product manufacturer, or product packager (§ 12) and
2. retailers and hybrid retailers to a delivery service (§§ 13 & 14).

The act instead allows these licensees to sell, transport, or transfer to every type of entity considered to be a "cannabis establishment" (see definition in §§ 1, 20 & 21 above). As under existing law, these licensees may also sell, transport, or transfer cannabis or cannabis products to a cannabis testing laboratory or research program.
EFFECTIVE DATE: Upon passage

§§ 15-17 — ELIMINATION OF MINIMUM DISTANCE PROHIBITION

Allows certain equity joint ventures to be located within 20 miles of each other even if they share certain backers or owners

The act allows certain equity joint ventures to be located within 20 miles of each other even if they share certain backers or owners. It does so by eliminating prior law's prohibition against this.

Prior law prohibited equity joint ventures that are retailers or hybrid retailers from being located within 20 miles of each other if (depending on the license type) they share a common (1) cultivator backer or owner, (2) producer backer or owner, (3) dispensary facility backer or owner, or (4) hybrid retailer backer or owner.
EFFECTIVE DATE: January 1, 2026 (PA 25-175, § 2, moves up the effective date for the provision on shared cultivator backers or owners to July 1, 2025.)

§§ 19 & 23-26 — TECHNICAL CHANGES

Makes technical changes

The act makes technical changes to (1) correct certain statutory citations (§ 19) and (2) the definition of opioid drug in various statutes (§§ 23-26). (PA 25-168, §§ 117-120, make the same opioid drug definition changes.)
EFFECTIVE DATE: Upon passage

BACKGROUND

CUTPA

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the DCP commissioner, under specified procedures, to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than $10,000, impose civil penalties of up to $5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to $5,000 for willful violations and up to $25,000 for a restraining order violation.

Schedule of Controlled Substances

Controlled substances are grouped in Schedules I through V, according to their decreasing tendency to promote abuse or dependency. Schedule I substances, most of which do not have any approved medical use, are the most strictly controlled because of their high potential for abuse. State and federal laws authorize prescribing drugs on Schedules II through V.

PA 25-111—sSB 1357
General Law Committee
Judiciary Committee

AN ACT CONCERNING THE DEPARTMENT OF CONSUMER PROTECTION'S RECOMMENDATIONS REGARDING VARIOUS STATUTES CONCERNING CONSUMER PROTECTION

TABLE OF CONTENTS:

§§ 1-4 — ARCHITECT MARKETING AND EDUCATION

Expressly limits the use of certain architecture-related terms to licensed architects; requires those who may perform specific architecture functions without a license to indicate they are not architects on certain documents; adjusts continuing education requirements for architects, including allowing a civil fine for failing to comply with them

§ 5 — REAL ESTATE GUARANTY FUND

Makes changes regarding applications to, and procedures of, the Real Estate Guaranty Fund

§§ 6 & 7 — LICENSE EXAMS FOR CERTAIN WORK AND STOP WORK ORDERS

Allows certain qualified individuals to take an exam for specific trade licenses without completing an apprenticeship program; permits DCP to issue stop work orders against people doing work without those licenses and others

§ 8 — MAJOR CONTRACTORS

Specifies that no additional proof is required beyond prequalification to qualify for the major contractor registration

§§ 9 & 10 — NEW HOME CONSTRUCTION GUARANTY FUND

Expands when someone may recover from the fund and increases the maximum award

§§ 11-13 — COMMUNITY ASSOCIATION MANAGERS

Limits which licensees do not need to register as community association managers and requires managers to make certain disclosures

§§ 14-18 — CLOSING-OUT SALES

Changes various requirements for licensing and conducting closing-out sales

§§ 19-21 — MOBILE MANUFACTURED HOME PARKS

Requires mobile manufactured home park owners to maintain septic systems and related items in good working order

§§ 22 & 23 — DCP INVESTIGATIVE POWERS

Allows DCP to (1) inspect and document with audio or visual means when inspecting a premises for a suspected violation of a DCP-related law and (2) be given copies of certain documents upon request

§ 24 — VENDING MACHINE OPERATORS

Makes minor changes to DCP procedures on vending machine operator licensees

§ 25 — FROZEN DESSERT MANUFACTURERS

Replaces various notice and hearing procedures for frozen dessert manufacturers with UAPA procedures

§ 26 — FOOD FACTORY, WAREHOUSE, OR ESTABLISHMENT REINSPECTION FEE

Changes DCP's fee for reinspecting a food factory, warehouse, or establishment from $40 an hour to $175 and adds a fee for a first reinspection

§ 27 — BAKERIES, FOOD MANUFACTURING ESTABLISHMENTS, AND FOOD WAREHOUSES

Allows DCP to place conditions on the license of a bakery, food manufacturing establishment, or food warehouse and modifies the conditions for transporting certain food items

§§ 28-31 — HEALTH CLUB CONTRACTS

Adds to provisions on canceling and voiding health club contracts; requires a notice about the Health Club Guaranty Fund; allows DCP to place conditions and impose a civil penalty on a licensee; increases the maximum award from the fund; makes other changes regarding the fund

§ 32 — DONATION BINS

Requires a public property owner's written consent in order to place a donation bin on the property

§ 33 — DEVICES THAT CONVERT CASH INTO PREPAID CARDS

Establishes conditions for using a device to convert cash into prepaid cards as a means to comply with the law's general requirement to accept cash as payment in retail sales

§§ 34 & 35 — ASSURANCE OF VOLUNTARY COMPLIANCE AND FINAL DECISIONS IN CUTPA CASES

Allows a monetary settlement to be part of an assurance of voluntary compliance in CUTPA cases; eliminates a requirement that DCP send a copy of a final decision by certified mail; allows, rather than requires, issuance of a cease and desist order

§§ 36-39 — HOME SOLICITATIONS

Makes minor changes to home solicitation sale cancellation provisions and disclosures, including increasing the required font size and adding a disclosure for electronic deliveries

§ 40 — NEW MOTOR VEHICLE LEMON LAW REQUIREMENT

Requires manufacturers to submit to DCP evidence of a required change to a motor vehicle title under the New Motor Vehicle Lemon Law; allows DCP to impose fines for failing to do so

§ 41 — AUTOMATIC RENEWAL AND CONTINUOUS SERVICE

Requires consideration of whether records of consent to renewal or continuous service comply with laws on recording phone calls and eavesdropping

§§ 42 & 43 — MOTOR VEHICLE PRICES AND CERTAIN ADD-ON FEES

Requires fees, charges, and costs for add-on consumer goods or services to be included in the total price and separately stated in the advertised or quoted price of a motor vehicle

§§ 44 & 45 — SELLER AND LESSOR EXPRESS WARRANTIES UNDER THE UNIFORM COMMERCIAL CODE

Changes which sellers and lessors create express warranties under the UCC; adds an express warranty from a seller's or lessor's promise to repair or replace; makes additional changes

§ 46 — TECHNICAL CHANGE

Makes a technical change

§ 47 — EXPERT WITNESSES

Expands when public officials, state employees, and their immediate family members can work as expert witnesses for the attorney general

§§ 48-54 — CHARITABLE ORGANIZATIONS

Makes a number of changes to the laws on charitable organizations and solicitations

§ 55 — RECORDING REAL ESTATE LISTING AGREEMENTS

Changes a requirement for recording certain real estate listing agreements

§ 56 — UMBILICAL CORD BLOOD INFORMATION

Eliminates a requirement for certain health care providers to provide information about umbilical cord blood

§ 56 — MECHANICAL CONTRACTORS

Eliminates mechanical contractor provisions on registration, investigations, and fines for working without a registration

SUMMARY: This act makes various changes to the consumer protection statutes, as described in the section-by-section analysis below.
EFFECTIVE DATE: Upon passage, unless otherwise noted below.

§§ 1-4 — ARCHITECT MARKETING AND EDUCATION

Expressly limits the use of certain architecture-related terms to licensed architects; requires those who may perform specific architecture functions without a license to indicate they are not architects on certain documents; adjusts continuing education requirements for architects, including allowing a civil fine for failing to comply with them

Limits on Indicating Practice of Architecture

The law allows only licensed architects to use the title "architect" or use any words or items that indicate they practice or offer to practice architecture. The act specifies that using the terms "architectural design," "architectural services," and "architectural drawings" is prohibited unless used by a licensed architect.

The act expressly applies these same restrictions to certain people who, under existing law, may perform certain architecture-related activities without an architect license. More specifically, it applies to the following individuals:

1. licensed professional engineers practicing engineering and incidental architectural work they are qualified to do;
2. a person constructing or altering a (a) residential building to provide dwelling space for up to two families, (b) private garage or accessory building for use with a residential building, or (c) farm building or agricultural structure;
3. a person who prepares details or shop drawings for work he or she is executing as long as any building is designed according to architecture requirements;
4. supervised employees of licensed architects;
5. builders or their superintendents who are superintending construction or structural alteration of buildings or structures;
6. officers and employees of a public utility corporation under the Public Utilities Regulatory Authority's jurisdiction;
7. federal officers or employees practicing architecture for the federal government; and
8. someone who makes plans and specifications or supervises the erection or alteration of certain buildings with less than 5,000 square feet of total area.

Additionally, the act requires all these individuals, other than the federal officers and employees, to clearly and conspicuously include on all contracts, advertisements, promotional materials, plans, and specifications the statement "NOT A LICENSED ARCHITECT," unless the individual is one.

By law, knowingly, willfully, or intentionally violating these provisions is punishable by up to 364 days in prison, a fine of up to $500, or both (CGS §§ 20-297 & 53a-36a).

Continuing Education

By law, to renew their license, architects must complete 12 hours of continuing professional education during a 12-month period that begins three calendar months before their annual license expires. The act:

1. delays this continuing education requirement until after a licensed architect's first license renewal;
2. specifies that a registered architect emeritus (someone at least age 65 who has been a Connecticut-licensed architect for at least 10 years and is not practicing architecture) is not required to complete continuing education; and
3. allows the Architectural Licensing Board in a written decision to excuse a licensed architect from the continuing

education requirement due to health, military service, or other individual hardship if the licensee otherwise meets the license renewal requirements (the act makes this decision final and not appealable to the Department of Consumer Protection (DCP)).

The law applies different penalties to those who do not comply with the continuing education requirements on time, based on how long it takes them to do so. By law, failing to comply for more than 26 weeks after the 12-month period can result in license suspension, revocation, or renewal denial. The act also allows a civil penalty of up to $1,000.

§ 5 — REAL ESTATE GUARANTY FUND

Makes changes regarding applications to, and procedures of, the Real Estate Guaranty Fund

By law, the Connecticut Real Estate Commission can compensate claimants up to $25,000 from the Real Estate Guaranty Fund for harm caused by certain bad acts by real estate licensees or their unlicensed employees. The act eliminates provisions (1) requiring someone who starts an action that might result in a payment from the fund to give the commission or DCP written notice about the action; (2) making the notice toll the time to apply for payment from the fund; and (3) allowing the commission or DCP to appear, intervene in, or defend in the action and waive the required notice for good cause.

The act extends the circumstances when someone can apply to the fund and changes how applications are administered. Existing law allows a person with a court judgment against a licensee or a licensee's unlicensed employee to apply for payment from the fund for any unpaid amount. The act also allows a person to apply based on a binding arbitration or administrative decision or court order or decree. Prior law required applicants to apply to the commission. The act instead requires them to apply to DCP and requires it to perform all of the functions related to determining whether to make a payment from the fund. The act also eliminates the application hearing requirement.

Additionally, the act changes a related penalty. By law, the person who was the subject of a claim for payment from the fund cannot receive a new license until repaying the amount paid by the fund for the claim plus interest. The act sets the interest charge at 10% instead of requiring the commission to set an interest rate reflecting market rates.

The act also makes technical and conforming changes.

§§ 6 & 7 — LICENSE EXAMS FOR CERTAIN WORK AND STOP WORK ORDERS

Allows certain qualified individuals to take an exam for specific trade licenses without completing an apprenticeship program; permits DCP to issue stop work orders against people doing work without those licenses and others

Under existing law, DCP must allow someone who did not participate in a Labor Department-registered apprenticeship program to take the exam for a license issued by certain boards if the applicant has demonstrated to the labor commissioner military training equal to a registered apprenticeship program. The act additionally lets someone take an exam without completing a registered apprenticeship program if he or she demonstrates to DCP, in consultation with the appropriate licensing board, equivalent experience and training. This change applies to licenses issued by the examining boards for electrical work; plumbing and piping work; heating, piping, cooling, and sheet metal work; elevator installation, repair, and maintenance work; fire protection sprinkler systems work; and automotive glass work and flat glass work (CGS § 20-331).

The act also codifies existing practice requiring applicants to submit evidence that they successfully completed their license exam within two years before filing an initial license application, unless the appropriate board grants the applicant a hardship extension.

The act also specifies that an examination can be given by someone authorized by DCP and makes technical changes.

Violations and Stop Work Orders

The act allows DCP to issue a notice of violation against a person after an inspection for:

1. offering or doing work that requires one of the credentials described above without having it;
2. failing to comply with hiring ratios for apprentices, journeypersons, and contractors that apply to specified trades (such as electrical and plumbing);
3. failing to get an apprentice registration certificate as required by law; or
4. failing to get a permit as required by law.

If DCP finds that a person has not corrected the violations listed in a notice, the act allows DCP to issue a stop work order requiring the person to stop practicing the credentialed trade or occupation at the location identified in the notice. The order takes effect when served either directly to the person or by U.S. mail with delivery tracking, by email with tracking

and delivery confirmation, or by posting a notice in a conspicuous location at the place that is the subject of the order. The order stays in effect until (1) the person complies with the requirements in the notice and (2) DCP issues an order releasing the order after a hearing or decision.

Under the act, DCP may fine someone who does not comply with a stop work order up to $500 per violation per day. The fine is imposed when written notice is given to the person and is due within 15 days after receiving notice. Money from fines must be deposited in the consumer protection enforcement account (which funds DCP's enforcement of licensing and registration laws).

A person with a credential who receives a stop work order notice can request in writing an administrative hearing to contest the stop work order and fine within 15 days after receiving the notice. A request for a hearing does not toll the stop work order or fine unless the commissioner or his representative orders it. The hearing must be held following the Uniform Administrative Procedure Act (UAPA).

Similarly, a person without a credential may petition DCP in writing to lift a stop work order within 15 days after receiving the order, and the petition does not toll the order or fine unless ordered by the commissioner or his representative. But the petition must ask the commissioner to lift the order because of:

1. an error of fact or law;
2. newly discovered evidence that materially affects the basis for the order, if there are good reasons that it was not given to DCP when the person received the notice of violation; or
3. other good cause.

The act deems DCP's decision or failure to issue a decision within 15 days after receiving a petition from an unlicensed person a final decision that can be appealed to court.

The act allows DCP to apply to court for, and the attorney general to pursue, a temporary restraining order, temporary injunction, or permanent injunction to comply with the stop work order and other relief until the person obeys the stop work order. The act makes violating the court's order contempt of court.

EFFECTIVE DATE: Upon passage, except the stop work order provisions are effective October 1, 2025.

§ 8 — MAJOR CONTRACTORS

Specifies that no additional proof is required beyond prequalification to qualify for the major contractor registration

By law, DCP must issue a major contractor registration to someone who is prequalified by the Department of Administrative Services to act as a contractor or subcontractor on public works projects. The act specifies that no additional proof, beyond demonstrating prequalification, is required to qualify for the major contractor registration.

EFFECTIVE DATE: July 1, 2025

§§ 9 & 10 — NEW HOME CONSTRUCTION GUARANTY FUND

Expands when someone may recover from the fund and increases the maximum award

The act allows a consumer to recover from the New Home Construction Guaranty Fund unpaid amounts under a binding arbitration decision, or court judgment, order, or decree against a proprietor, in addition to recovering from a new home construction contractor as allowed by existing law.

Under the act, a "proprietor" is someone who has (1) an ownership interest in an entity that holds or held a new home construction contractor certificate of registration and (2) been found by a court to have violated the licensing laws for new home construction contractors because of the conduct of an entity that holds a certificate or has held one within two years from when it entered a contract with an owner harmed by the individual's or entity's actions.

The act also increases, from $30,000 to $50,000, the maximum award payable from the fund. The act makes conforming changes to make the fund process applicable to claims involving proprietors. Beginning upon passage, the act extends the provision allowing a consumer to apply for payment from the fund based on certain restitution orders against a contractor to the same circumstances and restitution orders involving proprietors.

The act specifies that when DCP orders payment from the fund, the contractor and proprietor are liable for the debt to the fund.

The act makes other technical and conforming changes to apply fund procedures to proprietors.

Related Act

PA 25-53, §§ 5 & 6, contains similar provisions on the New Home Construction Guaranty Fund and changes how amounts in the fund that exceed certain thresholds are used.

§§ 11-13 — COMMUNITY ASSOCIATION MANAGERS

Limits which licensees do not need to register as community association managers and requires managers to make certain disclosures

Registration

The act limits which occupational licensees providing their services to an association are not required to register as a community association manager. Previously, anyone licensed in Connecticut under statute or court rules who provided services to an association under their license for pay was not considered to be providing association management services that required registration. The act limits this registration exemption to Connecticut-licensed attorneys, certified public accountants, and insurance producers who provide services to an association for a fee. The act also specifies that a person providing administrative support services to a community association manager does not have to register as a community association manager.

Disclosures

The act requires a community association manager who contracts with an association to provide association management services to disclose to the association in clear, conspicuous writing:

1. whether the manager has an ownership or managerial interest in an entity that solicits business from the association or manager and
2. how much the manager will charge for construction oversight or project coordination services if the manager must provide these services and they are not covered by the manager's contract.

As with other violations by community association managers, violating this provision violates the Connecticut Unfair Trade Practices Act (CUTPA) (see BACKGROUND).

The act also makes minor, technical, and conforming changes.

EFFECTIVE DATE: Upon passage, except the disclosure provisions are effective October 1, 2025.

§§ 14-18 — CLOSING-OUT SALES

Changes various requirements for licensing and conducting closing-out sales

The act eliminates requirements that (1) a person conducting a closing-out sale deposit with DCP the greater of $500 or 1% of the wholesale cost of the inventory on hand in the place where the sale will be held, up to $5,000, and (2) DCP use the deposit to pay certain claims and fines or penalties related to the sale and return remaining funds to the licensee or the person designated by the licensee.

It also eliminates requirements to (1) file closing-out sale license application documents under oath and (2) include in the application the reasons for and character of the sale, an inventory of and information about the items on hand where the sale will be held, and the names and residences of owners or partners related to the sale. The act instead requires the application to be done in a form and way set by DCP and include an attestation that the applicant is not delinquent on state or local taxes.

The act also eliminates related provisions that a sale cannot include any items other than those in the inventory and that an extension of the time period permitted for a sale must include a revised inventory.

If the applicant uses a promoter for the sale, the act no longer requires submitting a copy of the applicant's agreement with the promoter, but instead requires including the promoter's name and license number in the application.

The act eliminates a requirement that a licensee file a monthly report with DCP on items sold or disposed of as part of the sale.

It also eliminates a requirement to return a license to DCP, and a related process for dealing with a lost or destroyed license that cannot be returned to DCP when it expires.

By law, a person with a state license must also apply for a municipal closing-out sale license. The act eliminates a requirement that town clerks, when all local license fees are paid, record the state license.

The act also makes technical changes.

§§ 19-21 — MOBILE MANUFACTURED HOME PARKS

Requires mobile manufactured home park owners to maintain septic systems and related items in good working order

The law imposes certain requirements on a mobile manufactured home park owner related to the park's tenants, such as complying with relevant codes and laws; exterminating pests; and maintaining common areas, any utilities provided, and water and sewer lines. The act additionally requires the owner to maintain septic systems, leaching fields, and septic lines and connections in good working order and to make necessary arrangements for temporary septic service if there is an emergency.

As with certain other owner obligations, the act specifies that a (1) rental agreement cannot permit receipt of rent for any period when the park owner fails to comply with the act's requirements for septic systems and it materially affects the health and safety of residents or materially affects habitability and (2) tenant can file a lawsuit based on the owner's failure to perform his or her legal duties.

The act also makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2025

§§ 22 & 23 — DCP INVESTIGATIVE POWERS

Allows DCP to (1) inspect and document with audio or visual means when inspecting a premises for a suspected violation of a DCP-related law and (2) be given copies of certain documents upon request

The law authorizes DCP to access premises, except for homes and apartments that do not have any boarders, at reasonable times to investigate a suspected violation of a DCP-related law. The act specifies that this includes authority for DCP to (1) inspect and document by audio or visual means and (2) on request, be given copies of accounts, records, signs, and other documents related to a suspected violation unless prohibited by other law.

The act makes technical and conforming changes regarding the powers of DCP and its boards and commissions.

§ 24 — VENDING MACHINE OPERATORS

Makes minor changes to DCP procedures on vending machine operator licensees

The act makes minor changes by replacing various notice and hearing procedures related to vending machine operator licensees with those under the UAPA.

By law, a DCP order on preparation or transportation of food or beverages for vending machine use is rescinded when the conditions in the order are corrected. The act specifies that DCP determines whether that occurred.

§ 25 — FROZEN DESSERT MANUFACTURERS

Replaces various notice and hearing procedures for frozen dessert manufacturers with UAPA procedures

The act makes minor changes by replacing various notice and hearing procedures related to frozen dessert manufacturer licensees with those under the UAPA.

§ 26 — FOOD FACTORY, WAREHOUSE, OR ESTABLISHMENT REINSPECTION FEE

Changes DCP's fee for reinspecting a food factory, warehouse, or establishment from $40 an hour to $175 and adds a fee for a first reinspection

The act changes the fee DCP charges when it reinspects a food factory, warehouse, or establishment previously found to have violated the laws on food, drugs, and cosmetics. It changes the reinspection fee to $175 instead of (1) $40 per hour or (2) free for a first reinspection that results in a determination of compliance.

EFFECTIVE DATE: October 1, 2025

§ 27 — BAKERIES, FOOD MANUFACTURING ESTABLISHMENTS, AND FOOD WAREHOUSES

Allows DCP to place conditions on the license of a bakery, food manufacturing establishment, or food warehouse and modifies the conditions for transporting certain food items

The act allows DCP to put conditions on the license of a bakery, food manufacturing establishment, or food warehouse for violating the laws governing them, in addition to the actions already permitted by law.

The act also makes minor changes by replacing various procedures related to these licensees with those under the UAPA.

Prior law required vehicles used to transport bakery, food manufacturing establishment, or food warehouse products to be sanitary and have the relevant name and address printed on both sides of the vehicle. The act instead requires compliance with the sanitary transportation requirements of the regulation adopted under the federal Food Safety Modernization Act for any vehicle used in transporting food for human consumption, including those listed in prior law.

It requires compartments containing any food for human consumption to be enclosed as required by DCP, not just unwrapped bakery, food manufacturing establishment, or food warehouse products as previously required.

§§ 28-31 — HEALTH CLUB CONTRACTS

Adds to provisions on canceling and voiding health club contracts; requires a notice about the Health Club Guaranty Fund; allows DCP to place conditions and impose a civil penalty on a licensee; increases the maximum award from the fund; makes other changes regarding the fund

Written Statement of Cancellation

The law allows someone to cancel a health club contract in writing within three business days. The act requires a health club or its agent, within 10 business days after receiving the person's cancellation notice, to give the person a written statement confirming the cancellation and stating when it is effective.

Contract Provisions

The law requires health club contracts to include certain provisions addressing situations when a buyer moves, dies, or becomes disabled or the health club closes. The act additionally requires a contract to include the option for the buyer to void the contract prospectively if the (1) health club no longer offers facilities or amenities substantially similar to those offered when the contract was entered into or (2) services under the contract are no longer available or are substantially unavailable because club operations have permanently discontinued or there is a substantial change in operations at the location the buyer primarily uses (the location the buyer designated in the contract as the buyer's preferred location or, if none, the one the buyer most frequented in the prior calendar year).

Contract Statement About Guaranty Fund

The act adds the following notice about the Connecticut Health Club Guaranty Fund to the required statement about the right to cancel that must be prominently placed at the top of a contract.

"NOTICE OF GUARANTY FUND

The Connecticut Health Club Guaranty Fund is administered by the Department of Consumer Protection to protect consumers who have a health club contract with a club that closes down or moves. If a health club is no longer operating at the location where you entered into the contract, you may be eligible for reimbursement through the fund. For further information, and to apply to the fund, please visit (insert Department of Consumer Protection's Internet web site address) or contact the department by phone at (insert Department of Consumer Protection's main telephone number)."

Actions on License

Under existing law, DCP can suspend, revoke, or refuse to grant or renew health club licenses due to violations of the laws and regulations governing them or conduct likely to mislead, deceive, or defraud a buyer, the public, or DCP. The act also allows DCP to (1) place conditions on a license and (2) impose a civil penalty of up to $1,000 per violation on a licensee.

Guaranty Fund

By law, the guaranty fund can make a payment to a buyer when (1) a club is no longer operating at the location where the buyer entered the contract; (2) the buyer's claim is due to a health club's failure to provide services, comply with contract obligations, remain open for the duration of the contract, or comply with the laws governing health club licenses; and (3) the club does not pay a claim.

The act increases, from $75,000 to $125,000, the maximum amount the fund can pay related to the closing of a health club location. By law, when the fund pays a claim against a health club, the club must repay the fund with interest. The act replaces a prior requirement for DCP to set the interest rate with a requirement for a 10% interest rate. It also specifies that when a health club repays the fund, the money must be deposited into the fund.

EFFECTIVE DATE: October 1, 2025

§ 32 — DONATION BINS

Requires a public property owner's written consent in order to place a donation bin on the property

The act requires advance written consent, rather than permission, from the owner of public property or the owner's authorized agent in order to put a donation bin on the property. The act also changes the requirements for the notice that must be on the side of the bin by eliminating the requirement that, if the donation benefits a nonprofit organization, it must state the percentage of the donated items or the proceeds from their sale that the nonprofit organization will receive from the bin's owner.

EFFECTIVE DATE: October 1, 2025

§ 33 — DEVICES THAT CONVERT CASH INTO PREPAID CARDS

Establishes conditions for using a device to convert cash into prepaid cards as a means to comply with the law's general requirement to accept cash as payment in retail sales

By law, someone conducting retail sales in the state, with certain exceptions, cannot (1) refuse to accept cash as payment, (2) post signs saying that cash is not accepted, or (3) charge a higher price for using cash. The act (1) allows them to comply with this requirement by providing customers with a device to turn cash into a prepaid card and (2) excepts other transactions entirely from the requirement.

The prepaid card is allowed as long as the person and the device vendor do not directly or indirectly require:

1. a fee for the initial receipt of the prepaid card or to use the card (including fees to check the card balance, deposit additional funds, or any recurring fees);
2. a minimum deposit above $1;
3. an expiration date for the funds deposited on the prepaid card;
4. a limit on the number of card transactions; or
5. a consumer to give their personally identifiable information (including phone number, email address, or Social Security number) to get the card.

The act also requires:

1. the device to produce a printed receipt with the amount deposited onto the card, when requested, and
2. a retail store to (a) accept cash during any time when a device malfunctions at the store and (b) post a sign at a conspicuous location near the device stating that the store must accept cash if a device malfunctions.

The act excludes from these provisions (1) retail transactions that are conducted in person at a location where no individual is employed to assist a person with the purchase of goods or services and (2) services offered by health care providers and professionals (services requiring licensure or other legal authorization including physicians, architects, real estate brokers, certified public accountants, and attorneys).

The act also allows DCP to adopt regulations to implement these provisions.

§§ 34 & 35 — ASSURANCE OF VOLUNTARY COMPLIANCE AND FINAL DECISIONS IN CUTPA CASES

Allows a monetary settlement to be part of an assurance of voluntary compliance in CUTPA cases; eliminates a requirement that DCP send a copy of a final decision by certified mail; allows, rather than requires, issuance of a cease and desist order

By law, DCP can accept an assurance of voluntary compliance from a person who allegedly committed a CUTPA violation, and an assurance can include restitution to an aggrieved person and an amount for DCP's investigatory costs. The act allows a monetary settlement to be part of an assurance.

The act also eliminates a requirement that DCP send a copy of a decision finding a CUTPA violation by certified mail to the violator and allows, rather than requires, issuance of a cease and desist order for a violation. It also makes minor and technical changes.

§§ 36-39 — HOME SOLICITATIONS

Makes minor changes to home solicitation sale cancellation provisions and disclosures, including increasing the required font size and adding a disclosure for electronic deliveries

The act redefines "business day" for provisions on the right to cancel a home solicitation sale within three business days and seller obligations within 10 business days after cancellation. By law, a business day excludes Sundays, New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day. The act also excludes Saturdays, Martin Luther King, Jr. Day, Lincoln Day, Juneteenth Independence Day, and any day the governor or U.S. president appoints or recommends as a day of thanksgiving, fasting, or religious observance.

The act increases, from 10 to 12 point, the type size required for the right to cancel statement that must be included in home solicitation sale contracts and the notice of cancellation form. It revises the contents of the form to describe much of the same information in a different way.

The act adds, as a condition of an effective home solicitation sale agreement, that the seller provide a business email address and include the following statement if the seller emails or uses another electronic delivery method to provide a digital copy of the agreement:

"PLEASE REVIEW IMPORTANT INFORMATION ABOUT YOUR RIGHT TO CANCEL THIS AGREEMENT IN THE 'NOTICE OF CANCELLATION' BEING PROVIDED TO YOU."

The statement must be immediately adjacent to the body of the message and in at least 12-point type or the same size as the body of the message if the body is larger than 12-point type.

The act also makes related technical and conforming changes.

EFFECTIVE DATE: July 1, 2025

§ 40 — NEW MOTOR VEHICLE LEMON LAW REQUIREMENT

Requires manufacturers to submit to DCP evidence of a required change to a motor vehicle title under the New Motor Vehicle Lemon Law; allows DCP to impose fines for failing to do so

Under certain circumstances, the New Motor Vehicle Lemon Law requires a manufacturer to stamp "manufacturer buyback-lemon" on the title of a motor vehicle and give the Department of Motor Vehicles (DMV) a copy of the title within 30 days. The act requires the manufacturer to also electronically submit evidence to DCP showing that it submitted the copy to DMV within that time period.

By law, DCP can impose a fine of up to $10,000 on a manufacturer who fails to stamp a title as required. The act also allows DCP to impose this fine when the manufacturer does not submit a copy of the title and provide evidence of submission within the specified time.

EFFECTIVE DATE: July 1, 2025

§ 41 — AUTOMATIC RENEWAL AND CONTINUOUS SERVICE

Requires consideration of whether records of consent to renewal or continuous service comply with laws on recording phone calls and eavesdropping

The law prohibits a business that enters a consumer agreement with automatic renewal or continuous service from charging a credit or debit card or other account unless the consumer affirmatively consents to the renewal or continuous service. The act requires a court or agency, when considering whether a business obtained the required consent, to consider whether the business produced a record of consent that complied with the law on recording phone calls and eavesdropping.

The act also excludes agreements with entities regulated by DCP as home improvement contractors from these provisions governing automatic renewal or continuous service and makes various technical and conforming changes.

PA 25-113, §§ 20 & 26, repeals these provisions and replaces them with substantially similar provisions.

EFFECTIVE DATE: October 1, 2025

§§ 42 & 43 — MOTOR VEHICLE PRICES AND CERTAIN ADD-ON FEES

Requires fees, charges, and costs for add-on consumer goods or services to be included in the total price and separately stated in the advertised or quoted price of a motor vehicle

Advertising

The law requires a car dealer's advertised price of a motor vehicle to include the federal tax, delivery costs, dealer preparation fees, and other charges and, in at least eight-point bold type, state (1) the amount of the dealer conveyance or processing fee and (2) that the advertised price does not include the dealer conveyance or processing fee, state or local taxes, and registration fees.

The act also requires the amount of a fee, charge, or cost for add-on consumer goods or services to be included in the advertised price and separately stated as "Additional Fees, Charges and Costs" in at least eight-point bold type.

The act also makes technical and conforming changes.

Quoted Prices

The law requires a car dealer quoting a sale price to separately state the dealer conveyance fee and that the fee is negotiable. The act requires the quote to (1) include any fee, charge, or cost for an optional add-on consumer good or service and (2) separately state the amount of each of these fees, charges, and costs, and that they are negotiable.

The act prohibits printing the dealer's order and invoice forms with fees, charges, and costs for optional add-on consumer goods or services before a discussion with a prospective buyer.

The act also makes technical and conforming changes.

PA 25-113, §§ 21 & 26, repeals these provisions on quoted prices and forms and replaces them with similar provisions.

EFFECTIVE DATE: October 1, 2025

§§ 44 & 45 — SELLER AND LESSOR EXPRESS WARRANTIES UNDER THE UNIFORM COMMERCIAL CODE

Changes which sellers and lessors create express warranties under the UCC; adds an express warranty from a seller's or lessor's promise to repair or replace; makes additional changes

Sellers

The act changes which sellers under the Uniform Commercial Code (UCC) create express warranties that goods provided to a buyer will conform to (1) the seller's affirmation of fact or promise made to the buyer about the goods, (2) a description of the goods, and (3) a sample or model.

Previously, these provisions applied to a seller, who was a person who sold or contracted to sell goods. Under the act, they apply to a person in the business of selling or transferring ownership of goods or contracting to do so. It includes wholesalers, distributers, retailers, and manufacturers. Manufacturers are sellers involved in designing, assembling, or preparing goods before they are sold or distributed to consumers at retail.

The act adds that a seller's affirmation of fact or promise to repair or replace defective goods is an express warranty that the goods will be repaired or replaced.

The act allows a buyer, or a buyer's successor in interest, to bring a claim for breach of an express warranty regardless of whether the buyer or buyer in interest bought the goods directly from or under a sales contract with the seller.

Lessors

The act changes which lessors under the UCC create express warranties that goods will conform to their representations from the seller and that they will conform to a sample or model.

Previously, these provisions applied to a lessor, who was a person who transferred the right to possess and use goods under a lease and could include a sublessor. The act instead applies these provisions to someone engaged in the business of leasing or distributing goods on the condition of their return, or contracting to do so. It includes wholesalers, distributers, retailers, and manufacturers. Manufacturers are lessors involved in designing, assembling, or preparing goods before they are leased or distributed to consumers.

The act adds that a lessor's promise to repair or replace defective goods is an express warranty that the goods will be repaired or replaced.

The act allows a lessee, or a lessee's successor in interest, to bring a claim for breach of an express warranty regardless of whether the lessee or lessee's successor in interest leased the goods directly from or under a contract with the lessor.

EFFECTIVE DATE: October 1, 2025

§ 46 — TECHNICAL CHANGE

Makes a technical change

The act makes a technical change by correcting a statutory citation.

§ 47 — EXPERT WITNESSES

Expands when public officials, state employees, and their immediate family members can work as expert witnesses for the attorney general

Generally, by law, public officials and state employees, their immediate family members, and their businesses cannot enter contracts with the state valued at $100 or more unless the contract is awarded through an open and public process or involves state employment, certain work with the technical education or higher education system, or a court appointment.

The act adds an exemption for work with the attorney general as an expert witness related to litigation or administrative proceedings. The attorney general must file with the Office of State Ethics, in a form and manner set by the office, a disclosure of the (1) expert witness's name, qualifications, and scope of services and (2) date of entering the contract, its start and end date, and its value, if known by the attorney general. The disclosure must occur within 30 days of the earlier of when the expert witness is disclosed or required to be disclosed to an opposing party in the litigation or administrative proceeding related to using the expert witness.

Under the act, an expert witness is someone (1) qualified to testify on scientific, technical, or another specialized matter based on knowledge, skill, experience, training, or education and (2) retained to provide testimony including expert opinions.

EFFECTIVE DATE: October 1, 2025

§§ 48-54 — CHARITABLE ORGANIZATIONS

Makes a number of changes to the laws on charitable organizations and solicitations

The act:

1. specifies that a political action committee organization is not a charitable organization subject to registration and other requirements applicable to charitable organizations (§ 48);
2. eliminates a requirement that charitable organizations file with DCP any contracts they have with a fund-raising counsel 15 days before the counsel performs any services and instead requires the organization to retain a copy of the contract for at least seven years after it expires and give it to DCP on request (§ 50);
3. increases, from $20,000 to $50,000, the amount of the bond that a fund-raising counsel must file with DCP if the counsel has custody or control of contributions from solicitations (§ 50);
4. requires paid solicitors to file financial reports about a solicitation campaign with DCP sooner, within 45 instead

of 90 days after the campaign's completion (§ 51);
5. prohibits a charitable organization or person conducting its affairs from engaging in nonfinancial conduct unrelated to the organization's charitable purpose or that jeopardizes or interferes with the ability to achieve that purpose (the law already prohibits engaging in financial transactions under these circumstances) (§ 52);
6. eliminates a prohibition on an organization expending an unreasonable amount of money on solicitation (§ 52); and
7. makes clarifying, minor, and technical changes.

EFFECTIVE DATE: October 1, 2025

§ 55 — RECORDING REAL ESTATE LISTING AGREEMENTS

Changes a requirement for recording certain real estate listing agreements

The act makes a change to the types of real estate listing agreements entered into before June 30, 2024, that had to be rerecorded, with notice, in the town where the residential property subject to the agreement is located by July 31, 2024. Previously, one type of these agreements subject to these requirements was one that bound future holders of interests in the property. The act instead applies these requirements to agreements that bind future owners of interests in the property.

§ 56 — UMBILICAL CORD BLOOD INFORMATION

Eliminates a requirement for certain health care providers to provide information about umbilical cord blood

The act eliminates a requirement that a health care provider who provides pregnancy-related health care services to a woman during the last trimester of pregnancy give her information to make an informed and voluntary choice about banking or donating umbilical cord blood.

EFFECTIVE DATE: October 1, 2025

§ 56 — MECHANICAL CONTRACTORS

Eliminates mechanical contractor provisions on registration, investigations, and fines for working without a registration

The act eliminates statutory provisions on mechanical contractor organizations, including those on:
1. mechanical contractor registration requirements,
2. DCP authority to investigate mechanical contractors and take action against their credentials,
3. prohibited actions by mechanical contractors and court orders to stop violations, and
4. fines for performing work without a registration certificate or providing unlicensed employees to do work.

Under prior law, repealed by the act, "mechanical contractors" were businesses that offered their employees' services to the public for plumbing and piping or heating, piping, and cooling work. But they did not include licensed individuals or businesses that (1) worked exclusively on dwellings of up to four units; (2) employed fewer than 10 licensed employees in these trades; or (3) worked on sewer, storm drain, or water lines.

EFFECTIVE DATE: October 1, 2025

BACKGROUND

Related Acts

PA 25-44 requires businesses that enter into a consumer agreement that includes an automatic renewal or continuous services provision to (1) send consumers an annual reminder with certain information and (2) enable consumers to stop the renewal or services through a website, email, or telephone.

PA 25-145, §§ 5-13, generally applies the UCC's provisions on the sale or lease of goods to "hybrid sales" and "hybrid leases," which are single transactions involving both (1) a sale or lease of goods and (2) provided services; a lease or sale (as applicable) of other goods; or a sale, lease, or license of other property.

CUTPA

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the DCP

commissioner, under specified procedures, to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than $10,000, impose civil penalties of up to $5,000**,** enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to $5,000 for willful violations and up to $25,000 for a restraining order violation.

PA 25-112—sSB 1235
General Law Committee
Judiciary Committee

AN ACT CONCERNING THE DEPARTMENT OF CONSUMER PROTECTION'S RECOMMENDATIONS REGARDING LOTTERY AND GAMING REGULATION

TABLE OF CONTENTS:

§ 1 — LOTTERY SALES AGENT DELINQUENCY ASSESSMENTS

Makes changes regarding lottery sales agent delinquencies including hardship waivers

§§ 2, 10 & 12 — TECHNICAL CHANGES

Makes technical changes

§ 3 — PUBLISHING WINNERS' NAMES, ADDRESSES, AND PHOTOS

Requires consent to disclose winners' names, addresses, and photos in all circumstances but does not affect CLC disclosure under FOIA

§ 4 — DELIVERY SERVICES FOR LOTTERY TICKETS

Sets conditions for CLC to use an unlicensed delivery service to deliver lottery tickets

§§ 4, 7 & 8 — CLC LICENSED EMPLOYEES

Allows CLC licensed employees to receive endorsements on their licenses, rather than get a separate license, to work on different forms of gaming for CLC

§ 4 — VENDOR, AFFILIATE, LOTTERY SALE AGENT, AND CLC OCCUPATIONAL LICENSES

Specifies cause for taking action against certain licensees and authorizes a summary suspension of a lottery sales agent's license for (1) keeping unauthorized gambling devices, illegitimate lottery tickets, and illegal bookmaking equipment or (2) allowing any illegal gambling at its retail facility

§ 5 — DEFINITION OF WAGERS

Defines "wager" for purposes of the statutes regulating sports wagering and online casino gaming

§ 6 — VOIDING SPORTS WAGERS

Codifies rules on voiding and modifying wagers, which are substantially similar to those in existing regulations

§ 9 — LIVE GAME EMPLOYEE LICENSING

Requires all live game employees to be licensed

§ 11 — ADVERTISING

Permits certain advertising relating to online keno and online lottery draw games that increase the chances of winning and establishes a DCP enforcement process for advertising violations

§ 11 — WORDS OR GRAPHICS IN ONLINE CASINO GAMES

Prohibits certain displays on online casino games that confuse or mislead patrons to induce gaming or imply greater chances of winning or obscure material facts

§ 13 — BETTING ON BOXING AND MIXED MARTIAL ARTS

Specifies betting on boxing or mixed martial arts is permitted

§ 14 — CERTAIN SWEEPSTAKES AND PROMOTIONAL DRAWINGS

Prohibits unlicensed entities from conducting sweepstakes or promotional drawings that allow real or simulated online casino gaming or sports wagering and makes violations of sweepstakes and promotional drawing laws CUTPA violations

§ 15 — ELIMINATION OF DCP DIRECTOR POSITION

Eliminates appointment of DCP director for certain gaming-related functions

BACKGROUND

SUMMARY: This act makes various changes relating to gaming and the lottery, as described in the section-by-section analysis below.
EFFECTIVE DATE: Various, see below.

§ 1 — LOTTERY SALES AGENT DELINQUENCY ASSESSMENTS

Makes changes regarding lottery sales agent delinquencies including hardship waivers

By law, lottery sales agents are delinquent when they fail to remit money due from their lottery ticket sales by the settlement dates set by the Connecticut Lottery Corporation (CLC). The CLC president is responsible for making delinquency determinations and notifying the Department of Consumer Protection (DCP) commissioner. The DCP commissioner, in turn, must impose a penalty of 10% of the amount due or $10, whichever is greater, plus interest of 1.5% per month or partial month from the due date to the payment date. The act specifies that the (1) penalty and interest are calculated based on the principal amount due but unremitted and (2) penalty is effective when the agent's notice is delivered.

Prior law refers to the penalty and interest as the delinquency assessment. The act instead defines "delinquency assessment" as the (1) principal amount due but unremitted as of the stated past settlement date, (2) penalty imposed by the DCP commissioner, and (3) interest due and outstanding.

Hardship Waivers

By law, lottery sales agents whose delinquency assessments were subject to compounding interest and were outstanding on June 30, 2022, could request hardship waivers from the DCP commissioner to reduce what they owe by recalculating the interest owed using simple interest.

Under the act, sales agents with delinquent accounts on or after July 1, 2025, may apply to the CLC president for a hardship waiver to reduce the amount of interest owed. When applying, they must pay any principal and penalties due. If the CLC president determines that an undue hardship prevents the agent from paying what he or she owes in principal and penalties, he may enter into a payment plan that allows the agent to pay CLC over a period of up to one year from the date the waiver is provisionally granted. If an agent does not make payments according to a plan, the agent is ineligible for a further waiver.

The act authorizes the CLC president to reduce the amount of interest owed by the agent if he determines that doing so would be beneficial for the state. He must (1) establish procedures specifying requirements for these waiver applications and the availability of payment plans and (2) publish and maintain them on CLC's website. The act prohibits any hardship waiver from resulting in a refund or credit of any amount an agent previously paid.
EFFECTIVE DATE: July 1, 2025

§§ 2, 10 & 12 — TECHNICAL CHANGES

Makes technical changes

The act makes various technical changes.

EFFECTIVE DATE: October 1, 2025, except the technical changes in § 10 are effective January 1, 2026, and those in § 12 are effective upon passage.

§ 3 — PUBLISHING WINNERS' NAMES, ADDRESSES, AND PHOTOS

Requires consent to disclose winners' names, addresses, and photos in all circumstances but does not affect CLC disclosure under FOIA

The act prohibits CLC from publishing the name or address of a person who redeems a winning lottery ticket, claims or is paid a winning sports wager, or is paid a fantasy contest prize without the person's prior written consent. Prior law allowed the CLC to provide this information but required CLC, on request, to remove a person's name from the list of winners on its website.

Additionally, under existing law, CLC cannot put a lottery winner's picture on its website without prior written consent. The act expands this consent requirement to all of the winners described above and prohibits CLC from publishing a winner's photo anywhere without prior written consent.

The act does not prohibit CLC from disclosing this information under the Freedom of Information Act (FOIA).

EFFECTIVE DATE: October 1, 2025

§ 4 — DELIVERY SERVICES FOR LOTTERY TICKETS

Sets conditions for CLC to use an unlicensed delivery service to deliver lottery tickets

The act allows CLC to use a business that is not a licensed vendor as a delivery service to transport and deliver lottery tickets to lottery sales agents under certain circumstances.

To do so, CLC must give DCP a detailed plan, in a form and way set by DCP, that includes:

1. the business's name and contact information,
2. the proposed date that the business will start shipping for CLC,
3. a detailed description of the tamper-evident packaging that will be used and its security features,
4. the business's security measures during delivery, and
5. the process used by the business if delivery is not successful.

DCP must review and either approve or deny the plan within 30 days after receiving it. CLC must keep copies of its plan documents for at least three years.

In order to use the delivery service:

1. CLC employees must securely package the tickets in tamper-evident packaging on CLC premises while under video surveillance;
2. the exterior packaging must not indicate that it contains lottery tickets and "lottery" cannot appear on the packaging, including in the return address;
3. the packages must be tracked and require a signature on delivery; and
4. CLC must document each package with its lottery game number and name, number of packs and pack numbers, lottery sales agent's name and address, package shipment date, and the name of the business delivering the tickets.

If a lottery sales agent tells CLC that a package of tickets is damaged, missing, or compromised, CLC must immediately tell DCP and give the agent instructions to embargo the package until its contents are verified by CLC's documentation.

Generally, under existing law, a person or business awarded a primary contract to provide facilities, components, goods, or services necessary for and directly related to CLC's secure operation of activities must receive a vendor license from DCP.

PA 25-113, §§ 2 and 24, repeals these provisions but replaces them with identical provisions.

EFFECTIVE DATE: October 1, 2025

§§ 4, 7 & 8 — CLC LICENSED EMPLOYEES

Allows CLC licensed employees to receive endorsements on their licenses, rather than get a separate license, to work on different forms of gaming for CLC

By law, CLC staff members must be licensed by DCP as class III and IV occupational licensees. Previously, staff members who worked on its "Internet games" (online lottery, online keno, or online sports wagering) or retail sports wagering were required to get additional licensing. The act allows CLC employees and job applicants to instead receive endorsements on their CLC license, rather than having to get a separate DCP license.

The act requires each applicant for a class III or IV license and each currently licensed CLC employee, as of January 1, 2026, to disclose in a DCP-prescribed way the types of gaming the applicant or licensed employee will work on at CLC. For these individuals, the DCP commissioner may issue a separate endorsement allowing them to operate CLC's Internet games or retail sports wagering. Under the act, these employees are not required to apply for a separate DCP gaming license.

The act requires these CLC staff members to report to DCP any criminal conviction within two business days after any conviction order or judgment. CLC and its employees must immediately report to DCP any change in an employee's scope of employment that would require the employee to get an additional endorsement.

PA 25-113, §§ 2 and 24, repeals these provisions but replaces them with identical provisions.

EFFECTIVE DATE: October 1, 2025

§ 4 — VENDOR, AFFILIATE, LOTTERY SALE AGENT, AND CLC OCCUPATIONAL LICENSES

Specifies cause for taking action against certain licensees and authorizes a summary suspension of a lottery sales agent's license for (1) keeping unauthorized gambling devices, illegitimate lottery tickets, and illegal bookmaking equipment or (2) allowing any illegal gambling at its retail facility

The law allows DCP to reject a license application for, or suspend or revoke the license of, a vendor, affiliate, lottery sale agent, or CLC employee for good cause (see BACKGROUND). The law requires DCP to hold a hearing before revoking or suspending a license and the act also requires a hearing and cause before denying an application for, refusing to renew, or placing conditions on one of these licenses. DCP may also impose a civil penalty of up to $2,500 for cause after a hearing (the act specifies that the $2,500 civil penalty is for each violation).

The act specifies that cause for taking these actions includes:

1. failing to comply with the state's laws governing the lottery;
2. conduct likely to mislead, deceive, or defraud the public or DCP;
3. providing materially false or misleading information;
4. a criminal conviction or civil judgment involving fraud, theft, or financial crime;
5. insolvency, including filing for bankruptcy or failing to meet a material financial obligation that directly impacts the licensee's ability to comply with the laws governing the lottery; or
6. failing to complete an application.

The law allows DCP to require vendor and affiliate licensees to maintain books and records. The act adds that DCP can require these licensees to provide these books and records to DCP to ensure regulatory compliance.

PA 25-113, §§ 2 and 24, repeals these provisions but replaces them with nearly identical provisions.

Summary Suspension of Lottery Sales Agent's License for Certain Illegal Gambling Activities or Devices

The act prohibits lottery sales agents from (1) keeping unauthorized gambling devices, illegitimate lottery tickets, and illegal bookmaking equipment or (2) allowing any illegal gambling at its retail facility. DCP can fine an agent up to $4,000 per violation.

DCP must notify the agent about the violation, which must include an order that summarily suspends the agent's license and informs the agent:

1. about the fine imposed and the license's suspension,
2. to immediately cease activities that require a license, and
3. that the agent has 15 days after receiving the notice to request a hearing in writing.

If a hearing is not requested, the summary suspension and fine are final decisions that are appealable to court.

A summary suspension remains in effect until it is lifted and all fines are paid. It can be lifted by a written order of the DCP commissioner or based on a final decision after a hearing.

PA 25-113, §§ 2 and 24, repeals these provisions but replaces them with identical provisions.

EFFECTIVE DATE: October 1, 2025

§ 5 — DEFINITION OF WAGERS

Defines "wager" for purposes of the statutes regulating sports wagering and online casino gaming

The act defines a "wager" for purposes of the statutes regulating sports wagering and online casino gaming as any money, credit, deposit, or cash equivalent, including any free play, loyalty point, or other redeemable betting credit, or any other thing of value risked or accepted based on an uncertain outcome of an event. It does not include an entry fee (a fee to participate in a fantasy contest).

It also makes technical changes.

EFFECTIVE DATE: Upon passage

§ 6 — VOIDING SPORTS WAGERS

Codifies rules on voiding and modifying wagers, which are substantially similar to those in existing regulations

The act codifies rules on voiding and modifying wagers, which are substantially similar to those in existing regulations. PA 25-113, §§ 3 and 24, repeals these provisions but replaces them with substantially similar provisions.

Wagers That May Be Voided Without DCP Approval

The act permits an online gaming operator (see BACKGROUND) to void a sports wager without prior DCP approval if the wager is on:

1. a sporting event that was cancelled, delayed more than 24 hours from its original start time, or moved to a different venue;
2. sporting event players that do not take part in the event;
3. one or more acts in an event that does not occur;
4. a specific team qualifying for a post-season tournament and the number of teams allowed in the tournament has been reduced; or
5. an event and the format or number of players scheduled in a phase of the event has changed or the event is no longer scheduled to occur.

The operator must indicate the voided wager in the patron's account and promptly credit funds from a voided wager to the account.

The act requires a sports wagering retailer to post a notice telling patrons how to know if a wager has been voided under the house rules (which the act defines as the terms and conditions for sports wagering) and how to get a refund. DCP must approve the notice's form and manner, which must be at least 8.5" x 11" in size, have at least 20 point font, and be posted in a location where patrons place sports wagers.

Wagers That Must Be Modified or Voided Without DCP Approval

The act requires an operator to modify or void a sports wager without DCP approval if a patron requests it before the event that is the subject of the wager begins and:

1. the operator or its electronic wagering platform mistakenly communicated to the patron the wager's type, amount, or parameters or
2. a sports wagering retailer's employee made a mistake entering a wager in the platform.

Records

The act requires operators to maintain records of wagers that are voided or modified in a form and way set by DCP. The record for each wager must at least include:

1. the patron's name;
2. the reason for voiding or modifying the wager;
3. the type of wager, broken down by market;
4. the event associated with the wager and its date or dates; and
5. other information DCP requires to identify and assess the impact of voiding or modifying the wager.

Requests to DCP to Void Wagers

The act allows an operator to ask DCP in writing to void any wagers not covered above. DCP must establish the form and way of submitting these requests, which must at least include the:

1. reason for the request,
2. names of affected patrons,
3. event associated with the wager and its date or dates,
4. wager type,
5. total amount of the wager, and
6. plan to contact affected patrons.

After receiving a request, DCP can ask for additional information that it needs to review and assess the impact that granting the request will have on affected patrons and the integrity of gaming. The operator must provide this information.

An operator cannot void these wagers until it receives written approval from DCP, in a form and way set by DCP.

Internal Controls

The act requires operators, by September 1, 2025, to give DCP, in a form and way set by DCP, their internal controls on voiding sports wagers and allocating patron funds. Under the act, internal controls are a master wagering licensee's or online gaming operator's written administrative and accounting procedures that ensure compliance with gaming laws, including financial reporting, operations' effectiveness and security, "know your customer" procedures, and fraud and money laundering deterrence.

DCP must ensure the internal controls:

1. give affected patrons notice within 24 hours after DCP approves a void request,
2. require prompt return of patron funds after voiding wagers, and
3. address any matter DCP believes is necessary to preserve gaming's integrity.

By December 1, 2025, DCP must notify each operator whether it approves or disapproves of the controls. If approved, the operator must include the control in its house rules and clearly and conspicuously on its platform.

EFFECTIVE DATE: July 1, 2025

§ 9 — LIVE GAME EMPLOYEE LICENSING

Requires all live game employees to be licensed

By law, a live game employee is a master wagering licensee's employee with certain responsibilities related to operating live online casino games. Prior law required live game employees directly or substantially involved in operating a live online casino game in a way that impacts the integrity of gaming to get a DCP-issued live game employee license, unless the person already had a key employee license. The act instead requires all live game employees to be licensed, unless they have a key employee license.

The act also only permits an authorized DCP employee to review a state and national criminal history records check related to licensing these employees.

EFFECTIVE DATE: Upon passage

§ 11 — ADVERTISING

Permits certain advertising relating to online keno and online lottery draw games that increase the chances of winning and establishes a DCP enforcement process for advertising violations

The law generally prohibits gaming entity licensees, including CLC, or someone acting on their behalf, from conducting advertising that implies a greater chance of winning based on wagering a greater quantity or amount. Previously, this did not apply to a lottery draw game that (1) was approved before January 1, 2024; (2) was available on June 6, 2024; (3) had DCP-approved features that increase the chance of winning; and (4) was not exclusively sold by lottery sales agents. The act eliminates this exception and instead exempts advertising relating to online keno and online lottery draw games with DCP-approved features that increase the chances of winning.

By law, a "gaming entity licensee" is a master wagering licensee, a licensed online gaming operator, a licensed online gaming service provider, or a licensed sports wagering retailer (see BACKGROUND).

If DCP finds that someone violated any of the restrictions on advertising, the act allows it to issue a violation notice

that includes an order to remove the advertisement in whole or in part within 10 days after issuing the notice. The subject of the order may request a hearing in writing within that period. The person must remove the advertisement and will not incur any fine until a decision is made after the hearing, unless otherwise ordered by a hearing officer or under a settlement the commissioner approves.

If the person does not request a hearing or comply within 10 days, DCP must impose a fine of up to $1,000 per day until the person complies or there is a notice of decision.

The act specifies that it does not limit DCP's authority to pursue other enforcement actions under state law.

EFFECTIVE DATE: October 1, 2025

§ 11 — WORDS OR GRAPHICS IN ONLINE CASINO GAMES

Prohibits certain displays on online casino games that confuse or mislead patrons to induce gaming or imply greater chances of winning or obscure material facts

The act prohibits an online casino game from displaying or including words or graphics as part of the game that:

1. are inaccurate or misleading and reasonably expected to confuse or mislead patrons to (a) induce them to engage in gaming or (b) imply a greater chance of winning compared to games from other licensees or based on wagering a greater quantity or amount or
2. obscure a material fact, due to type, size, location, highlighting, illustration, depiction, or color of the words or graphics.

EFFECTIVE DATE: October 1, 2025

§ 13 — BETTING ON BOXING AND MIXED MARTIAL ARTS

Specifies betting on boxing or mixed martial arts is permitted

The act specifies that betting on boxing or mixed martial arts is permitted if the bets are placed with someone licensed to operate sports betting.

EFFECTIVE DATE: Upon passage

§ 14 — CERTAIN SWEEPSTAKES AND PROMOTIONAL DRAWINGS

Prohibits unlicensed entities from conducting sweepstakes or promotional drawings that allow real or simulated online casino gaming or sports wagering and makes violations of sweepstakes and promotional drawing laws CUTPA violations

Existing law prohibits a person from conducting or promoting a sweepstakes or promotional drawing that (1) is not related to the bona fide sale of goods, services, or property or (2) uses a simulated gambling device. The act further prohibits anyone not licensed to operate online casino gaming or sports wagering from conducting or promoting a sweepstakes or promotional drawing that allows or facilitates participation in real or simulated online casino gaming or sports wagering.

The act makes it a violation of the Connecticut Unfair Trade Practices Act (CUTPA; see BACKGROUND) to violate the act's and existing law's provisions on sweepstakes and promotional drawings. As under existing law, a violation of these provisions is also a class A misdemeanor (see Table on Penalties).

EFFECTIVE DATE: October 1, 2025

§ 15 — ELIMINATION OF DCP DIRECTOR POSITION

Eliminates appointment of DCP director for certain gaming-related functions

The act eliminates a provision allowing the DCP commissioner to appoint a director to carry out functions related to gaming; the lottery; and certain provisions related to bingo, sealed tickets, bazaars, and raffles.

EFFECTIVE DATE: Upon passage

BACKGROUND

Related Act

As noted above, PA 25-113, §§ 2, 3, and 24, repeals certain provisions of this act, and contains substantially similar provisions, related to delivery services for lottery tickets; CLC licensed employees; vendor, affiliate, lottery sales agent, and CLC occupational licenses; and voiding sports wagers.

CUTPA

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the DCP commissioner, under specified procedures, to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than $10,000, impose civil penalties of up to $5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to $5,000 for willful violations and up to $25,000 for a restraining order violation.

CLC Vendors, Affiliates, Lottery Sales Agents, and Occupational Licensees

By law, a person or business awarded a primary contract to provide facilities, components, goods, or services necessary for and directly related to CLC's secure operation of activities must get a vendor license.

By law, a person or business that may (1) be a contractor or subcontractor to provide facilities, components, goods, or services necessary for and directly related to CLC's secure operation of activities, or (2) exercise control over a vendor, must get an affiliate license.

By law, a person that contracts with CLC to sell lottery tickets or offer keno at a retail facility must get a lottery sales agent license.

By law, CLC employees and officials and certain others related to vendor and affiliate licensees must get an occupational license.

Prohibited Advertising

By law, gaming entity licensees and those acting on their behalf are restricted from conducting advertising in a number of ways, including prohibitions on advertising that (1) is aimed at, or is placed before, an audience where the majority of the viewers or participants are presumed to be people under age 21 (or under 18 if the advertising is related only to keno, online lottery sales, fantasy contests, or a combination of them); (2) contains misleading information that could confuse patrons; or (3) contains claims that gaming guarantees social, financial, or personal success.

Master Wagering Licensee

By law, a "master wagering licensee" is generally the Mashantucket Pequot or Mohegan tribes or CLC.

Online Gaming Operator

By law, an "online gaming operator" is a person or business that operates an electronic wagering platform and contracts directly with a master wagering licensee to provide (1) one or more Internet games or (2) retail sports wagering.

Online Gaming Service Provider

By law, an "online gaming service provider" is a person or business, other than an online gaming operator, that provides goods or services to, or otherwise transacts business related to, Internet games or retail sports wagering with a master wagering licensee or a licensed online gaming operator, online gaming service provider, or sports wagering retailer.

Sports Wagering Retailer

By law, a "sports wagering retailer" is a person or business that contracts with CLC to facilitate retail sports wagering

operated by CLC through an electronic wagering platform at up to 15 facilities in the state.

PA 25-113—sSB-1295
General Law Committee

AN ACT CONCERNING BROADBAND INTERNET, GAMING, SOCIAL MEDIA, ONLINE SERVICES AND CONSUMER CONTRACTS.

TABLE OF CONTENTS:

§§ 1 & 23 — NET EQUALITY PROGRAM

Establishes a Net Equality Program by September 30, 2026, to allow eligible individuals to request to subscribe to affordable broadband Internet access

§§ 2 & 24 — DELIVERY SERVICES FOR LOTTERY TICKETS

Sets conditions for CLC to use an unlicensed delivery service to deliver lottery tickets

§§ 2 & 24 — CLC LICENSED EMPLOYEES

Allows CLC's licensed employees to receive endorsements on their licenses, rather than get a separate license, to work on different forms of gaming for CLC

§§ 2 & 24 — VENDOR, AFFILIATE, LOTTERY SALE AGENT, AND CLC OCCUPATIONAL LICENSES

Specifies cause for taking action against certain licensees and authorizes a summary suspension of a lottery sales agent's license for (1) keeping unauthorized gambling devices, illegitimate lottery tickets, and illegal bookmaking equipment or (2) allowing any illegal gambling at its retail facility

§§ 3 & 24 — VOIDING SPORTS WAGERS

Codifies rules on voiding and modifying wagers, which are substantially similar to those in existing regulations

§§ 4, 13 & 25 — SOCIAL MEDIA PLATFORMS

Requires social media platform owners, by October 1, 2026, to incorporate an online safety center and create a policy for handling reports of cyberbullying on the platform; prohibits social media platforms from requiring a minor's parent or legal guardian to create a social media account to submit such a request to unpublish a minor's account

§§ 5-12, 18 & 25 — CONNECTICUT DATA PRIVACY ACT (CTDPA)

Starting in July 2026, expands and revises various aspects of the Connecticut Data Privacy Act (CTDPA), such as (1) expanding who is generally covered under the act and modifying the list of exemptions, (2) expanding what data is considered "sensitive" and subject to additional protections, and (3) requiring impact assessments for those who do certain data profiling

§§ 8, 9, 14-18 & 25 — MINORS AND ONLINE SERVICES, PRODUCTS, AND FEATURES

Starting in July 2026, revises various aspects of the CTDPA in relation to data processing for online services, products, and features for minors, such as (1) broadening what is considered heightened risk of harm to minors and (2) generally prohibiting certain practices by eliminating provisions allowing the minor or parents or guardian to consent to them

§§ 19 & 25— MOTOR VEHICLE DATA PRIVACY FOR SURVIVORS OF CERTAIN CRIMES

Creates a process by which an adult survivor of certain crimes (e.g., domestic violence) can submit a request to the motor vehicle manufacturer with a connected vehicle services account to take certain actions to prevent the abuser from remotely obtaining data from the vehicle

§§ 20 & 26 — AUTOMATIC RENEWAL AND CONTINUOUS SERVICE

Adds a provision on consideration of whether records of consent to renewal or continuous service comply with certain laws

§§ 21 & 26 — MOTOR VEHICLE QUOTED PRICES AND CERTAIN ADD-ON FEES

Requires fees, charges, and costs for add-on consumer goods or services to be included in the price and separately stated in the quoted price of a motor vehicle; prohibits advance printing of orders and forms with these fees, charges, and costs included

§ 22 — HOME IMPROVEMENT CONTRACTOR ADVERTISING

Allows certain home improvement contractors to satisfy the requirement that they include the fact of their registration and registration number in their advertisements by including in the advertisement a phone number or link to a website where a person can get or view a statement about the contractor's registration and the registration number

SUMMARY: This act makes various unrelated changes to broadband Internet access; state gaming laws and procedures, including for the lottery and sports wagering; social media platforms; the Connecticut Data Privacy Act (CTDPA), including in relation to data processing for online services, products, and features for minors; motor vehicle data privacy for survivors of certain crimes; automatic renewals and continuous service agreements; motor vehicle quoted prices; and home improvement contractor advertising.
EFFECTIVE DATE: various, as noted below.

§§ 1 & 23 — NET EQUALITY PROGRAM

Establishes a Net Equality Program by September 30, 2026, to allow eligible individuals to request to subscribe to affordable broadband Internet access

The act requires the Department of Energy and Environmental Protection (DEEP) commissioner to develop a Net Equality Program by September 30, 2026. As part of the program, a qualified broadband Internet access service provider must (1) allow eligible individuals to request to subscribe to affordable broadband Internet access service ("affordable broadband"), (2) make a commercially reasonable effort to raise public awareness of affordable broadband's availability, and (3) have enrollment procedures for affordable broadband on its website.

The act generally limits the maximum monthly charge for affordable broadband to $40 and requires certain minimum speeds to be 100 megabits per second (Mbps) download speed and five Mbps upload speed for the program's first year and then 20 Mbps upload speed afterwards.

Beginning January 31, 2027, the act requires state agencies proposing to contract for the purchase of broadband Internet access service, when all other factors are equal, to give preference to providers that offer affordable broadband to eligible households. The act states that it does not impair any contract that exists on October 1, 2026.

Regardless of any state law, the act specifies that no violations of the Net Equality Program provisions are deemed an unfair method of competition or an unfair or deceptive act or practice under the Connecticut Unfair Trade Practices Act (CUTPA, see BACKGROUND).

Program Requirements and Definitions

Beginning October 1, 2026, the act requires each qualified broadband Internet access service provider (i.e. a provider that does business in the state and with any state agency, other than the Department of Emergency Services and Public Protection (DESPP)), to allow individuals residing in eligible households in the provider's service territory to request to subscribe to the provider's affordable broadband service. Under the act, an "eligible household" is a household (1) with at least one resident enrolled in the supplemental nutrition assistance program (SNAP) or a public assistance program the provider uses to determine eligibility for its existing low-income Internet program and (2) located in the provider's service territory in the state.

A "broadband Internet access service provider" is an entity that provides broadband Internet access service through facilities occupying public highways or streets authorized by the Public Utilities Regulatory Authority, including through a certificate of public convenience and necessity, a certificate of video franchise authority, a certificate of cable franchise authority, or as a certified telecommunications provider.

The act also requires these providers, starting October 1, 2026, to make a commercially reasonable effort to raise public awareness about the availability of the affordable broadband service the provider offers to eligible households located in the provider's service territory. These efforts must include posting the enrollment procedures in a prominent and publicly accessible location on their website.

The act requires each service provider, starting by February 1, 2027, to annually submit to DEEP a report, as the commissioner sets, disclosing the number of eligible households that signed up for, and separately the number that received, its affordable broadband during the reporting year.

The act also requires DEEP, as part of the program, to explore options to establish and advance strategic and effective public-private partnerships.

Monthly Price

The act generally caps a qualified broadband Internet access service provider's maximum monthly charge to an eligible household for affordable broadband service at $40, including all taxes, charges, and fees, including for all equipment associated with the Internet access.

However, under the act, starting by June 1, 2027, DEEP must annually adjust the maximum monthly cost for the 12-month period starting the following July 1 based on any change in the consumer price index for the preceding calendar year, as published by the U.S. Department of Labor's Bureau of Labor Statistics.

Service Speeds

The act requires that all affordable broadband provided under its provisions have minimum speeds of:

1. 100 Mbps download speed and five Mbps upload speed between October 1, 2026, and September 30, 2027, and
2. 100 Mbps download speed and 20 Mbps upload speed after October 1, 2027.

In either case, the service speeds and latency must be sufficient to support distance learning and telehealth services.

Beginning June 1, 2030, and then not more frequently than biennially, the act allows DEEP, in consultation with its Bureau of Energy and Technology and the Department of Administrative Services' Commission for Educational Technology, to increase the affordable broadband plans' required minimum speeds for the two-year period beginning the following July 1. DEEP, the bureau, and the commission must post the increased speeds on their respective websites.

The act allows DEEP to approve or require a deviation from the service speed requirements to comply with applicable state or federal law or elements of DEEP's federally subsidized broadband programs that are included in federal applications that are made public or negotiated with bidders on or before June 30, 2025. However, it prohibits DEEP from approving any deviation that would provide affordable broadband service speeds that are slower than what the act requires or those established by DEEP, in consultation with the bureau and commission, whichever speeds are higher.

Conducting Business With State Agencies

Beginning January 31, 2027, the act requires state agencies proposing to contract for the purchase of broadband Internet access service, when all other factors are equal, to give preference to providers that offer affordable broadband to eligible households. Under the act, a "state agency" is any office; department, except DESPP; board; council; commission; institution; constituent unit of the state's higher education system; technical education and career school; or other executive, legislative, or judicial branch agency.

The act would have repealed a similar Net Equality Program provision in another bill, but that bill did not pass and the repeal has no legal effect (§ 23).

EFFECTIVE DATE: July 1, 2025 (the repeal of the provisions in another bill would have been effective upon passage).

§§ 2 & 24 — DELIVERY SERVICES FOR LOTTERY TICKETS

Sets conditions for CLC to use an unlicensed delivery service to deliver lottery tickets

The act allows the Connecticut Lottery Corporation (CLC) to use a business that is not a licensed vendor as a delivery service to transport and deliver lottery tickets to lottery sales agents under certain circumstances.

To do so, CLC must give the Department of Consumer Protection (DCP) a detailed plan, in a form and way set by DCP, that includes:

1. the business's name and contact information,
2. the proposed date that the business will start shipping for CLC,

3. a detailed description of the tamper-evident packaging that will be used and its security features,
4. the business's security measures during delivery, and
5. the process used by the business if delivery is not successful.

DCP must review and either approve or deny the plan within 30 days after receiving it. CLC must keep copies of its plan documents for at least three years.

In order to use the delivery service:

1. CLC employees must securely package the tickets in tamper-evident packaging on CLC premises while under video surveillance;
2. the exterior packaging must not indicate that it contains lottery tickets and "lottery" cannot appear on the packaging, including in the return address;
3. the packages must be tracked and require a signature on delivery; and
4. CLC must document each package with its lottery game number and name, number of packs and pack numbers, lottery sales agent's name and address, package shipment date, and the name of the business delivering the tickets.

If a lottery sales agent tells CLC that a package of tickets is damaged, missing, or compromised, CLC must immediately tell DCP and give the agent instructions to embargo the package until its contents are verified by CLC's documentation.

Generally, under existing law, a person or business awarded a primary contract to provide facilities, components, goods, or services necessary for and directly related to CLC's secure operation of activities must receive a vendor license from DCP.

The act repeals identical provisions in PA 25-112, § 4.

EFFECTIVE DATE: October 1, 2025, except the repeal of provisions in PA 25-112 is effective upon passage.

§§ 2 & 24 — CLC LICENSED EMPLOYEES

Allows CLC's licensed employees to receive endorsements on their licenses, rather than get a separate license, to work on different forms of gaming for CLC

By law, CLC staff members must be licensed by DCP as class III and IV occupational licensees. Previously, staff members who worked on its "Internet games" (online lottery, online keno, or online sports wagering) or retail sports wagering needed to get additional licensing. The act allows CLC employees and job applicants to instead receive endorsements on their CLC license, rather than having to get a separate DCP license.

The act requires each applicant for a class III or IV license and each currently licensed CLC employee, as of January 1, 2026, to disclose in a DCP-prescribed way the types of gaming the applicant or licensed employee will work on at CLC. For these individuals, the DCP commissioner may issue a separate endorsement allowing them to operate CLC's Internet games or retail sports wagering. Under the act, these employees do not have to apply for a separate DCP gaming license.

The act requires these CLC staff members to report to DCP any criminal conviction within two business days after any conviction order or judgment. CLC and its employees must immediately report to DCP any change in an employee's scope of employment that would require the employee to get an additional endorsement.

The act repeals identical provisions in PA 25-112, § 4.

EFFECTIVE DATE: October 1, 2025, except the repeal of provisions in PA 25-112 is effective upon passage.

§§ 2 & 24 — VENDOR, AFFILIATE, LOTTERY SALE AGENT, AND CLC OCCUPATIONAL LICENSES

Specifies cause for taking action against certain licensees and authorizes a summary suspension of a lottery sales agent's license for (1) keeping unauthorized gambling devices, illegitimate lottery tickets, and illegal bookmaking equipment or (2) allowing any illegal gambling at its retail facility

The law allows DCP to reject a license application for, or suspend or revoke the license of, a vendor, affiliate, lottery sale agent, or CLC employee for good cause (see BACKGROUND). The law requires DCP to hold a hearing before revoking or suspending a license and the act also requires a hearing and cause before denying an application for, refusing to renew, or placing conditions on one of these licenses. DCP may also impose a civil penalty of up to $2,500 for cause after a hearing (the act specifies that the $2,500 civil penalty is for each violation).

The act specifies that cause for taking these actions includes:

1. failing to comply with the state's laws governing the lottery;
2. conduct likely to mislead, deceive, or defraud the public or DCP;
3. providing materially false or misleading information;
4. a criminal conviction or civil judgment involving fraud, theft, or financial crime;

5. insolvency, including filing for bankruptcy or failing to meet a material financial obligation that directly impacts the licensee's ability to comply with the laws governing the lottery; or
6. failing to complete an application.

The law allows DCP to require vendor and affiliate licensees to maintain books and records. The act adds that DCP can require these licensees to provide these books and records to DCP to ensure regulatory compliance.

The act repeals nearly identical provisions in PA 25-112, § 4.

Summary Suspension of Lottery Sales Agent's License for Certain Illegal Gambling Activities or Devices

The act prohibits lottery sales agents from (1) keeping unauthorized gambling devices, illegitimate lottery tickets, and illegal bookmaking equipment or (2) allowing any illegal gambling at its retail facility. DCP can fine an agent up to $4,000 per violation.

DCP must issue the agent a notice of violation that includes an order that summarily suspends the agent's license and informs the agent:

1. about the fine imposed and the license's suspension,
2. to immediately cease activities that require a license, and
3. that the agent has 15 days after receiving the notice to request a hearing in writing.

If a hearing is not requested, the summary suspension and fine are final decisions that are appealable to court.

A summary suspension remains in effect until it is lifted and all fines are paid. It can be lifted by a written order of the DCP commissioner or based on a final decision after a hearing.

The act repeals identical provisions in PA 25-112, § 4.

EFFECTIVE DATE: October 1, 2025, except the repeal of provisions in PA 25-112 is effective upon passage.

§§ 3 & 24 — VOIDING SPORTS WAGERS

Codifies rules on voiding and modifying wagers, which are substantially similar to those in existing regulations

The act codifies rules on voiding and modifying wagers, which are substantially similar to those in existing regulations.

The act repeals similar provisions in PA 25-112, § 6.

Wagers That May Be Voided Without DCP Approval

The act permits an online gaming operator (see BACKGROUND) to void a sports wager without prior DCP approval if the wager is on:

1. a sporting event that was cancelled, delayed more than 24 hours from its original start time, or moved to a different venue;
2. sporting event players that do not take part in the event;
3. one or more acts in an event that does not occur;
4. a specific team qualifying for a post-season tournament and the number of teams allowed in the tournament has been reduced; or
5. an event and the format or number of players scheduled in a phase of the event has changed or the event is no longer scheduled to occur.

The operator must indicate the voided wager in the patron's account and promptly credit funds from a voided wager to the account.

The act requires a sports wagering retailer to post a notice telling patrons how to know if a wager has been voided under the house rules (which the act defines as the terms and conditions for sports wagering) and how to get a refund. DCP must approve the form and manner of the notice, which must be at least 8.5" x 11" in size, have at least 20 point font, and be posted in a location where patrons place sports wagers.

Wagers That Must Be Modified or Voided Without DCP Approval

The act requires an operator to modify or void a sports wager without DCP approval if a patron requests it before the event that is the subject of the wager begins and:

1. the operator or its electronic wagering platform mistakenly communicated to the patron the wager's type, amount, or parameters or
2. a sports wagering retailer's employee made a mistake entering a wager in the platform.

Records

The act requires operators to maintain records of wagers that are voided or modified in a form and way set by DCP. The record for each wager must at least include:

1. the patron's name, unless the wager was placed at a retail sports wagering facility;
2. the reason for voiding or modifying the wager;
3. the type of wager, broken down by market;
4. the event associated with the wager and its date or dates; and
5. other information DCP requires to identify and assess the impact of voiding or modifying the wager.

Requests to DCP to Void Wagers

The act allows an operator to ask DCP in writing to void any wagers not covered above. DCP must establish the form and way of submitting these requests, which must at least include the:

1. reason for the request;
2. names of affected patrons, unless the wager was placed at a retail sports wagering facility;
3. event associated with the wager and its date or dates;
4. wager type;
5. total amount of the wager; and
6. plan to contact affected patrons, unless the wager was placed at a retail sports wagering facility.

After receiving a request, DCP can ask for additional information that it needs to review and assess the impact that granting the request will have on affected patrons and the integrity of gaming. The operator must provide this information.

An operator cannot void these wagers until it receives written approval from DCP, in a form and way set by DCP.

Internal Controls

The act requires operators, by September 1, 2025, to give DCP, in a form and way set by DCP, their internal controls on voiding sports wagers and allocating patron funds. Under the act, "internal controls" are a master wagering licensee's or online gaming operator's written administrative and accounting procedures that ensure compliance with gaming laws, including financial reporting, operations' effectiveness and security, "know your customer," and fraud and money laundering deterrence.

DCP must ensure the internal controls:

1. give affected patrons notice within 24 hours after DCP approves a void request,
2. require prompt return of patron funds after voiding wagers, and
3. address any matter DCP believes is necessary to preserve gaming's integrity.

By December 1, 2025, DCP must notify each operator whether it approves or disapproves of the controls. If approved, the operator must include the controls in its house rules and clearly and conspicuously on its platform.

EFFECTIVE DATE: July 1, 2025, except the repeal of provisions in PA 25-112 is effective upon passage.

§§ 4, 13 & 25 — SOCIAL MEDIA PLATFORMS

Requires social media platform owners, by October 1, 2026, to incorporate an online safety center and create a policy for handling reports of cyberbullying on the platform; prohibits social media platforms from requiring a minor's parent or legal guardian to create a social media account to submit such a request to unpublish a minor's account

Online Safety Center

The act requires each social media platform owner, by October 1, 2026, to incorporate an online safety center into the platform. An online safety center must at least give consumers who live in Connecticut and use the platform the following:

1. resources to (a) prevent cyberbullying on the platform and (b) enable them to identify ways to get mental health services, including a website address or telephone number to get services to treat an anxiety disorder or for suicide prevention services;
2. access to online behavioral health educational resources;
3. an explanation of the platform's mechanism for reporting harmful or unwanted behavior, including cyberbullying on the platform; and
4. educational information about social media platforms' impact on users' mental health.

Under existing law and the act, a "social media platform" is a public or semi-public Internet service or application used by a Connecticut consumer that:

1. is primarily intended to connect and allow users to socially interact within the service or application and
2. enables a user to (a) construct a public or semi-public profile to sign into and use the service or application; (b) populate a public list of other users with whom the user shares a social connection within the service or application; and (c) create or post content seen by other users, including on message boards, in chat rooms, or through a landing page or main feed that also presents content from other users.

It is not a public or semi-public Internet service or application that:

1. only provides e-mail or direct messaging;
2. primarily has news, sports, entertainment, interactive video games, electronic commerce, or content the provider preselects or for which any chat, comments, or interactive functionality is incidental or directly related to, or dependent on, providing the content; or
3. is used by and under an educational entity's direction, including a learning management system or student engagement program.

Cyberbullying Policy

The act similarly requires each social media platform owner, by October 1, 2026, to establish a cyberbullying policy with a process for the owner to handle reports of cyberbullying on the platform.

Cyberbullying

For these provisions, "cyberbullying" is any act that (1) is reasonably likely to cause physical or emotional harm to a consumer or place him or her in fear of physical or emotional harm or (2) infringes on a consumer's rights under state or federal law.

Prohibition on Requiring Social Media Account for Request

Existing law requires social media platforms to unpublish a minor's social media account within 15 business days, and generally delete the account within 45 business days, after receiving an authenticated request. The act prohibits the platforms from requiring a minor's parent or legal guardian to create a social media account to submit such a request. But the platform may require the parent or legal guardian to use an existing account to submit the request, as long as the parent or legal guardian has access to the existing account.

The act would have repealed similar provisions on social media platforms in another bill, but that bill did not pass and the repeal has no legal effect (§ 25).

EFFECTIVE DATE: July 1, 2026 (the repeal of the provisions in another bill would have been effective upon passage)

§§ 5-12, 18 & 25 — CONNECTICUT DATA PRIVACY ACT (CTDPA)

Starting in July 2026, expands and revises various aspects of the Connecticut Data Privacy Act (CTDPA), such as (1) expanding who is generally covered under the act and modifying the list of exemptions, (2) expanding what data is considered "sensitive" and subject to additional protections, and (3) requiring impact assessments for those who do certain data profiling

Expansion of Applicability

The act generally expands the individuals and entities covered by the CTDPA's requirements by lowering certain thresholds and adding additional categories.

Under prior law, the CTDPA applied to individuals and entities that did business in Connecticut or produced products or services targeting Connecticut residents and, during the preceding calendar year, controlled or processed personal data of at least:

1. 100,000 consumers, excluding personal data controlled or processed solely for completing a payment transaction, or
2. 25,000 consumers, and derived more than 25% of their gross revenue from selling personal data.

The act lowers the first threshold to 35,000 consumers and eliminates the second category above. It also extends the CTDPA (without any threshold) to apply to persons that (1) control or process consumers' sensitive data (see below),

excluding personal data controlled or processed solely for completing a payment transaction, or (2) offer consumers' personal data for sale in trade or commerce.

Sensitive Data

Existing law prohibits controllers from processing sensitive data about a consumer (1) without consent, or (2) if the consumer is known to be a child under age 13, without following the Children's Online Privacy Protection Act (COPPA) (15 U.S.C. § 6501 et seq.). Controllers must also conduct and document a data protection assessment for each of their processing activities that presents a heightened risk of harm to consumers (see below), including the processing of sensitive data. Under existing law, a "controller" is an individual or legal entity who, alone or jointly with others, determines the purpose and means of processing personal data.

The act additionally prohibits a controller from selling a consumer's sensitive data without the consumer's consent.

Under prior law, "sensitive data" was personal data that includes, among other things, (1) data revealing a mental or physical health condition or diagnosis, (2) the processing of genetic or biometric data used to uniquely identify an individual, and (3) personal data collected from someone known to be a child. (Under existing law, biometric data is data generated by automatic measurements of an individual's biological characteristics and used to identify a specific individual.)

The act also expands the "sensitive data" covered by the law by:

1. including data revealing (a) a mental or physical disability or treatment or (b) nonbinary or transgender status;
2. specifying that it includes genetic or biometric data or information derived from the data, rather than only the processing of this data used to uniquely identify an individual; and
3. including personal data collected from an individual who the controller willfully disregards is a child, rather than only when the controller has actual knowledge as under prior law.

The following are also considered sensitive data under the act:

1. neural data (any information generated by measuring an individual's central nervous system activity);
2. a consumer's financial account number or log-in information or credit or debit card numbers that, in combination with any required access or security code, password, or credential, would allow access to the account; or
3. government-issued identification number, such as Social Security, passport, state identification card, or driver's license numbers, that applicable law does not require to be publicly displayed.

Profiling

Under existing law, "profiling" is any form of automated processing done on personal data to evaluate, analyze, or predict personal aspects related to an identified or identifiable individual's economic situation, health, personal preferences, interests, reliability, behavior, location, or movements.

Opt-out, Review, and Related Rights. The act expands a consumer's right to opt out of personal data processing when the data is used for profiling to advance any, rather than only, automated decisions that produce legal or similarly significant effects concerning the consumer (see below). Additionally, if the consumer's personal data was processed for profiling purposes to further such an automated decision, the act gives the consumer, if feasible, the right to:

1. question the result of the profiling;
2. be informed of why the profiling resulted in the decision;
3. review his or her personal data processed for the profiling; and
4. if the profiling decision concerns housing, correct any incorrect personal data processed for profiling and have the profiling decision reevaluated based on the corrected data, taking into account the nature of the data and why it was processed.

As under existing law for other consumer requests, if a controller, using commercially reasonable efforts, cannot authenticate a consumer's request, the controller is not required to comply with the request to initiate an action under this provision. The controller must notify the consumer that it is unable to authenticate the request until the consumer provides additional information reasonably necessary to authenticate the consumer and his or her request.

Decision That Produces Any Legal or Similarly Significant Effect. Under prior law, "decisions that produce legal or similarly significant effects concerning a consumer" were controllers' decisions that resulted in providing or denying financial or lending services, housing, insurance, education enrollment or opportunity, criminal justice, employment opportunities, health care services, or access to essential goods or services. The act modifies the definition by (1) expanding it to also include any decision made on the controller's behalf that has this effect and (2) narrowing it by eliminating decisions that result in providing or denying access to essential goods or services.

Impact Assessments. Under the act, each controller that engages in any profiling for making a decision that produces a legal or similarly significant effect related to a consumer must conduct an impact assessment for the profiling. This assessment must include the following, to the extent reasonably known by or available to the controller, as applicable:

1. a statement by the controller disclosing the profiling's purpose, intended use cases and deployment context, and benefits;
2. an analysis of whether the profiling poses any known or reasonably foreseeable heightened risk of harm to a consumer (see below), and if so, the (a) nature of the risk and (b) mitigation steps the controller has taken;
3. a description of the (a) main categories of personal data processed as inputs for the profiling and (b) outputs the profiling produces;
4. an overview of the main categories of personal data the controller used to customize the profiling, if applicable;
5. any metrics used to evaluate the profiling performance and known limitations;
6. a description of any transparency measures taken for the profiling, including any taken to disclose to consumers that the controller is engaged in the profiling while so engaged; and
7. a description of the post-deployment monitoring and user safeguards provided for the profiling, including the oversight, use, and learning processes the controller established to address issues arising from the profiling.

The act applies to these impact assessments the existing law's provisions for data protection assessments, such as allowing (1) the attorney general to require certain disclosures, (2) a single assessment to address comparable operations with similar activities, and (3) compliance with another applicable law or regulation to satisfy the CTDPA requirements.

Under the act, these impact assessment requirements apply to processing activities created or generated on or after August 1, 2026, and are not retroactive.

Existing law requires processors to assist controllers by giving them information needed to conduct and document data protection assessments. The act also requires this assistance for impact assessments.

Under existing law, "heightened risk of harm to a consumer" generally includes (1) processing personal data for targeted advertising; (2) selling personal data; (3) processing personal data for profiling, where the profiling presents a reasonably foreseeable risk of certain outcomes; or (4) processing sensitive data.

Ability to Collect, Use, or Retain Data. The act specifies that the obligations it imposes on controllers, processors, or consumer health data controllers (and obligations on controllers or processors relating to online services, products, or features for minors; see below) do not restrict their ability to collect, use, or retain data for internal use to process personal data for profiling to further any automated decision that may produce any legal or similarly significant effect concerning a consumer, if the personal data is:

1. processed only to the extent needed to detect or correct any bias that may result from processing the data for profiling, the bias cannot effectively be detected or corrected without processing the data, and the data is deleted once the processing has been completed;
2. processed subject to appropriate safeguards to protect consumers' rights under the U.S. or state constitutions or laws;
3. subject to technical restrictions on the reuse of the data and industry-standard security and privacy measures, including pseudonymization;
4. subject to measures to ensure that the data is secure, protected, and subject to suitable safeguards, including strict data access controls and related documentation, to avoid misuse and limit data access to authorized individuals only while preserving the data's confidentiality; and
5. not sent or transferred to, or otherwise accessed by, any third party.

The act also allows controllers, processors, or consumer health data controllers to collect, use, or retain data for internal operations, consistent with COPPA's internal operations exception, when processing data under that exception.

Publicly Available Information

Under existing law, publicly available information is not "personal data" and is not subject to the CTDPA.

Under prior law, "publicly available information" was information that (1) was lawfully available through federal, state, or municipal government records or widely distributed media and (2) a controller had a reasonable basis to believe the consumer had lawfully made available to the general public.

Under the act, information is considered publicly available if either one of these prior requirements is satisfied, rather than both. Simultaneously, for widely distributed media information, the act only requires that the controller have a reasonable basis to believe that the information has been lawfully made available to the general public.

The act specifies that any biometric data that can be associated with a specific consumer and was collected without the consumer's consent is not considered publicly available information.

Consumer Health Data

The CTDPA sets standards on accessing and sharing consumer health data and places various specific limitations on consumer health data controllers. The act expands what is considered "consumer health data" by including personal data that a controller uses to identify a consumer's physical or mental health status, not just a physical or mental health condition or diagnosis as under prior law.

Exemptions

The act revises provisions on which financial institutions are exempt from the CTDPA requirements. It removes financial institutions subject to the federal Gramm-Leach-Bliley Act (15 U.S.C. § 6801 et seq.) from prior law's list of exempted entities. But it exempts certain banks, credit unions, or their affiliates or subsidiaries that (1) are only and directly engaged in financial activities as described in federal banking law, (2) are regulated and examined by the Banking Department or an applicable federal banking regulatory agency, and (3) have established a program to comply with applicable federal or state personal data-related requirements.

The act also exempts the following from the CTDPA:

1. candidate committees, national committees, party committees, or political committees;
2. insurers or their affiliates, fraternal benefit societies, health carriers, insurance-support organizations, insurance agents, or insurance producers; and
3. agents, broker-dealers, investment advisers, or investment adviser agents regulated by the state banking department or the federal Securities and Exchange Commission.

The act also exempts HIPAA covered entities' limited data sets (i.e. protected health information that excludes specific identifiers) that are used, disclosed, and maintained for research, public health, or health care operations (45 C.F.R. § 164.514(e)).

Consumer Rights

Under existing law, a consumer has the right to confirm whether or not a controller is processing the consumer's personal data and access the data. The act specifies that this includes any inferences about the consumer that are derived from the data and whether a controller or processor is processing the data for profiling to make a decision that produces a legal or similarly significant effect on a consumer (as defined above). As under existing law, this right is available unless the confirmation or access would require the controller to reveal a trade secret. The act also expands the exception to include when a controller is prohibited from disclosing certain personal information under the act (see below).

As under existing law for other requests, if a controller, using commercially reasonable efforts, cannot authenticate a consumer's request, the controller is not required to comply with the request to initiate an action under this provision. The controller must notify the consumer that it is unable to authenticate the request until the consumer provides additional information reasonably necessary to authenticate the consumer and his or her request.

Under the act, a controller cannot disclose certain personal data in response to a consumer's request to confirm whether data is being processed and to access the data. The controller must instead inform the consumer or person acting on his or her behalf, with sufficient particularity, that the controller has collected the personal data on the consumer's (1) Social Security number; (2) driver's license, state identification card, or other government-issued identification numbers; (3) financial account number; (4) health insurance or medical identification numbers; (5) account password; (6) security question or its answer; or (7) biometric data.

The act also gives a consumer the right to obtain from the controller (1) a list of the third parties to whom the controller has sold the consumer's personal data or (2) if the controller does not maintain such a list, a list of all third parties to whom the controller has sold personal data; however, the controller does not have to reveal any trade secret.

Other Controller Requirements and Restrictions

Under prior law, a controller had to limit the collection of personal data to what was adequate, relevant, and reasonably necessary for data processing, as disclosed to the consumer. The act instead limits the data collection to what is reasonably necessary and proportionate to the disclosed purpose for processing the data.

Prior law generally prohibited controllers from processing personal data for purposes that were neither reasonably necessary to, nor compatible with, the purposes disclosed to the consumer, except with the consumer's consent. The act limits this provision to when the controller is processing personal data for any material new purpose, and requires the

controller to consider the consumer's reasonable expectation regarding the personal data at the time it was collected based on the disclosed purposes. The controller must also consider the following:

1. the relationship between the new purpose and the purposes that were disclosed to the consumer;
2. the impact that processing the data for the new purpose might have on the consumer;
3. the relationship between the consumer and the controller and the context in which the data was collected; and
4. whether there are any additional safeguards, such as encryption or pseudonymization, in processing the data for the new purpose.

Prior law prohibited controllers from processing sensitive data (see above) without consumer consent or, in the case of children, not in accordance with COPPA. The act further limits controllers from doing so unless it is reasonably necessary in relation to the purposes for which the sensitive data is processed.

Existing law prohibits controllers from processing personal data in violation of state laws that prohibit unlawful discrimination against consumers. The act specifies that any evidence, or lack of evidence, on proactive anti-bias testing or similar efforts to avoid processing the data in violation of the law are relevant to any claim available for a violation and any defense. This includes evidence (or the lack of evidence) on the quality, efficacy, recency, and scope of the test or effort; the results of the test or effort; and the response to these results.

Privacy Notice and Disclosure

Existing law requires controllers to give consumers a reasonably accessible, clear, and meaningful privacy notice. The act modifies the required notice in various ways as described below.

Notice on Third Parties and Targeted Advertising. Prior law required the notice to include the categories of personal data the controller shared with third parties and the categories of third parties with whom the controller shared personal data. Under the act, this pertains to data the controller sells instead of what is shared as under prior law.

Under prior law, if a controller sold personal data to third parties or processed personal data for targeted advertising, the controller had to clearly and conspicuously disclose the processing. The act requires this disclosure to be included in the privacy notice.

Additional Privacy Notice Content. The act also requires the controller to include in the notice (1) disclosure of whether the controller collects, uses, or sells personal data to train large language models and (2) the most recent month and year during which the controller updated the privacy notice.

Under the act, a controller must make the required privacy notice publicly available:

1. through a conspicuous hyperlink that includes the word "privacy" (a) on the homepage of the controller's website, if the controller maintains one; (b) on a mobile device's application store page or download page, if maintained by the controller; and (c) on the application's settings menu or in a similarly conspicuous and accessible location, if the controller maintains an application for use on a mobile device or other device used to connect to the Internet;
2. through a medium where the controller regularly interacts with consumers, including mail, if the controller does not maintain a website;
3. in each language in which the controller (a) provides any product or service that is subject to the privacy notice, or (b) carries out any activity related to such a product or service; and
4. in a way that is reasonably accessible to, and usable by, individuals with disabilities.

Notice of Retroactive Material Change. Whenever a controller makes any retroactive material change to the privacy notice or practices, the act requires the controller to (1) notify affected consumers about any personal data to be collected after the change's effective date and (2) give them a reasonable opportunity to withdraw consent to any further and materially different collection, processing, or transfer of previously collected personal data after the material change.

The controller must also take all reasonable electronic measures to give the notice to affected consumers, considering the available technology and the nature of the controller's relationship with these consumers.

Connecticut-Specific Notice Not Required. The act specifies that it does not require a controller to have a privacy notice that is specific to Connecticut if the controller has a generally applicable privacy notice that satisfies the established requirements.

Processors' Assistance to Controllers

Under existing law, a processor must assist the controller in meeting the controller's obligations under the CTDPA. Under prior law, this had to include, while considering the nature of processing and the information available to the processor by appropriate technical and organizational measures, as reasonably practicable, help fulfilling the controller's obligation to respond to a request from a consumer exercising his or her rights under the CTDPA.

The act eliminates the requirement that processors consider the appropriate technical and organizational measures and available information, and requires them to assist in responding to these consumer requests if possible, rather than when it is reasonably practicable.

The act would have repealed similar CTDPA provisions in another bill, but that bill did not pass and the repeal has no legal effect (§ 25).

EFFECTIVE DATE: July 1, 2026, (the repeal of the provisions in another bill would have been effective upon passage)

§§ 8, 9, 14-18 & 25 — MINORS AND ONLINE SERVICES, PRODUCTS, AND FEATURES

Starting in July 2026, revises various aspects of the CTDPA in relation to data processing for online services, products, and features for minors, such as (1) broadening what is considered heightened risk of harm to minors and (2) generally prohibiting certain practices by eliminating provisions allowing the minor or parents or guardian to consent to them

The CTDPA also establishes a framework and sets requirements for how individuals or entities offering certain online services, products, and features manage and process personal data for minors (i.e. those under age 18).

Heightened Risk of Harm to Minors

Existing law requires a controller with consumers who are minors to use reasonable care to avoid causing any heightened risk of harm to minors in processing their personal data. The act broadens what constitutes "heightened risk of harm to minors" by also including the reasonably foreseeable risk of the following:

1. any physical violence against minors;
2. any material harassment of minors on any online service, product, or feature, where it is severe, pervasive, or objectively offensive to a reasonable person; or
3. any sexual abuse or sexual exploitation of minors.

Under prior law, heightened risk of harm to minors included the reasonably foreseeable risk of any (1) financial, physical, or reputational injury to minors or (2) physical or other intrusion on the solitude or seclusion, or the private affairs or concerns, of minors if the intrusion would be offensive to a reasonable person. Under the act, the injury or intrusion must be material. As under existing law, the heightened risk also includes unfair or deceptive treatment of, or any unlawful disparate impact on, minors.

In broadening the definition, the act expands the circumstances when controllers must do data protection assessments to include these new risk factors and make and implement plans to mitigate or eliminate the risk. By law, each controller with consumers who are minors must (1) do a data protection assessment of its online service, product, or feature to address any heightened risk of harm to minors that is a reasonably foreseeable result of offering the online service, product, or feature to minors and (2) when applicable, make and implement a plan to mitigate or eliminate the risk.

By law, an "online service, product, or feature" is any service, product, or feature provided online, but not (1) telecommunications or broadband Internet access service or (2) delivery or use of a physical product.

Willfully Disregard That Consumer is a Child

Under prior law, certain CTDPA requirements specifically required actual knowledge that a consumer was a child as defined in COPPA (i.e. under age 13). The act expands this to include instances where the controller willfully disregards that the consumer is a child. The additional standard applies to provisions (1) allowing a parent or legal guardian to exercise consumer rights on a child's behalf for a controller's personal data processing and (2) prohibiting controllers from processing sensitive data concerning a child except in accordance with COPPA.

Processing Data for Targeted Advertising of Certain Minors

Prior law prohibited controllers from processing a consumer's personal data for targeted advertising or selling the data without the consumer's consent, for consumers ages 13 to 15. The act eliminates a minor's ability to consent and expands the age threshold to include 16- and 17-year-olds.

Certain Other Consent Provisions Eliminated

Under prior law, controllers that offered an online service, product, or feature to minors could take certain actions if they received the minor's consent or, if the minor was younger than age 13, the minor's parent's or legal guardian's consent. The act eliminates the ability for someone to consent for certain provisions, thus generally prohibiting them.

Specifically, under the act, these controllers are now generally prohibited from:

1. processing a minor's personal data for targeted advertising and personal data sales or collecting the minor's precise geolocation (see below);
2. using a system design feature to significantly increase, sustain, or extend a minor's use of the online service, product, or feature; or
3. processing a minor's personal data unless it is (a) reasonably necessary to provide the online service, product, or feature and (b) for the disclosed purpose.

As under prior law, these provisions do not apply to an educational entity's services or applications, including a learning management system or a student engagement program.

Precise Geolocation

The act further limits when a controller that offers an online service, product, or feature to minors may collect a minor's precise geolocation data to circumstances when it is strictly, rather than reasonably, necessary for the controller to provide the online service, product, or feature. Existing law additionally requires a controller, when collecting this data, to give the minor a signal indicating that the collection is occurring.

Automated Decisions

The act prohibits controllers that offer any online service, product, or feature to a minor from profiling to advance any automated decisions that produce legal or similarly significant effects concerning the minor (e.g., concerning education enrollment or health care services), subject to applicable consent requirements. Prior law limited this to apply only when the decision being advanced is fully automated.

Unsolicited Communications to Minors

The act prohibits a controller from offering direct messaging for use by minors unless it has readily accessible and easy-to-use safeguards to allow a minor or a minor's parent or legal guardian to prevent adults that the minor is not connected with from sending unsolicited communications to the minor. It also requires this safeguard to be the default setting. Under prior law, controllers only needed to have readily accessible and easy-to-use safeguards to limit an adult's ability to send these unsolicited communications.

As under existing law, these provisions do not apply to (1) email or (2) direct messages that are shared between the sender and recipient and not posted publicly or visible by anyone else.

Impact Assessment

Similar to the impact assessment requirements for controllers generally (see above), the act requires an impact assessment for any controller that offers any online service, product, or feature to a minor if it does any profiling based on the consumer's personal data. The controller must do these assessments if it has actual knowledge, or willfully disregards, that the consumer is a minor. It requires a processor to provide any information needed for a controller to conduct and document an impact assessment. As under existing law, processors must adhere to a controller's instructions and assist the controller in meeting its obligations under the CTDPA.

Required Components. The impact assessment must include, to the extent reasonably known by or available to the controller, similar information as for impact assessments by controllers generally (see above). Among other differences, for online services for minors, the act does not require the assessment to include metrics used to evaluate the profiling's performance and known limitations.

The act extends to these impact assessments various provisions that existing law applies to data protection assessments, such as:

1. requiring controllers to review the assessment as needed to account for material changes to certain operations,
2. allowing a single assessment to address comparable operations with similar activities,
3. allowing compliance with another applicable law or regulation to satisfy the CTDPA requirements, and

4. a rebuttable presumption that a controller used reasonable care if it complied with the impact assessment requirements.

Plan to Mitigate or Eliminate Risk. As under existing law for data protection assessments, if an impact assessment shows that the online service, product, or feature poses a heightened risk to minors, the controller must make and implement a plan to mitigate or eliminate the risk.

For both types of assessments, the act also allows the attorney general to require a controller to disclose to him a plan to mitigate or eliminate the risk, if the plan is relevant to an attorney general investigation. The controller must disclose the plan within 90 days after the attorney general notifies the controller about the required disclosure.

Exempt From Disclosure. As is the case under existing law for data protection assessments, under the act, impact assessments and harm mitigation or elimination plans (for either type of assessment) are confidential and exempt from disclosure under the Freedom of Information Act. If any information in an assessment or plan is disclosed to the attorney general and subject to the attorney-client privilege or work product protection, the disclosure does not waive the privilege or protection.

Internal Operations

The CTDPA specifies that the obligations it imposes on controllers or processors who offer online services, products, or features to minors do not restrict their ability to collect, use, or retain data for internal use to, among other things, perform internal operations such as those that are reasonably aligned with the consumer's expectations. The act narrows the internal operation performances under these provisions to instances where the controllers and processors perform solely internal operations.

The act would have repealed similar CTDPA provisions related to minors in another bill, but that bill did not pass and the repeal has no legal effect (§ 25).

EFFECTIVE DATE: July 1, 2026, (the repeal of the provisions in another bill would have been effective upon passage).

§§ 19 & 25— MOTOR VEHICLE DATA PRIVACY FOR SURVIVORS OF CERTAIN CRIMES

Creates a process by which an adult survivor of certain crimes (e.g., domestic violence) can submit a request to the motor vehicle manufacturer with a connected vehicle services account to take certain actions to prevent the abuser from remotely obtaining data from the vehicle

The act allows survivors of certain crimes (e.g., domestic violence) to submit a connected vehicle service request to a covered provider (i.e. motor vehicle manufacturer, or entity acting on its behalf, that provides a connected vehicle service) to take certain actions to prevent an abuser (see definition below) from remotely obtaining data from, or sending commands to, a vehicle.

Definitions

Under the act, a "survivor" is an adult (age 18 or older) against whom a covered act was committed or allegedly committed.

A "covered act" is an action that is a:

1. crime under the federal Violence Against Women Act of 1994, such as domestic violence, dating violence, economic abuse, and stalking (34 U.S.C. § 12291(a));
2. severe form of trafficking in persons or sex trafficking under federal law (22 U.S.C. § 7102 (11) & (12)); or
3. crime, act, or practice that is (a) similar to those described above and (b) prohibited under federal, state, or tribal law.

A "connected vehicle service request" is a survivor's request to terminate or disable the abuser's access to a connected vehicle service.

An "abuser" is an individual who (1) a survivor identifies in a connected vehicle service request and (2) has committed, or allegedly committed, a covered act against the survivor who made the service request.

A "connected vehicle service" is any capability a motor vehicle manufacturer provides that allows a person to remotely obtain data from, or send commands to, a covered vehicle, including through a mobile device software application.

A "covered vehicle" is one that is (1) the subject of a connected vehicle request and (2) identified by a survivor under the act's provisions.

Survivor's Connected Vehicle Service Request

Under the act, survivors requesting that a connected vehicle service be terminated or disabled must include the vehicle identification number (VIN), the abuser's name, and certain proof of ownership or possession of the vehicle. Proof of ownership or possession must include at least the following, as applicable:

1. proof that the survivor is the vehicle's sole owner;
2. if the survivor is not the sole owner, proof that the survivor is legally entitled to exclusively possess the vehicle, such as a court order awarding exclusive possession to the survivor; or
3. if the abuser owns the vehicle in whole or in part, a dissolution of marriage decree, restraining order, or temporary restraining order that names the abuser and (a) gives the survivor exclusive possession of the vehicle or (b) restricts the use of a vehicle service by the abuser against the survivor.

Covered Provider Required Actions

Within two business days after a survivor submits a connected vehicle service request, the covered provider must take one or more of the following actions, whether or not the abuser is an account holder:

1. terminate or disable the covered connected vehicle services account associated with the abuser;
2. terminate or disable the covered connected vehicle services or services account associated with the covered vehicle, including by resetting or deleting its data or wireless connection, and giving the survivor instructions to reestablish the services or account; or
3. if the motor vehicle has an in-vehicle interface, informing the survivor about the interface's availability and how to use it to terminate or disable the connected vehicle services.

Denial of Abuser Request

After the covered provider has acted, the provider must deny any request the abuser makes to obtain data (1) generated by the connected vehicle service after the abuser's access to the service was terminated or disabled due to the survivor's request and (2) that the covered provider maintains.

Covered Provider's Requirement to Act

Other than for a service request lacking the required information, the act prohibits a covered provider from refusing to take the actions listed above based on other requirements not being satisfied, including any requirement for:

1. paying any fee, penalty, or other charge;
2. maintaining or extending the term of the covered connected vehicle services account;
3. obtaining approval from any account holder other than the survivor; or
4. increasing the rate charged for the connected vehicle service.

Notice to Survivor Required Before Notifying Abuser

If the covered provider intends to give the abuser any formal notice about any of the actions above, the provider must first notify the survivor about when it intends to do so.

The act requires the covered provider to take reasonable steps to ensure that it only gives the abuser formal notice (1) at least three days after the provider notified the survivor and (2) after the provider has terminated or disabled the abuser's access to the connected vehicle service.

When Action is Not Operationally or Technically Feasible

Under the act, covered providers are not required to take any of the actions above if the provider cannot operationally or technically perform them. If that is the case, the provider must promptly notify the survivor who submitted the request. The notice must at least disclose whether the covered provider's inability to perform the action operationally or technically can be remedied and any steps the survivor can take to assist the provider in doing so.

Confidentiality of Request-Related Information

The covered provider and its officers, directors, employees, vendors, or agents must treat all information the survivor

submits as confidential and must securely dispose of the information within 90 days after the survivor's submission. The act prohibits a covered provider from disclosing connected vehicle service request-related information to a third party unless the (1) survivor affirmatively consents or (2) disclosure is necessary to perform the connected vehicle service request.

The act specifically allows covered providers to maintain records for longer than 90 days if they are reasonably necessary and proportionate to verify that the survivor fulfilled the conditions for a request.

Material Change Notifications

The survivor must take reasonable steps to notify the covered provider about any change in the ownership or possession of the covered vehicle that materially affects the need for the covered provider to take the required actions listed above.

Emergency Situations

Regardless of the requirements above, the act does not prohibit or prevent a covered provider from terminating or disabling an abuser's access to a connected vehicle service after receiving a service request in a situation that, if allowed to continue, poses an imminent risk of death or serious bodily harm.

Website Instructions

The act requires each covered provider to publicly post on its website a statement describing how a survivor may submit a connected vehicle service request to the provider.

Immunity

The act provides immunity from civil liability to each covered provider and its officers, directors, employees, vendors, and agents for any act or omission that was done in compliance with these provisions.

The act would have repealed a similar provision on motor vehicle data privacy in another bill, but that bill did not pass and the repeal has no legal effect (§ 25).

EFFECTIVE DATE: July 1, 2026 (the repeal of the provisions in another bill would have been effective upon passage)

§§ 20 & 26 — AUTOMATIC RENEWAL AND CONTINUOUS SERVICE

Adds a provision on consideration of whether records of consent to renewal or continuous service comply with certain laws

The law prohibits a business that enters a consumer agreement with automatic renewal or continuous service from charging a credit or debit card or other account unless the consumer affirmatively consents to the renewal or continuous service. The act requires a court or agency to consider whether the business produced a record of consent that complied with the law on recording phone calls, including eavesdropping, when considering whether a business obtained the required consent.

The act repeals a substantially similar provision in PA 25-111, § 41.

EFFECTIVE DATE: October 1, 2025, except the repeal of the provisions in PA 25-111 is effective upon passage.

§§ 21 & 26 — MOTOR VEHICLE QUOTED PRICES AND CERTAIN ADD-ON FEES

Requires fees, charges, and costs for add-on consumer goods or services to be included in the price and separately stated in the quoted price of a motor vehicle; prohibits advance printing of orders and forms with these fees, charges, and costs included

The law requires a car dealer quoting a sale price to separately state the dealer conveyance fee. The act requires the quote to (1) include any fee, charge, or cost for an optional add-on consumer good or service and (2) separately state the amount of each of these fees, charges, and costs, and that they are optional.

The act prohibits printing the dealer's order and invoice forms with fees, charges, and costs for optional add-on consumer goods or services before a discussion with a prospective buyer.

The act also makes technical and conforming changes.

The act repeals substantially similar provisions in PA 25-111, § 43.

EFFECTIVE DATE: October 1, 2025, except the repeal of provisions in PA 25-111 is effective upon passage.

§ 22 — HOME IMPROVEMENT CONTRACTOR ADVERTISING

Allows certain home improvement contractors to satisfy the requirement that they include the fact of their registration and registration number in their advertisements by including in the advertisement a phone number or link to a website where a person can get or view a statement about the contractor's registration and the registration number

The act allows certain home improvement contractors to satisfy the requirement that they include the fact of their registration and registration number in their advertisements by including in the advertisement a phone number or link to a website where a person can get or view a statement about the contractor's registration and the registration number. This applies if the contractor (1) is a publicly traded business listed on a U.S. stock exchange, (2) spends at least 30% of its advertising expenses on advertising at audiences in at least five states, and (3) is not advertising directly to a consumer.

Under existing law, home improvement contractors must also show their registration when asked to do so by any interested party.

By law, a violation of these advertising provisions is a CUTPA violation.

EFFECTIVE DATE: October 1, 2025

BACKGROUND

CUTPA

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the DCP commissioner, under specified procedures, to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than $10,000, impose civil penalties of up to $5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to $5,000 for willful violations and up to $25,000 for a restraining order violation.

CLC Vendors, Affiliates, Lottery Sales Agents, and Occupational Licensees

By law, a person or business needs a vendor license to be awarded a primary contract to provide facilities, components, goods, or services necessary for and directly related to CLC's secure operation of activities.

By law, a person or business needs an affiliate license to (1) be a contractor or subcontractor that provides facilities, components, goods, or services necessary for and directly related to CLC's secure operation of activities, or (2) exercise control over a vendor.

By law, a person needs a lottery sales agent license to contract with CLC to sell lottery tickets or offer keno at a retail facility.

By law, CLC employees and officials and certain others related to vendor and affiliate licensees must get an occupational license.

Online Gaming Operator

By law, an "online gaming operator" is a person or business that operates an electronic wagering platform and contracts directly with a master wagering licensee to provide (1) one or more Internet games or (2) retail sports wagering.

Master Wagering Licensee

By law, a "master wagering licensee" is generally the Mashantucket Pequot or Mohegan tribes or CLC.

Related Acts

As noted above, this act repeals provisions of PA 25-112, §§ 4 & 6, and contains substantially similar provisions related to (1) delivery services for lottery tickets; (2) CLC licensed employees; (3) vendor, affiliate, lottery sales agent, and CLC occupational licenses; and (4) voiding sports wagers.

As noted above, this act repeals provisions of PA 25-111, §§ 41 & 43, and contains substantially similar provisions related to (1) consumer agreements with automatic renewal and continuous service provisions and (2) quoted prices for motor vehicles and certain add-on fees.

PA 25-44 requires businesses that enter into a consumer agreement that includes an automatic renewal or continuous services provision to (1) send consumers an annual reminder with certain information and (2) enable consumers to stop the renewal or services through a website, email, or telephone.

PA 25-137—sHB 6930
General Law Committee

AN ACT CONCERNING THE SOCIAL EQUITY COUNCIL'S RECOMMENDATIONS REGARDING SOCIAL EQUITY PLANS, STRATEGIC PLANNING, ETHICS, LICENSE RENEWAL FEES, FINANCIAL ASSISTANCE APPLICATIONS AND POLICIES AND PROCEDURES

SUMMARY: This act makes various changes related to the Social Equity Council and social equity applicants (in relation to certain cannabis licenses).

The act requires each cannabis establishment to maintain an active social equity plan and submit an annual report on the plan to the Social Equity Council for review. It requires the council to develop a three-year strategic plan, adopt a code of ethics, and require its staff to complete an annual ethics training course. The act also removes a provision that previously deemed council members to have resigned if they miss a certain number of meetings, and instead allows the council to remove these members by majority vote (§ 1).

The act addresses change in ownership procedures and the effect of certain changes in ownership on renewal fees. By law, certain social equity applicants pay 50% of the renewal fee for the first three renewal cycles. Under the act, a cannabis establishment licensee is not entitled to pay a reduced license renewal fee if the business is sold or ownership changes during the three years after a final license is issued, and the sale or change is made to anyone other than a social equity applicant. The act also extends, by one year, the maximum effective period of the council's policies and procedures on ownership changes for social equity applicants. (PA 25-166, §§ 15 & 46, extends the policies and procedures provision by 15 months instead of one year.)

Finally, the act sets a 120-day deadline for the Department of Economic and Community Development (DECD) and the council to approve or deny an application for financial assistance for certain low-interest loans to social equity applicants under the Canna-Business Revolving Loan Fund.

EFFECTIVE DATE: Upon passage

§ 1 — SOCIAL EQUITY COUNCIL MEMBER REMOVAL

Under prior law, Social Equity Council members were deemed as having resigned if they missed three consecutive meetings or 50% of the meetings in a calendar year. The act instead allows them to be removed from office for these reasons by a simple majority vote of the council members. As under prior law for resigned members, the appointing authority must fill the vacancy.

§ 1 — ACTIVE SOCIAL EQUITY PLANS

The act requires each licensed cannabis establishment to (1) maintain an active social equity plan while the establishment is operating and (2) starting by March 1, 2026, annually submit to the Social Equity Council a report on the plan's impact during the prior year on the disproportionately impacted area where the establishment is located.

Under the act, the council must review each submitted report and may, within 60 days after completing the review, ask an establishment to revise its social equity plan to ensure that it furthers the principles of equity.

By law, all cannabis establishments applying for a final license must submit a social equity plan to the council for review and approval. Generally, the plan must address social, economic, and cultural needs in locations identified as being disproportionally impacted by drug laws.

By law, a "cannabis establishment" is a cannabis producer, dispensary facility, cultivator, micro-cultivator, retailer, hybrid retailer (one licensed to sell both recreational cannabis and medical marijuana), food and beverage manufacturer, product manufacturer or packager, delivery service, or transporter.

§ 1 — STRATEGIC PLAN AND ETHICAL CODE OF CONDUCT

The act requires the Social Equity Council, by October 1, 2025, to develop and submit a strategic plan to the governor and the Appropriations and General Law committees. The plan must include a framework outlining the council's goals, planned actions, and priorities for the three-year period from October 1, 2025, through September 30, 2028.

The act also requires the council, by October 1, 2025, to develop and adopt an ethical code of conduct for council members and staff. Starting by January 1, 2026, the council members and staff must annually complete an ethics training course on disproportionately impacted areas and the cannabis industry.

§ 2 — SALE OR CHANGE IN OWNERSHIP AND POLICIES AND PROCEDURES EXTENSION

Existing law requires the Social Equity Council to adopt regulations to prevent a cannabis establishment license awarded to a social equity applicant from being sold to someone other than another social equity applicant during the provisional licensure period and for three years after final licensure, except when the backer has died or has a condition (e.g., a physical or mental illness) that would interfere with the backer's ability to operate.

Under the act, if the council approves any sale or change of ownership or control of a license awarded to a social equity applicant during the three years following a final license issuance, and the sale or change in ownership or control is not to a social equity applicant, then the licensee must be treated like one without social equity status starting on the approval date. The new licensee is no longer eligible to pay reduced license renewal fees.

Existing law requires the council to issue policies and procedures to implement the change in ownership provisions before final regulations are adopted. The act extends the maximum effective period of these policies and procedures from July 1, 2025, to July 1, 2026, if regulations have not been submitted to the Regulation Review Committee. As under existing law, the policies and procedures are no longer effective once regulations are adopted.

PA 25-166, §§ 15 & 46, repeals and replaces these provisions with an identical sale or change in ownership provision, but extends the policies and procedures provision by 15 months instead of one year as under this act and makes a technical change.

§ 3 — CANNA-BUSINESS REVOLVING LOAN FUND

Existing law requires DECD and the council to jointly establish a revolving loan program to provide, among other things, low-interest loans to social equity applicants, municipalities, or nonprofits to rehabilitate, renovate, or develop unused or underused real property for use as a cannabis establishment.

The act requires DECD and the council to approve or deny a completed application within 120 days after receiving the application with all the required information and documentation. If DECD and the council deny an application, the applicant may reapply without prejudice and may submit a new application.

BACKGROUND

Social Equity Council

By law, the Social Equity Council is charged with, among other duties, promoting and encouraging full participation in the cannabis industry by people from communities disproportionately harmed by cannabis prohibition.

PA 25-166—sHB 7181
General Law Committee
Judiciary Committee
Appropriations Committee

AN ACT CONCERNING THE REGULATION OF TOBACCO, CANNABIS, HEMP AND RELATED PRODUCTS, CONDUCT AND ESTABLISHMENTS

TABLE OF CONTENTS:

§§ 1 & 2 — CIGARETTE DEALER LICENSES AND RENEWALS

Requires the local police chief to send written comments for a cigarette dealer license renewal and DRS to send a written response back, under certain circumstances; allows certain remonstrance objections on suitability to be on issues controlled by local zoning

§§ 3 & 33 — DCP CANNABIS CONTROL DIVISION

Requires DCP to establish a Cannabis Control Division to oversee cannabis and hemp licensing and enforcement activities on a statewide basis and organize and conduct comprehensive compliance initiatives (i.e. coordinated efforts by multiple government agencies to conduct unannounced compliance checks); requires DCP to annually report certain compliance initiative statistics to the governor and certain legislative committees

§ 4 — CANNABIS AND HEMP ENFORCEMENT POLICY BOARD

Establishes a Statewide Cannabis and Hemp Enforcement Policy Board and requires it to meet quarterly to identify enforcement opportunities and examine relevant developments about cannabis and hemp

§ 5 — E-CIGARETTE DEALERS

Makes various changes to e-cigarette dealer requirements, such as requiring certain signs, prohibiting underaged individuals on the business premises under certain circumstances, requiring additional application information, increasing the application fee, generally increasing the penalty for businesses operating without a registration, and giving DCP additional enforcement powers for "sufficient cause"

§§ 5, 6, 44 & 45 — E-CIGARETTE SHIPPING AND AGE VERIFICATION

Imposes shipping and transporting restrictions on e-cigarettes similar to those that apply to cigarettes under existing law; specifically requires e-cigarette sellers to ask prospective buyers to present a driver's license, passport, or ID card to verify that they are at least 21 years old and allows them to use electronic scanners to check a passport's validity, just as existing law allows for driver's licenses and ID cards; increases the maximum fines that may be imposed on anyone who sells, gives, or delivers an e-cigarette to a minor

§ 7 — CONFORMING CHANGES

Makes conforming changes by incorporating certain of its provisions into RERACA

§§ 8 & 19 — SOCIAL EQUITY CULTIVATOR APPLICANTS TO CONVERT TO MICRO-CULTIVATORS

Allows certain social equity cultivator applicants to apply for a micro-cultivator license between July 1, 2025, and December 31, 2026, under certain conditions; prohibits these micro-cultivators, and their backers, from increasing their ownership in an equity joint venture to more than 50% for seven years

§ 9 — SOCIAL EQUITY CULTIVATORS OR MICRO-CULTIVATORS LEASING HEMP PRODUCER LOT

Allows social equity applicants, between January 1, 2026, and December 31, 2027, to receive a cultivator or micro-cultivator license to have a facility outside a disproportionately impacted area under certain conditions, including leasing a certain hemp producer's lot; limits these cultivators to creating one equity joint venture, while prohibiting these micro-cultivators from creating an equity joint venture

§ 10 — QR CODE SIGNAGE

Requires DCP to develop signage with a QR code that verifies whether the person displaying the signage holds an active DCP cannabis establishment license; requires the signage to be displayed in a way DCP prescribes; deems violations CUTPA violations

§§ 11, 21, 23 & 25 — PROHIBITIONS ON DISTRIBUTING CANNABIS AND CANNABIS PRODUCTS

Adds cannabis products as items only certain cannabis establishments may sell

§ 11 — MUNICIPAL PROHIBITION AND SEIZURE

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"; allows municipalities to keep all of the civil fine for certain violations

§ 12 — WORKFORCE DEVELOPMENT PLAN

Requires all applicants for a final cannabis license to submit a workforce development plan to the Social Equity Council for approval

§ 13 — PRODUCT PACKAGER RENEWALS

Specifies that a product packager's expanded renewal fee to perform authorized activities as a product manufacturer is paid instead of a product packager renewal fee

§§ 14, 17 & 26 — LICENSE AND FEE EXPIRATION EXTENSIONS

Extends, from 14 to 24 months, (1) the expiration date for provisional licenses DCP issued on or after July 1, 2023, other than for cultivator licenses for certain social equity applicants, and (2) the deadline for certain producers and dispensaries to create the required equity joint ventures or become liable for the full conversion fee

§§ 15 & 46 — SALE OR CHANGE IN OWNERSHIP

Specifies a social equity cannabis establishment licensee is not entitled to pay a reduced license renewal fee if the (1) business is sold or ownership changes during the three years after a final license is issued and (2) sale or change is made to anyone other than a social equity applicant

§§ 15, 22, 27, 29 & 31 — POLICIES AND PROCEDURES EXTENSION

Extends the maximum effective period of cannabis policies and procedures by 15 months if regulations have not been adopted

§§ 16 & 19 — SOCIAL EQUITY CULTIVATORS OUTSIDE DISPROPORTIONATELY IMPACTED AREA

Allows certain social equity cultivators to locate their cultivation facility outside a disproportionately impacted area under certain conditions; requires them, among other things, to employ a certain percentage of employees that reside in a disproportionately impacted area and pay a certain percentage of gross revenue sales to the Social Equity Council; extends the deadline for DCP to grant a provisional license by one year, from December 31, 2025, to December 31, 2026

§ 18 — SOCIAL EQUITY CULTIVATORS FINAL LICENSE EXTENSION

Extends by two years DCP's authority to grant a final cultivator license to a social equity provisional cultivator license holder who has not developed the capability to meet the minimum grow space requirement

§ 20 — MICRO-CULTIVATORS

Allows certain micro-cultivators to receive a retailer or hybrid retailer endorsement under certain conditions; allows micro-cultivators to sell their cannabis seedlings directly to consumers using their own employees

§ 24 — PHARMACIST AT A HYBRID RETAILER

Reduces the amount of time a licensed pharmacist must be at a hybrid retailer location and allows for telehealth consultations; requires certain signs to be posted related to pharmacist consultations; requires these pharmacists to complete certain continuing professional education contact hours related to cannabis or medical marijuana

§ 24 — RETAILER CONVERSION TO HYBRID RETAILER

Allows a retailer to apply to DCP to convert its license to a hybrid retailer without applying through the lottery

§ 24 — SALE OF MANUFACTURER HEMP PRODUCTS AT HYBRID RETAILERS

Requires manufacturer hemp products that a hybrid retailer sells to be derived from hemp grown by a U.S. Department of Agriculture-licensed hemp producer under an approved state or tribal hemp production plan

§ 28 — TRANSPORTER LICENSE

Allows a transporter to store, maintain, and handle cannabis for up to 30 days under certain conditions (e.g., complies with security requirements, makes certain attestations)

§ 30 — FACSIMILE OF FOODS, BEVERAGES, AND OTHER ITEMS

Specifies that the prohibition on products that appeal to children includes facsimiles of foods, beverages, and other items that appeal to children

§ 30 — INCREASE IN ALLOWABLE THC LEVELS

Increases the allowable THC levels on a dry-weight basis from (1) 30% to 35% for the cannabis flower or plant material and (2) 60% to 70% for any other cannabis product except for prefilled cartridges (e.g., vapes); requires DCP to adopt regulations requiring cannabis establishments that sell these higher-THC products to have a separate area for them and provide certain warnings

§ 32 — SUSPECTED CANNABIS THEFT REPORTING EXEMPTION

Generally allows cannabis establishments to complete their own investigation before notifying DCP of suspected cannabis theft or loss of one-half ounce of raw cannabis or less or the equivalent someone may legally possess

§ 34 — ADVERTISING

Allows a person who displays advertising or promotional materials that are solely visible within the interior of a cannabis establishment to advertise cannabis or cannabis-related services

§ 35 — HOURS FOR RETAIL CANNABIS SALES

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

§§ 36 & 38 — HIGH THC-INFUSED BEVERAGES

Requires a DCP-issued high-THC beverage endorsement for persons that manufacture these beverages for sale outside of Connecticut; requires these manufacturers to include clear and conspicuous labeling that the beverage is not for sale in Connecticut and report to DCP

§§ 36, 37 & 39 — INFUSED BEVERAGE WHOLESALER

Establishes licensure requirements for infused beverage wholesalers and generally requires anyone who acts or represents themselves as such to be licensed; requires the wholesalers to assess a $1 fee on each infused beverage sold; provides for compliance verifications and audits; allows DCP to take certain enforcement actions for violations

§ 40 — INGESTIBLE MANUFACTURER HEMP

Specifies that ingestible manufacturer hemp sold in the state must be from a federally licensed hemp producer; eliminates the requirement that the manufacturer hemp product statement disclosure include warnings directed at children

§§ 41 & 42 — PENALTIES AGAINST CANNABIS ESTABLISHMENTS FOR ILLEGAL SALES TO UNDERAGED INDIVIDUALS AND SYNTHETIC CANNABINOIDS

Modifies the penalties for a cannabis establishment licensee selling or delivering cannabis or cannabis paraphernalia to someone under age 21 and makes it a class E felony for them to sell or deliver synthetic cannabinoids to anyone

§ 43 — SOCIAL EQUITY COUNCIL WORKING GROUP

Requires the Social Equity Council to convene, by September 1, 2025, a working group to study and develop recommendations on cannabis cultivation in disproportionately impacted areas, among other things; requires the working group to report its findings to the governor and the General Law Committee by January 1, 2027

SUMMARY: This act makes various unrelated changes to laws on cannabis, hemp, cigarettes, e-cigarettes, and THC-infused beverages.
EFFECTIVE DATE: Various, see below.

§§ 1 & 2 — CIGARETTE DEALER LICENSES AND RENEWALS

Requires the local police chief to send written comments for a cigarette dealer license renewal and DRS to send a written response back, under certain circumstances; allows certain remonstrance objections on suitability to be on issues controlled by local zoning

Required Written Response

Existing law allows municipalities to adopt ordinances requiring anyone applying to renew a Department of Revenue Services (DRS) cigarette dealer's license to simultaneously give written notice of the application to the chief law enforcement official or his or her designee in the municipality where the business is located.

Prior law (1) allowed the official or designee to send written comments on the application to the DRS commissioner within 15 days after receiving the notice and (2) required the DRS commissioner to consider the comments before renewing the license. The act instead requires the official or designee to send written comments and the DRS commissioner to send them a written, detailed response to the comments before approving or denying the application.

Objections to a Proposed or Renewed Cigarette Dealer's License

Existing law allows any 10 adult town residents where the cigarette dealer's business is proposed or currently located to file a "remonstrance" (i.e. objection) with DRS. Prior law required the remonstrance to include any objection to the suitability of the applicant or proposed business place, if the issue was not controlled by local zoning. The act allows objections that concern local zoning.
EFFECTIVE DATE: July 1, 2025

§§ 3 & 33 — DCP CANNABIS CONTROL DIVISION

Requires DCP to establish a Cannabis Control Division to oversee cannabis and hemp licensing and enforcement activities on a statewide basis and organize and conduct comprehensive compliance initiatives (i.e. coordinated efforts by multiple government agencies to conduct unannounced compliance checks); requires DCP to annually report certain compliance initiative statistics to the governor and certain legislative committees

The act creates, within the Department of Consumer Protection (DCP), a Cannabis Control Division to oversee cannabis and hemp licensing and enforcement activities on a statewide basis to ensure the effective and cooperative enforcement of laws on the cultivation, manufacturing, distribution, transportation, display, purchase, sale, dispensing, possession, and use of cannabis, cannabis products, manufacturer hemp products, infused beverages, and moderate-THC hemp products.

The DCP commissioner, within available appropriations, may appoint a director and other personnel he deems necessary to perform these duties, in addition to using existing department staff assigned to cannabis and hemp licensing and enforcement activities.

The act allows the division to conduct any authorized investigation in Connecticut that is deemed necessary. The division may:

1. request and receive from any federal, state, or local agency cooperation and assistance in performing its duties;
2. enter into mutual assistance and cooperation agreements with other states for cannabis, cannabis product, manufacturer hemp product, infused beverage, and moderate-THC hemp product law enforcement matters crossing state boundaries; and
3. consult and exchange information and personnel with other states' agencies on mutual law enforcement problems related to these products.

Comprehensive Compliance Initiatives

The act requires the division to organize and conduct comprehensive compliance initiatives on the in-state cultivation, manufacturing, distribution, transportation, display, purchase, sale, dispensing, possession, and use of cannabis, cannabis products, infused beverages, manufacturer hemp products, and moderate-THC hemp products. Under the act, a "comprehensive compliance initiative" is a coordinated effort by multiple government agencies to conduct unannounced compliance checks on at least two businesses per day to ensure compliance with state laws.

To bring about these compliance initiatives, the commissioner or his designee must coordinate with the attorney general, the chief state's attorney, DRS, the departments of Emergency Services and Public Protection (DESPP) and Public Health (DPH), and municipal officials.

Under the act, beginning by April 1, 2026, DCP must annually submit a report to the governor and the Finance, Revenue and Bonding and General Law committees. The report must include the previous year's:

1. number of comprehensive compliance initiatives that the division conducted;
2. number of businesses involved in the initiatives;
3. types of alleged violations discovered; and
4. agencies and departments involved in the initiatives.

Inspection or Compliance Checks (§ 33)

Under the act, at the end of any inspection or compliance check (presumably, those under existing law and under the act), DCP must give the licensee or registrant a written statement detailing (1) the inspection or compliance check findings and results, (2) any identified area of concern, and (3) any required corrective action to address the area of concern.

EFFECTIVE DATE: July 1, 2025, except the compliance check written statement provision is effective upon passage.

§ 4 — CANNABIS AND HEMP ENFORCEMENT POLICY BOARD

Establishes a Statewide Cannabis and Hemp Enforcement Policy Board and requires it to meet quarterly to identify enforcement opportunities and examine relevant developments about cannabis and hemp

The act establishes a Statewide Cannabis and Hemp Enforcement Policy Board consisting of the following officials or their designees: the attorney general; chief state's attorney; DCP, DESPP, DPH, DRS, and mental health and addiction services commissioners; and the Social Equity Council executive director. The board must convene quarterly to:

1. identify areas of need and enforcement opportunities concerning illegal cannabis sales and intoxicating hemp product sales,
2. examine scientific developments and public health studies on cannabis and hemp,
3. examine developments in national trends and best practices for cannabis and hemp regulation and enforcement, and
4. examine developments in the cannabis and hemp industries.

EFFECTIVE DATE: July 1, 2025

§ 5 — E-CIGARETTE DEALERS

Makes various changes to e-cigarette dealer requirements, such as requiring certain signs, prohibiting underaged individuals on the business premises under certain circumstances, requiring additional application information, increasing the application fee, generally increasing the penalty for businesses operating without a registration, and giving DCP additional enforcement powers for "sufficient cause"

Definition of "Selling" and "Delivering"

Under prior law, "selling" e-cigarettes or vapor products meant someone who intentionally transferred, offered, or attempted to transfer (including bartering or exchanging) them and "delivering" meant a person who intentionally transferred, or offered or attempted to transfer, physical possession of these products. The act eliminates the requirement that a person performs these actions intentionally and makes other minor and technical changes to related definitions.

Dealer Requirements

The act requires e-cigarette dealers to maintain a sign on all external entry doors where they operate, that clearly discloses that cannabis sales are prohibited at the location. The sign must be maintained as the commissioner prescribes and posted on DCP's website.

Under the act, dealers that derive at least 50% of their annual gross revenue from selling cigarettes, drug paraphernalia, e-cigarettes, nicotine products, synthetic nicotine, and tobacco products must verify the age of everyone entering the location they operate. Dealers must verify the age by checking a valid government-issued driver's license or identity card and prohibit anyone under age 21 from entering the location.

The act requires dealers to maintain a complete set of records, including all financial records needed to verify if the dealer derives at least 50% of its annual gross revenue from sales of the above listed items, for the current and preceding three tax years. The dealer must (1) make the records immediately available to DCP upon the department's request for inspection and copying and (2) produce the records, in an electronic format (unless it is commercially impractical), to DCP within three days after the department requests them. The act prohibits anyone from using a foreign language, code, or symbol to designate any infused beverage or person when complying with these provisions.

Additional Information on Application

The act expands the information required for a dealer registration application. The law requires the application to include, among other things, an authorized owner's contact information. The act additionally requires it to include the names and contact information for each individual who has a financial interest (direct or indirect) in the applicant, unless the:

1. applicant is a publicly traded company listed on a national stock exchange or
2. financial interest held by the individual owner, or his or her spouse, parents, and children, in total, does not exceed 10% of the applicant's total ownership or interest rights.

The act also requires an initial or renewal registration applicant to have a third-party local and national criminal background check for each owner listed on the application. The background check must:

1. be conducted by a third-party consumer reporting agency or background screening company that complies with the federal Fair Credit Reporting Act and is accredited by the Professional Background Screening Association,
2. include a multistate and multijurisdictional criminal record locator or other similar commercial nationwide database with validation and any other background screening the commissioner requires, and
3. be requested by the applicant within 60 days before the application is submitted.

Additionally, the act requires the application to include:

1. the name of the person serving as the applicant's fiduciary agent and guarantor, who the act makes personally liable for any noncompliance that results in a debt owed to DCP, and
2. a disclosure of any enforcement action against, and negotiated settlement entered into by the applicant or any disclosed owner, if it is related to the sale of cigarettes, e-cigarettes, tobacco products, or vapor products.

Finally, for renewal applications, the act requires dealers to annually attest whether they derived at least 50% of their annual gross revenue from sales of cigarettes, drug paraphernalia, e-cigarettes, nicotine products, synthetic nicotine, tobacco products, and vapor products.

Registration Issuance

Under prior law, the commissioner had to issue a dealer registration within 30 days of the application unless he found the applicant had willfully made materially false statements in the application, among other things. The act eliminates the requirement that this false statement be willfully made. It also expands the reasons for denying a registration to include when (1) statements made on the application are misleading, (2) the applicant has a criminal history that is sufficient to deny it under the state laws for denying employment based on conviction information, or (3) the applicant violated any other provision of the e-cigarette dealer law.

Required Updates

If dealers change any application information (e.g., contact or ownership information or owners' criminal histories), the act requires them to update the information on DCP's online licensing system within 30 days after the change occurs.

Fees

The act increases, from $75 to $1,000, the nonrefundable application fee, which is in addition to the $800 annual fee dealers must pay under existing law.

The act also eliminates prior law's reduced annual fee of $400 for e-cigarette dealers who also held additional DCP dealer or manufacturer registrations.

Expired Registrations

The act allows DCP to renew an expired dealer registration subject to administrative or court proceedings, which prior law prohibited. Under existing law and the act, the applicant must pay both the annual fee and a late renewal penalty the commissioner may impose.

Penalties

The act increases the maximum fine for businesses that intentionally sell e-cigarettes without a registration, from $50 per day to $5,000 per violation. Before imposing the fine, the act requires the business to first complete a hearing under the Uniform Administrative Procedure Act (UAPA). And it eliminates the DCP commissioner's authority to waive all or any part of the fine if it is proven to his satisfaction that failing to get or renew the registration was reasonable.

The act also modifies the penalty for dealers who operate up to 90 days after the registration expires. Under prior law, the penalty was an infraction with a $90 fine for each day the business was in violation. Under the act, violations are no longer an infraction, but the maximum penalty is increased to $500.

Sufficient Cause for Disciplinary Action

Under the act, the DCP commissioner may take the following actions against a dealer for sufficient cause: suspend, revoke, or refuse to grant or renew a registration; issue fines of up to $10,000 per violation; accept an offer in compromise; place the registrant on probation or put conditions on them; or take other actions authorized by law.

The act specifies that the following reasons are sufficient to take these actions:

1. furnishing false or fraudulent information in an application or failing to comply with the representations made in it;
2. a civil judgment against, or conviction of, an owner or applicant, after reviewing and applying the denial criteria under existing laws on denying employment based on conviction information;
3. failing to maintain effective controls against diversion, theft, or loss of e-cigarettes;
4. a license or registration denial, suspension, or revocation (including license or registration renewals), related to the sale of cigarettes, e-cigarettes, tobacco products, or vapor products, by federal, state, or local government or a foreign jurisdiction;
5. a false, misleading, or deceptive representation made to the public or DCP;
6. involvement in a fraudulent or deceitful practice or transaction;
7. possessing, offering, or selling any illegal or controlled substance, unless allowed by law;
8. failing to register a business entity's trade name with the town where the registrant conducts business;
9. failing to notify DCP of any change in information about the business entity, owners, or designated manager or

supervisor;
10. adverse administrative decisions or delinquency assessments against the registrant by DRS;
11. failing to cooperate, provide unrestricted access to the location, or provide information to DCP, local law enforcement authorities, or any other enforcement agency about any matter resulting from conduct connected to a licensee or registrant;
12. allowing an employee to promote an e-cigarette product for wellness purposes; or
13. failing to comply with e-cigarette laws and regulations.

Under the act, sufficient cause also includes advertising an e-cigarette in a way that does the following:

1. is designed to appeal to people under age 21 by (a) using spokespersons or celebrities who appeal to these underage people; (b) depicting people under age 25 using e-cigarettes; (c) using objects (e.g., toys, characters, or cartoon characters) to suggest that underage people are present; or (d) using any other depiction designed to appeal to someone under age 21, or
2. claims or implies that (a) e-cigarettes have a curative or therapeutic effect or (b) any medical claim is true.

License Revocation, Denial, or Surrender

Under the act, if DCP refuses to issue or renew a dealer registration, the commissioner must notify the applicant about the denial and his or her right to request a hearing within 10 days after receiving the notice. If the applicant requests a hearing, the commissioner must (1) give notice of the grounds for the refusal and (2) conduct a hearing as a contested case under the UAPA. If the commissioner's denial is upheld after the hearing, the applicant cannot apply for a new dealer registration for one year after the denial was upheld.

The act also prohibits any person whose dealer registration was revoked, including the registrant's owners, from applying for a dealer registration for one year after the revocation date. The voluntary surrender of a dealer registration, or the failure to renew, does not prevent the DCP commissioner from suspending or revoking the registration or imposing other penalties allowed under applicable law.

Under the act, all fees, settlement amounts, and fines collected under this provision must be deposited in the consumer protection enforcement account. (DCP uses this account to enforce the licensing and registration laws it administers.)

Information Disclosure

Under the act, all information from inspections and investigations DCP conducts related to administrative complaints or cases are not subject to disclosure under the Freedom of Information Act, except after DCP has entered into a settlement agreement, or concluded its investigation or inspection as evidenced by case closure.

The act specifies that it does not prevent DCP from sharing any information with another state or federal agency or law enforcement if the information relates to an investigation of any suspected violation of applicable law.

EFFECTIVE DATE: October 1, 2025

§§ 5, 6, 44 & 45 — E-CIGARETTE SHIPPING AND AGE VERIFICATION

Imposes shipping and transporting restrictions on e-cigarettes similar to those that apply to cigarettes under existing law; specifically requires e-cigarette sellers to ask prospective buyers to present a driver's license, passport, or ID card to verify that they are at least 21 years old and allows them to use electronic scanners to check a passport's validity, just as existing law allows for driver's licenses and ID cards; increases the maximum fines that may be imposed on anyone who sells, gives, or delivers an e-cigarette to a minor

Shipping and Transporting Restrictions

The act places restrictions on in-state shipping and transporting of e-cigarettes that are similar to those in law for cigarettes. (PA 25-168, § 395, effective July 1, 2025, has substantially similar provisions, but subjects violators to criminal penalties. This act repeals and replaces those provisions, effective October 1, 2025.)

Shipping. Under the act, businesses may only ship or transport e-cigarettes to a (1) DCP-registered e-cigarette dealer or manufacturer or (2) government employee, officer, or agent acting within his or her official duties. The act relatedly requires the DCP commissioner to publish on the department's website a list of each person that holds a dealer or manufacturer registration. It prohibits common or contract carriers or anyone else from knowingly delivering e-cigarettes to a residence or to someone in Connecticut they reasonably believe is not one of these authorized recipients.

Packaging Requirements. Prior law required e-cigarette dealers who sold and shipped e-cigarettes directly to in-state

consumers (e.g., through online sales) to (1) get the signature of a person aged 21 or older at the shipping address prior to delivery and (2) require the signer to provide a driver's license or identification card as proof of age. It also required the seller to ensure that the shipping label conspicuously stated on the package: "CONTAINS AN ELECTRONIC NICOTINE DELIVERY SYSTEM OR VAPOR PRODUCT – SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY."

The act eliminates this law and replaces it with different procedures for delivery to authorized individuals, which do not allow direct sales to consumers (see above). Specifically, it requires anyone selling or delivering e-cigarettes to plainly and visibly mark their packages with the words "electronic nicotine delivery system" or "vapor product," as applicable when not shipped in the original manufacturer's container or wrapping. It also requires these sellers to make the deliveries conditional on the customer signing an acknowledgement of receipt and presenting proper proof of age.

Seizure. Under the act, e-cigarettes shipped or transported in violation of these provisions are contraband and subject to confiscation, storage, and destruction. The shipper or transporter is liable for all confiscation, storage, and destruction costs.

Penalties. The DCP commissioner may impose a maximum civil penalty of $10,000 for each violation, and each shipment or transport constitutes a separate offense. The attorney general, upon the DCP commissioner's request, may bring an action in the Hartford Superior Court to collect the civil penalty and for any injunctive or equitable relief. If the state wins an enforcement action the attorney general brings, the state may recover the investigation costs, expert witness fees, costs of the action, and reasonable attorney's fees.

The act also deems a violation of the act's e-cigarette shipping requirements a Connecticut Unfair Trade Practices Act (CUTPA) violation (see BACKGROUND).

Age Verification Requirements

The act explicitly requires e-cigarette sellers to ask prospective buyers to present a driver's license, passport, or ID card to verify that they are at least 21 years old and allows them to use electronic scanners to check a passport's validity, just as existing law allows for driver's licenses and ID cards. It also (1) increases the maximum fines that may be imposed on anyone who sells, gives, or delivers an e-cigarette to a minor and (2) authorizes the DCP commissioner to suspend or revoke an e-cigarette dealer's registration for violating any provision of these age verification laws. (PA 25-168, § 396, contains identical provisions.)

Proof of Age. Connecticut law makes it illegal to sell, give, or deliver e-cigarettes to a minor (under age 21) and requires sellers and their agents or employees to ask a prospective buyer who appears to be under age 30 for proper proof of age, in the form of a driver's license, valid passport, or ID card. Sellers are prohibited from selling an e-cigarette to someone who does not provide this proof.

The act additionally requires sellers and their agents or employees to ask all prospective buyers to present a driver's license, passport, or ID card to prove that they are 21 or older. A similar requirement applies under existing law to cigarette and tobacco product purchases.

Electronic Scanners. Existing law allows sellers to verify a prospective buyer's age by using an electronic scanner to check the validity of the buyer's driver's license or ID card. The act additionally allows them to use these scanners to check a passport's validity. It makes various conforming changes to the electronic scanner laws, including:

1. barring the sale if the scan fails to match the information on the passport,
2. limiting the information that can be recorded and kept from a scan to the passport holder's name and birthdate and the passport's expiration date and identification number, and
3. allowing an affirmative defense in prosecutions for selling e-cigarettes to minors where the seller relied on a scan indicating a valid passport.

The same provisions apply to driver's licenses and ID cards under existing law. The act also eliminates a provision allowing sellers to use an electronic scanner to check the validity of documents other than driver's licenses and ID cards if they have a scannable bar code or magnetic strip.

By law, violators of these provisions are subject to a civil penalty of up to $1,000.

Fines for Underage Sales. The act increases the maximum fines that may be imposed on anyone who sells, gives, or delivers an e-cigarette to a minor to $1,000 for each offense. Under prior law, the maximum fines were:

1. $300 for a first offense;
2. $750 for a second offense committed within 24 months of the first offense; and
3. $1,000 for each subsequent offense committed within those same 24 months.

By law, the fines do not apply to anyone who sells, gives, or delivers e-cigarettes to, or receives them from, a minor who receives or delivers them (1) as an employee or (2) as part of a qualifying scientific study.

EFFECTIVE DATE: October 1, 2025, except the age verification provision is effective July 1, 2025.

§ 7 — CONFORMING CHANGES

Makes conforming changes by incorporating certain of its provisions into RERACA

The act makes conforming changes by incorporating certain of its provisions into the Responsible and Equitable Regulation of Adult-Use Cannabis Act (RERACA).
EFFECTIVE DATE: Upon passage

§§ 8 & 19 — SOCIAL EQUITY CULTIVATOR APPLICANTS TO CONVERT TO MICRO-CULTIVATORS

Allows certain social equity cultivator applicants to apply for a micro-cultivator license between July 1, 2025, and December 31, 2026, under certain conditions; prohibits these micro-cultivators, and their backers, from increasing their ownership in an equity joint venture to more than 50% for seven years

By law, DCP opened a three-month application period for social equity applicants to apply for a provisional and final cultivator license for a facility located in a disproportionately impacted area without participating in a lottery or request for proposals. The act allows these applicants to withdraw the application and instead apply for a new micro-cultivator license under certain circumstances.

Conversion Process (§ 8)

Under the act, between July 1, 2025, and December 31, 2026, a social equity applicant that applied for one of these cultivator licenses or received a provisional cultivator license may withdraw the application and apply for a micro-cultivator license. The applicant may do so if the:

1. Social Equity Council verifies that the applicant meets the social equity criteria;
2. applicant is eligible for a provisional cultivator license (e.g., passes a criminal background check); and
3. applicant submits an application to DCP with a written statement withdrawing the cultivation application or provisional license.

Withdrawals. The act specifies that applicants that withdraw an application or provisional cultivator license are not eligible for a refund on any fee connected to that application.

Issuance of License. Between July 1, 2025, and March 31, 2027, DCP must issue a micro-cultivator license to a social equity applicant if he or she:

1. meets eligibility criteria and submits a completed application and other documentation required to determine social equity applicant eligibility;
2. submits a written statement disclosing whether any change in ownership or control has occurred since the Social Equity Council verified the applicant as a social equity applicant; and
3. submits the $500,000 application fee (alternatively, the $3 million fee the social equity applicant paid for the provisional cultivator license is considered the application fee to convert to a micro-cultivator license).

The applicant must submit the required documentation and fee by December 31, 2026.

Under the act, all application fees must be deposited into the consumer protection enforcement account.

Changes to Social Equity Status. Under the act, when applicable, if the applicant included a written statement on changes in ownership or control, then the Social Equity Council must determine if the changes are allowed under the laws and regulations governing its application review process.

The council must determine whether the applicant continues to meet the social equity applicant criteria and submit to DCP a written notice disclosing its determination.

License Renewal Fee. Under the act, a renewal fee for a final micro-cultivator license through this process is the same as the standard renewal fee for micro-cultivators under existing law (i.e. $1,000). All renewal fees must be paid to the state treasurer and credited to the General Fund.

Equity Joint Venture. The act prohibits a social equity applicant that receives a micro-cultivator license through this process from being eligible to apply for a provisional license and a final license to create more than one equity joint venture, that the Social Equity Council must approve. It also prohibits the social equity applicant from operating the equity joint venture unless the applicant has received a micro-cultivator license through this process, begun cultivation activities under the license, and submitted to DCP both the application fee and a $500,000 conversion fee. The conversion fee must be deposited into the social equity and innovation account.

Under the act, the $3 million fee the social equity applicant paid for the provisional cultivator license is considered the conversion fee to convert to a micro-cultivator license. Cultivators that paid the $3 million fee and received license

conversion approval may create up to two equity joint ventures. The cultivator cannot apply for, or create, any additional equity joint venture if, on July 1, 2025, the cultivator has created at least two equity joint ventures that have each received a provisional license.

The act prohibits these micro-cultivators, and their backers, from increasing their ownership in an equity joint venture to more than 50% during the seven-year period beginning on the day DCP issues the final license.

Application Information Disclosure. The act extends existing law's prohibition on application information disclosure to these applications. Existing law generally prohibits current or former state officers or employees, or employees of anyone who had access to a submitted application, from disclosing the application or any information included in or submitted with it (CGS § 21a-420e(g)).

Application Process. Regardless of any provision of RERACA and unless otherwise provided in these provisions, the act requires each submitted application to be processed as other micro-cultivator applications selected through the lottery and subject to existing law's process for social equity applications.

Provisional License (§ 19)

Under the act, if DCP granted a provisional cultivator license to a social equity applicant, the person may apply to DCP to convert the license to a micro-cultivator license without paying a conversion fee or additional provisional license fee, as long as the person has not created more than two equity joint ventures that have obtained final licensure. As part of the application, the person must attest that he or she must:

1. surrender the provisional cultivator license immediately when DCP issues the micro-cultivator license;
2. be entitled to create two equity joint ventures, which must include any equity joint venture created before the conversion;
3. comply with laws regulating micro-cultivators; and
4. not have a change of ownership or control associated with the conversion.

The act prohibits DCP from issuing a final license to a micro-cultivator provisional licensee unless the licensee has complied with all final licensure requirements under existing law.

EFFECTIVE DATE: July 1, 2025, except the provisional license provision is effective upon passage.

§ 9 — SOCIAL EQUITY CULTIVATORS OR MICRO-CULTIVATORS LEASING HEMP PRODUCER LOT

Allows social equity applicants, between January 1, 2026, and December 31, 2027, to receive a cultivator or micro-cultivator license to have a facility outside a disproportionately impacted area under certain conditions, including leasing a certain hemp producer's lot; limits these cultivators to creating one equity joint venture, while prohibiting these micro-cultivators from creating an equity joint venture

The act requires DCP to issue a cultivator or micro-cultivator license to a social equity applicant, between January 1, 2026, and December 31, 2027, that allows the applicant to locate its facility outside a disproportionately impacted area if the following conditions are met:

1. by July 1, 2026, the social equity applicant submits to DCP a complete application for a provisional cultivator or micro-cultivator license as existing law requires for social equity applicants applying for a cultivator license without participating in a lottery or request for proposals (see above);
2. by June 30, 2027, (a) the Social Equity Council verifies that the applicant meets the social equity applicant criteria and (b) DCP issues a provisional cultivator or micro-cultivator license to the applicant; and
3. by July 1, 2027, the provisional licensee submits to DCP a complete application for a final cultivator or micro-cultivator license.

Final Application Requirements

The final license application must include:

1. a copy of a fully executed lease agreement between the provisional licensee and a hemp producer who has been continually licensed since January 1, 2024;
2. evidence sufficient for DCP to verify that the hemp producer that is a party to the lease has been continually licensed as a hemp producer since January 1, 2024;
3. the provisional licensee's acknowledgment that, if DCP issues a final cultivator or micro-cultivator license, the licensee (a) under a final cultivator license, may be eligible to create up to one equity joint venture after receiving the license and commencing cultivation activities, or (b) under a final micro-cultivator license, is ineligible to

create an equity joint venture; and

4. the provisional licensee's attestation that (a) the hemp producer from which the provisional licensee is leasing land has no ownership interest in, or managerial control over, the licensee, other than any ownership interest or control previously disclosed to the Social Equity Council to determine that the social equity applicant meets the social equity applicant criteria, and (b) all hemp has been harvested from the lot subject to the lease between the provisional licensee and the hemp producer.

Lease Agreement

The act requires the lease agreement between the provisional licensee and a hemp producer to provide:

1. for the use of the hemp producer's lot (i.e. contiguous area in a field, greenhouse, or indoor growing structure containing the same variety or strain of hemp throughout the area) that is on record with the Department of Agriculture on January 1, 2024, and may be located outside of a disproportionately impacted area;
2. that (a) the hemp producer does not currently hold a position of ownership, control, or management of the provisional licensee, and (b) if a final cultivator or micro-cultivator license is issued to the provisional licensee, the hemp producer is prohibited from holding a position of ownership, control, or management of the licensee for seven years from when the final license is issued; and
3. an express acknowledgment by the parties that if DCP issues a final cultivator or micro-cultivator license to the provisional licensee, the hemp producer must immediately be deemed to have automatically surrendered the hemp producer's license.

Business Arrangements and Interest Disclosure

During the seven-year period after a final cultivator or micro-cultivator license is issued, the cultivator or micro-cultivator must:

1. not enter into any business arrangement with the hemp producer, other than for the lease of the hemp producer's lot, or any affiliate, subsidiary, or entity the hemp producer controls, if the business arrangement may result in the hemp producer, affiliate, subsidiary, or entity holding an ownership position, control, or management of the cultivator or micro-cultivator; and
2. disclose any direct or indirect business interest or relationship between the cultivator or micro-cultivator and the hemp producer or any affiliate, subsidiary, or entity the hemp producer controls or any key participant (i.e. sole proprietor, a partner in partnership, or a person with executive managerial control in an entity, including a chief executive officer, chief operating officer, and chief financial officer).

License Renewal Fee

Under the act, a renewal fee for a final cultivator and micro-cultivator license is the same as existing law (i.e. $75,000 for cultivators and $1,000 for micro-cultivators).

Existing Hemp

Under the act, all hemp located on the lot subject to the lease agreement between the provisional licensee and the hemp producer is continued to be deemed hemp until DCP issues a final cultivator or final micro-cultivator license to the licensee. After DCP issues a final cultivator or final micro-cultivator license, the hemp is deemed to be cannabis and subject to all cannabis cultivation, testing, labeling, tracking, reporting, and manufacturing requirements under RERACA as they apply to cultivators and micro-cultivators.

Equity Joint Venture

The act prohibits provisional licensees that receive a (1) final cultivator license from creating more than one equity joint venture, which they must not create unless the licensee has received a final license and began cultivation activities, and (2) micro-cultivator license from creating an equity joint venture.

Application Information Disclosure

The act extends existing law's prohibition on application information disclosure to these applications. Existing law

generally prohibits current or former state officers or employees, or employees of anyone who had access to a submitted application, from disclosing the application or any information included in or submitted with it (CGS § 21a-420e(g)).
EFFECTIVE DATE: Upon passage

§ 10 — QR CODE SIGNAGE

Requires DCP to develop signage with a QR code that verifies whether the person displaying the signage holds an active DCP cannabis establishment license; requires the signage to be displayed in a way DCP prescribes; deems violations CUTPA violations

The act requires DCP to develop signage with a QR code, or a comparable electronic identifier, that verifies whether the person displaying the signage holds an active DCP cannabis establishment license. The signage must be displayed in a way the DCP commissioner prescribes.

The act prohibits (1) any person from displaying this signage, or substantially similar signage, unless he or she holds an active DCP cannabis establishment license and (2) cannabis establishments from displaying the signage in any way other than the way the DCP commissioner prescribes.

Under the act, a violation of the signage provisions is deemed a CUTPA violation and a violation by a cannabis establishment is subject to additional enforcement actions (i.e. license penalties and additional fines).

By law, a "cannabis establishment" is a cannabis producer, dispensary facility, cultivator, micro-cultivator, retailer, hybrid retailer (one licensed to sell both recreational cannabis and medical marijuana), food and beverage manufacturer, product manufacturer or packager, delivery service, or transporter.
EFFECTIVE DATE: October 1, 2025

§§ 11, 21, 23 & 25 — PROHIBITIONS ON DISTRIBUTING CANNABIS AND CANNABIS PRODUCTS

Adds cannabis products as items only certain cannabis establishments may sell

In general, existing law limits who can sell, offer, or deliver cannabis to certain licensees. The law generally prohibits anyone other than:

1. retailers, hybrid retailers, micro-cultivators, delivery services, or their employees from selling or offering cannabis to consumers;
2. hybrid retailers, dispensary facilities, delivery services, or their employees from selling or offering cannabis to qualifying medical marijuana patients and caregivers; and
3. delivery services or their employees from delivering cannabis to consumers, patients, or caregivers.

The act adds cannabis products as items only these licensees and employees may sell, offer, or deliver. As under existing law, a violation is deemed a CUTPA violation.
EFFECTIVE DATE: October 1, 2025

§ 11 — MUNICIPAL PROHIBITION AND SEIZURE

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"; allows municipalities to keep all of the civil fine for certain violations

Existing law allows municipalities to take certain actions if any business (1) is found to violate any of the cannabis or cannabis products sale, offer, or delivery prohibitions (see above) or (2) poses an "immediate threat to public health and safety." They may, by legislative vote, prohibit these businesses from operating in the municipality and apply to the Superior Court for an order directing the municipality's chief law enforcement officer to take possession and control of any related merchandise from the business, including any cannabis, cannabis product, cigarette, tobacco or tobacco product, any merchandise associated with those items, and any proceeds from them.

The act broadens the circumstances under which a municipality may prohibit a business by adding additional items to what is considered an "immediate threat to public health and safety." Existing law includes the presence of any (1) cannabis or cannabis product connected to an illegal sale or delivery or (2) cigarette or tobacco product alongside any cannabis or cannabis product. Under the act, the presence of the following products next to cannabis or a cannabis product may also be considered an immediate threat: any electronic cigarette liquid, electronic nicotine delivery system, or liquid nicotine container. The act also makes the presence of any of these products an immediate threat to public health and safety if they

are being unlawfully sold.

Correspondingly, the act allows law enforcement to take these additional items, any merchandise associated with them, and any proceeds from them, upon a court order. It also requires the chief executive to submit a written copy of the court order application to the state attorney general and DCP commissioner upon making it.

Civil Fines

By law, a violator of the above laws must be assessed a civil fine of $30,000 for each violation. Additionally, anyone who aids or abets these violations must also be assessed a $30,000 civil fine for each violation. The law also imposes a $10,000 civil fine for each violation by anyone who manages or controls certain commercial property and knowingly makes the area available for use in these violations. In all three cases, each day a violation continues is a separate offense.

Under prior law, if a municipality instituted a civil action to recover an imposed civil fine, the fine had to be paid to the municipality first to reimburse it for the costs for instituting the action, with half of the remainder, if any, paid to the municipality's treasurer and the other half to the state treasurer for deposit into the General Fund. The act instead allows the municipality to keep all of the fine.

EFFECTIVE DATE: October 1, 2025

§ 12 — WORKFORCE DEVELOPMENT PLAN

Requires all applicants for a final cannabis license to submit a workforce development plan to the Social Equity Council for approval

Prior law required the Social Equity Council, after developing workforce development plan criteria, to review and approve or deny in writing any plan a producer or hybrid retailer submitted. The act expands this requirement to apply to all applicants for a final license and not just ones owned by a social equity applicant.

Under the act, unless the Social Equity Council has approved a workforce development plan for a cannabis establishment by July 1, 2025, the establishment must submit a plan to the council by October 1, 2025, or 60 days before the next license renewal date, whichever is earlier. Within 60 days after the establishment submits the plan, the council must send notice to the establishment disclosing whether the plan has been approved, rejected, or requires modification.

EFFECTIVE DATE: Upon passage

§ 13 — PRODUCT PACKAGER RENEWALS

Specifies that a product packager's expanded renewal fee to perform authorized activities as a product manufacturer is paid instead of a product packager renewal fee

Under existing law, a product packager seeking to expand its authorized activities to include those of a product manufacturer must, among other things, pay a $30,000 application fee and a $25,000 renewal fee. Under prior law, the application and expansion fees were paid instead of the product packager fees. The act specifies that only the expanded renewal fee is paid instead of product packager renewal fee.

EFFECTIVE DATE: July 1, 2025

§§ 14, 17 & 26 — LICENSE AND FEE EXPIRATION EXTENSIONS

Extends, from 14 to 24 months, (1) the expiration date for provisional licenses DCP issued on or after July 1, 2023, other than for cultivator licenses for certain social equity applicants, and (2) the deadline for certain producers and dispensaries to create the required equity joint ventures or become liable for the full conversion fee

The act extends the expiration date, from 14 to 24 months, for provisional licenses (but not those for cultivator licenses for social equity applicants). Under prior law, these licenses issued on or after July 1, 2023, expired after 14 months. As under existing law, a provisional license may not be renewed.

Under existing law, a producer seeking to do expanded medical marijuana activities, or a dispensary seeking to convert to a hybrid retailer, can pay reduced fees in exchange for creating equity joint ventures. If they do not create the required equity joint ventures within a certain period, then they are liable for the full conversion fee. The act extends this period, from 14 to 24 months, after which they are liable for the full amount.

EFFECTIVE DATE: Upon passage

§§ 15 & 46 — SALE OR CHANGE IN OWNERSHIP

Specifies a social equity cannabis establishment licensee is not entitled to pay a reduced license renewal fee if the (1) business is sold or ownership changes during the three years after a final license is issued and (2) sale or change is made to anyone other than a social equity applicant

Existing law requires the Social Equity Council to adopt regulations to prevent a cannabis establishment license awarded to a social equity applicant from being sold to someone other than another social equity applicant during the provisional licensure period and for three years after final licensure, except where the backer has died or has a condition (e.g., a physical or mental illness) that would interfere with the backer's ability to operate.

Under the act, if the council approves any sale or change of ownership or control of a license awarded to a social equity applicant during the three years following a final license issuance, and the sale or change in ownership or control is to someone other than a social equity applicant, then the licensee must be treated like one without social equity status starting on the approval date. The new licensee is no longer eligible to pay reduced license renewal fees.

The act also repeals PA 25-137, § 2, which has an identical provision on sale or change in ownership but has a provision extending the policies and procedures for a maximum of one year (see below).

EFFECTIVE DATE: Upon passage

§§ 15, 22, 27, 29 & 31 — POLICIES AND PROCEDURES EXTENSION

Extends the maximum effective period of cannabis policies and procedures by 15 months if regulations have not been adopted

Prior law required DCP and the Social Equity Council to issue policies and procedures to implement various cannabis provisions that were effective until final regulations were adopted or either June 22, 2025, or July 1, 2025, if the regulations had not been submitted to the Regulation Review Committee.

The act extends the maximum effective period of these policies and procedures by 15 months but eliminates the requirement that the regulations have not been submitted to the Regulation Review Committee. (DCP submitted proposed regulations to the Regulation Review Committee, which rejected them without prejudice on May 27, 2025.)

As under existing law, the policies and procedures are no longer effective once regulations are adopted. (PA 25-168, §§ 161-165, has identical provisions.)

EFFECTIVE DATE: Upon passage

§§ 16 & 19 — SOCIAL EQUITY CULTIVATORS OUTSIDE DISPROPORTIONATELY IMPACTED AREA

Allows certain social equity cultivators to locate their cultivation facility outside a disproportionately impacted area under certain conditions; requires them, among other things, to employ a certain percentage of employees that reside in a disproportionately impacted area and pay a certain percentage of gross revenue sales to the Social Equity Council; extends the deadline for DCP to grant a provisional license by one year, from December 31, 2025, to December 31, 2026

By law, DCP opened a three-month application period for social equity applicants to apply, without participating in a lottery or request for proposals, for a provisional and final cannabis cultivator license for a facility located in a disproportionately impacted area.

Outside Disproportionately Impacted Area

Beginning October 1, 2025, the act allows these social equity cultivators that have obtained a final license to locate their cultivation facility outside a disproportionately impacted area under certain conditions. They may conduct all authorized activities of a cultivator outside a disproportionately impacted area, except for manufacturing or extracting cannabis.

Evidence and Verification

Under prior law, in order for the applicant to receive a final cultivator license, the applicant had to provide evidence of certain information, including the facility location. The act also allows the facility to be located outside a disproportionately

impacted area, as long as it is in the state and the Social Equity Council has verified based on evidence the council deems sufficient, the applicant satisfies other criteria the act establishes below.

For a social equity applicant to cultivate at a location outside of a disproportionately impacted area, it must agree to comply with the act's provisions on cultivating outside a disproportionately impacted area and submit a written request for verification of compliance to the Social Equity Council. The council, based on evidence it deems sufficient, must also verify the following about the social equity applicant:

1. if manufacturing or extracting cannabis, that it does so exclusively in a disproportionately impacted area as required by the applicable cannabis laws, regulations, and policies and procedures;
2. at least 50% of its employees reside in a disproportionately impacted area for cannabis manufacturing or extraction;
3. the following minimum percentages of its employees reside in a disproportionately impacted area for any activity other than cannabis manufacturing or extraction: (a) 25% the first year after the applicant obtains the final license and begins cultivation, (b) 50% for the second year, and (c) 75% for the third and subsequent years;
4. for each of its employees who reside in a disproportionately impacted area, it must provide at its own expense either (a) transportation from home to work and back or (b) advance payment for these travel costs; and
5. it must periodically pay the Social Equity Council, in a council-prescribed way and on dates the council establishes for deposit in the social equity and innovation account, the following percentages of the licensee's annual gross revenue from sales to unaffiliated third parties: (a) 0.5% for the first year after the applicant obtains the final license and begins cultivation, (b) 1% for the second year, and (c) 1.5% for the third year and subsequent years.

Social Equity Council and DCP Review

Under the act, the evidence that must be submitted in a written request for verification must be in a Social Equity Council-prescribed way. Upon receiving the request, the council must review the request to determine whether the applicant satisfies the act's criteria. If the council determines the applicant does not satisfy the criteria, the council may accept an amended written request for verification or deny the request. Within 30 days after the council notifies the applicant that it has determined the applicant does not satisfy the criteria, the applicant may appeal the determination to Superior Court under the UAPA's procedures.

The act requires the Social Equity Council to identify for DCP each applicant that has submitted a written request for verification, qualifies as a social equity applicant, and should be reviewed by DCP for receiving a final cultivator license. After receiving notice from the council that a provisional licensee has been verified and identified, DCP must begin reviewing and processing the applicant's final license. The DCP commissioner must not issue a final license to a provisional licensee unless the council has notified the department about the verification results.

Final License

The act requires each cultivator issued a final license under this process to (1) attest that it satisfies the act's criteria at each license renewal and (2) comply with the Social Equity Council's requests for information and produce copies of all documents needed for the council to confirm that the cultivator satisfies the act's criteria within two business days after the request.

If the council determines and verifies that the licensee does not satisfy the criteria, the council must, after a cure period the council establishes, give DCP a detailed report outlining the basis for the determination of noncompliance and any evidence supporting it. The council must concurrently give a copy of the report to the applicable licensee. Upon receiving the noncompliance report, DCP must schedule a hearing on the matter within 45 days.

Off-site Manufacturing Endorsement

Before engaging in any manufacturing or extraction of cannabis, a cultivator must apply to DCP, in a commissioner-prescribed way, for an off-site manufacturing endorsement to be issued on or after October 1, 2025. The department may require the cultivator to have an inspection of the cultivator's facility before issuing the endorsement to ensure that the facility satisfies the relevant laws, regulations, and policies and procedures.

Weighing Cannabis

Under the act, on and after July 1, 2026, these cultivator licensees must weigh all cannabis, excluding the plant's leaves or stem, harvested at the facility within 24 hours after cutting or trimming the plant and:

1. record the weight in an approved electronic tracking system;

2. annually reserve at least 80% of all weighed cannabis to manufacture or extract into a cannabis product or cannabis concentrate; and
3. annually sell not more than 20% of all cannabis harvested at the facility, based on the weight recorded, for distribution as cannabis flower.

Additionally, upon each license renewal, the cultivator must attest that it followed these percentage requirements during the preceding calendar year.

Equity Joint Ventures

The act prohibits these cultivators with facilities outside a disproportionately impacted area, and their backers, from increasing their ownership in an equity joint venture to more than 50% during the seven-year period beginning on the day DCP issues the final license.

Provisional Cultivator License Prohibition Deadline Extension

Prior law prohibited DCP from granting an application for a provisional cultivator license for these social equity applicants after December 31, 2025. The act extends the deadline for this prohibition for one year until December 31, 2026.
EFFECTIVE DATE: Upon passage

§ 18 — SOCIAL EQUITY CULTIVATORS FINAL LICENSE EXTENSION

Extends by two years DCP's authority to grant a final cultivator license to a social equity provisional cultivator license holder who has not developed the capability to meet the minimum grow space requirement

PA 24-151, § 138, allowed DCP to grant a final cultivator license to a social equity provisional cultivator license holder who has not developed the capability to meet the minimum 15,000 square feet grow space requirement until December 31, 2025. The act extends this by two years, allowing DCP to grant these licenses until December 31, 2027.

As under existing law, the applicant must submit a completed application for a final cultivator license to DCP with certain evidence (e.g., that it has at least 5,000 feet of grow space and a detailed business plan and buildout schedule). If DCP issues a final cultivator license under these procedures and the licensee fails to meet the 15,000 square feet of grow space requirement by the deadline, the licensee must pay the department a $500 extension fee for each day after it fails to satisfy the minimum grow space requirement. DCP may exercise its enforcement powers for cannabis establishments, for the failure to meet the grow space requirement by the specified date, including certain disciplinary actions (e.g., license suspension or fines).
EFFECTIVE DATE: Upon passage

§ 20 — MICRO-CULTIVATORS

Allows certain micro-cultivators to receive a retailer or hybrid retailer endorsement under certain conditions; allows micro-cultivators to sell their cannabis seedlings directly to consumers using their own employees

Retailer or Hybrid Retailer Endorsement

The act allows a micro-cultivator with a final license that maintains an exclusively indoor grow facility to apply to DCP, as the commissioner prescribes, for a retailer or hybrid retailer endorsement to the final license. The endorsement authorizes the micro-cultivator to operate as a retailer or hybrid retailer under the act's requirements.

Application. A micro-cultivator applicant must submit a complete endorsement application, along with the endorsement application fee, to DCP within one year after the applicant obtained a final micro-cultivator license or by June 30, 2026, whichever is later. DCP must not accept an application submitted after the time period has expired.

The application fee for an endorsement is the same as the fee for a final retailer license or a final hybrid retailer license (i.e. $25,000). All application fees for initial endorsements must be deposited in the consumer protection enforcement account. The annual renewal fee for an endorsement is also the same as the retailers and hybrid retailers' renewal fee (i.e. $25,000).

Conditions. Under the act, DCP must issue an endorsement if the micro-cultivator:

1. submits a timely and complete endorsement application to the department, in the commissioner-prescribed form and manner;

2. attests that the retailer or hybrid retailer created through the endorsement will be operated following all licensed retailer or licensed hybrid retailer requirements; and
3. acknowledges and attests that the micro-cultivator will not engage in any outdoor cannabis cultivation.

Final License Requirements. Each micro-cultivator issued an endorsement has 24 months from when the endorsement is issued to (1) satisfy the requirements for a retailer or hybrid retailer that has been issued a final license (see below) and (2) seek and get a DCP written statement, as the commissioner prescribes, confirming that the micro-cultivator satisfies the requirements and may engage in the activities of a retailer or hybrid retailer.

Existing law requires final license applications to be submitted on a form and in a manner the DCP commissioner approves and to include the legally required application information, as well as evidence of the following:

1. a contract with an entity providing an approved electronic tracking system,
2. a right to occupy the location where the cannabis establishment will be located,
3. any necessary local zoning approval for the establishment's operation,
4. a certification by the applicant that a project labor agreement will be entered into before construction of any facility the establishment uses for operations,
5. a Social Equity Council-approved social equity plan and workforce development plan,
6. written policies for preventing diversion and misuse of cannabis and sales to underage people,
7. all other security requirements DCP sets based on the specific license type, and
8. a labor peace agreement entered into between the cannabis establishment and a bona fide labor organization (CGS § 21a-420g).

Expiration. This endorsement expires and is not eligible for reapplication or renewal if the micro-cultivator fails to satisfy the requirements established above or allows the endorsement to lapse.

Location. The retailer or hybrid retailer facility must be located (1) on the same premises as the micro-cultivator or (2) within 100 feet of the premises measured from the point that is closest to the premises.

Authorization. Upon receiving DCP's written statement, the micro-cultivator must:

1. for a retailer endorsement, be authorized to sell cannabis to consumers only if the cannabis is cultivated indoors by the micro-cultivator;
2. for a hybrid retailer endorsement, be authorized to sell (a) cannabis to consumers only if the cannabis is cultivated indoors by the micro-cultivator and (b) medical marijuana products to qualifying patients and caregivers;
3. acknowledge and agree that the micro-cultivator is not eligible to expand to a cultivator license;
4. maintain the retailer's or hybrid-retailer's activities and facility following the requirements established under the cannabis and medical marijuana laws, regulations, and policies and procedures; and
5. acknowledge and agree that if an administrative agency or court with jurisdiction issues a suspension, revocation, cease and desist order, or other order stopping operations, the micro-cultivator must stop all public retailer or hybrid retailer activities associated with the endorsement.

The act allows a micro-cultivator to use a delivery service or its own employees, subject to the delivery service requirements, to sell (1) cannabis it cultivated directly to consumers if it has a retailer endorsement and (2) medical marijuana products directly to qualifying patients and caregivers, and cannabis it cultivated to consumers if it has a hybrid retailer endorsement.

Limitations. The act prohibits a micro-cultivator with an endorsement from exceeding 25,000 square feet of grow space. And it cannot convert to a cultivator license unless the micro-cultivator permanently surrenders the endorsement and stops all retailer and hybrid retailer activities.

An endorsement does not impact any right a micro-cultivator may have to create an equity joint venture.

Seedling Delivery

Under prior law, micro-cultivators could only sell cannabis seedlings through a delivery service to consumers. The act expands the delivery options by allowing them to sell seedlings using their own employees for delivery under the same requirements as the delivery service.

EFFECTIVE DATE: July 1, 2025

§ 24 — PHARMACIST AT A HYBRID RETAILER

Reduces the amount of time a licensed pharmacist must be at a hybrid retailer location and allows for telehealth consultations; requires certain signs to be posted related to pharmacist consultations; requires these pharmacists to complete certain continuing professional education contact hours related to cannabis or medical marijuana

Prior law required hybrid retailers to have a licensed pharmacist on-site when the retail location was open to the public or qualifying patients and caregivers. The act reduces this to at least eight consecutive hours a calendar week. However, when the hybrid retailer is open to the public and a pharmacist is not physically there, the hybrid retailer must ensure that a licensed pharmacist is readily available to (1) provide telehealth consultations for qualifying patients and caregivers and (2) conduct remote order entry verification according to pharmacy laws and regulations.

Telehealth Consultations

The act requires a hybrid retailer that offers telehealth consultations with a licensed pharmacist to:

1. employ the pharmacist for at least 20 hours per calendar week;
2. maintain technology that can facilitate the consultations; and
3. make the consultations readily available and accessible to qualifying patients and caregivers, including by telephone from a remote location outside the hybrid retailer's location and from the private consultation space the act requires (see below).

Signs

Under the act, hybrid retailers must conspicuously post and maintain a sign at their main entrance, which must (1) be at least 12 inches in height and 18 inches in width, (2) incorporate lettering in a size and style that is clear and legible, and (3) state the name of the licensed pharmacist who is available either in-person or through telehealth.

Additionally, hybrid retailers must conspicuously post and maintain a sign at each register or similar point of sale within the premises, and on any website the hybrid retailer maintains. The sign must (1) be at least eight inches in height and 10 inches in width, (2) incorporate lettering in a size and style that is clear and legible, and (3) state "Pharmacist available for consultation" in a clear and legible manner.

Continuing Professional Education

The act requires each licensed pharmacist who consults with qualifying patients or caregivers to annually complete at least five contact hours of continuing professional education related to the cannabis industry, the Connecticut pharmacy laws, or the treatment of debilitating medical conditions under the medical marijuana laws. These contact hours are included in, and not in addition to, the 15 hours pharmacists must take annually.

Private Consultation Space

Existing law requires hybrid retailer locations to include a private consultation space for pharmacists to meet with qualifying patients and caregivers. The act additionally requires each hybrid retailer to conspicuously display, on the exterior of its location, a symbol that signifies the sale of medical marijuana products. The symbol must be in a form and manner the DCP commissioner sets and must be posted on DCP's website.

EFFECTIVE DATE: October 1, 2025

§ 24 — RETAILER CONVERSION TO HYBRID RETAILER

Allows a retailer to apply to DCP to convert its license to a hybrid retailer without applying through the lottery

The act allows a retailer to apply to DCP to convert its license to a hybrid retailer without applying through the lottery. To do so, the retailer must complete an application the commissioner creates. Before issuing the license, DCP must inspect the converting retailer's establishment. If the inspection is satisfactory, DCP must deactivate the converting retailer's license and issue a new hybrid retailer license to the applicant.

EFFECTIVE DATE: October 1, 2025

§ 24 — SALE OF MANUFACTURER HEMP PRODUCTS AT HYBRID RETAILERS

Requires manufacturer hemp products that a hybrid retailer sells to be derived from hemp grown by a U.S. Department of Agriculture-licensed hemp producer under an approved state or tribal hemp production plan

By law, hybrid retailers may sell manufacturer hemp products (i.e. those intended for human ingestion, inhalation, absorption, or other internal consumption) under certain conditions (e.g., stored separately from cannabis, displayed with DCP-approved signs, and tested by accredited labs, among other things). The act also requires that the manufacturer hemp products be derived from hemp grown by a U.S. Department of Agriculture-licensed hemp producer under an approved state or tribal hemp production plan.
EFFECTIVE DATE: October 1, 2025

§ 28 — TRANSPORTER LICENSE

Allows a transporter to store, maintain, and handle cannabis for up to 30 days under certain conditions (e.g., complies with security requirements, makes certain attestations)

Prior law prohibited transporters from storing or maintaining control of cannabis for more than 24 hours from the time they obtained the cannabis until the cannabis was delivered. The act allows a transporter to store, maintain, and handle cannabis under certain conditions. In order to hold the cannabis beyond 24 hours, the transporter must:

1. possess each unit of cannabis for no more than 30 days after the transporter receives the cannabis;
2. comply with all security required by the cannabis laws, policies, procedures, and regulations;
3. attest that it did not open or remove any cannabis from individual child-resistant packaging, although it may consolidate or separate bulk packaged cannabis for commercial distribution;
4. attest that it complies with all recordkeeping and electronic tracking requirements, and all policies, procedures, and regulations for the electronic tracking system about the receipt, storage, repackaging, and distribution of cannabis;
5. pay to DCP, as the commissioner requires, a one-time expansion authorization $5,000 payment, to be deposited in the consumer protection enforcement account;
6. notify DCP, as the commissioner requires, at least 30 days before the date it intends to begin storing cannabis for a period exceeding 24 hours; and
7. receive written DCP confirmation that the transporter meets the security requirements noted above.

The act requires DCP to take all reasonable efforts to schedule an inspection of the cannabis establishment facility within 60 days after the department receives a transporter expansion application. After completing the inspection, DCP must promptly give the transporter (1) written confirmation of compliance with the security requirements or (2) notice of noncompliance.

The act requires a transporter that expands its authorized activities to (1) comply with all the laws, regulations, policies, and procedures for product packagers and (2) not open or remove any cannabis from individual child-resistant packaging, although it may consolidate or separate bulk packaged cannabis for commercial distribution on a scale that is greater than commercial distribution on an individual and final packaging basis.

Under the act, if there is a conflict between the transporter requirements and the product packager requirements, the more stringent public health and safety standard prevails.
EFFECTIVE DATE: October 1, 2025

§ 30 — FACSIMILE OF FOODS, BEVERAGES, AND OTHER ITEMS

Specifies that the prohibition on products that appeal to children includes facsimiles of foods, beverages, and other items that appeal to children

Existing law requires the DCP commissioner to adopt various cannabis-related regulations, including ones on prohibiting cannabis product types that appeal to children. The act specifies that the prohibition on products that appeal to children includes facsimiles of foods, beverages, and other items that appeal to children.
EFFECTIVE DATE: October 1, 2025

§ 30 — INCREASE IN ALLOWABLE THC LEVELS

Increases the allowable THC levels on a dry-weight basis from (1) 30% to 35% for the cannabis flower or plant material and (2) 60% to 70% for any other cannabis product except for prefilled cartridges (e.g., vapes); requires DCP to adopt regulations requiring cannabis establishments that sell these higher-THC products to have a separate area for them and provide certain warnings

Prior law required the DCP commissioner to adopt regulations prohibiting cannabis establishments from selling, other than medical marijuana product sales between cannabis establishments and cannabis sales to qualified patients and caregivers, (1) cannabis flower or other cannabis plant material with a total THC concentration greater than 30% on a dry-weight basis and (2) any cannabis product other than the flower and plant material with a total THC concentration greater than 60% on a dry-weight basis, except for prefilled cartridges for use in an electronic cannabis delivery system (e.g., vapes). The act requires the commissioner to adopt regulations that increase the allowable THC levels on a dry-weight basis from (1) 30% to 35% for the cannabis flower or plant material and (2) 60% to 70% for any other cannabis product except for prefilled cartridges.

The act also requires the DCP commissioner to adopt regulations:

1. requiring dispensary facilities, hybrid retailers, and retailers to display the following types of cannabis in a DCP-prescribed way and in an area physically and visually separate from other cannabis for sale at the establishment: (a) cannabis flower or other cannabis plant material with a total THC concentration between 30% and 35% on a dry-weight basis, and (b) any cannabis product other than cannabis flower and cannabis plant material with a total THC concentration between 60% and 70% on a dry-weight basis, except for prefilled cartridges for use in an electronic cannabis delivery system;
2. requiring any dispensary facility, hybrid retailer, or retailer that sells any form of cannabis with the THC concentrations described above to include the words "Warning - High THC" next to the cannabis on the cannabis establishment's menus and advertisements; and
3. prescribing signage to be displayed at a dispensary facility, hybrid retailer, or retailer informing consumers, qualifying patients, and caregivers of health risks associated with cannabis with the THC concentrations described above.

EFFECTIVE DATE: October 1, 2025

§ 32 — SUSPECTED CANNABIS THEFT REPORTING EXEMPTION

Generally allows cannabis establishments to complete their own investigation before notifying DCP of suspected cannabis theft or loss of one-half ounce of raw cannabis or less or the equivalent someone may legally possess

Under prior policies and procedures, a licensee and any employee had to immediately notify DCP in writing as soon as they were aware of any suspected diversion, theft, or loss of any cannabis, among other actions.

For a suspected diversion, the act allows cannabis establishments to conduct an internal investigation before notifying DCP under certain conditions. They may do so if:

1. they reasonably determined that the amount of cannabis involved is one-half ounce of raw cannabis or less, or the equivalent someone may legally possess;
2. they notify DCP about the diversion and any findings from the investigation within two business days after the suspected diversion is initially discovered; and
3. the suspected diversion does not involve any person with a financial interest in the cannabis establishment or a key employee (if so, the cannabis establishment must immediately notify DCP about the suspected diversion).

If at least two instances of cannabis diversion occur at a cannabis establishment within any six-month period, the commissioner may, in his sole discretion, require the establishment to immediately notify DCP about any subsequent suspected employee diversion.

If at least three instances of cannabis diversion occur at the cannabis establishment within any 12-month period, the cannabis establishment must notify DCP immediately about any future discovery or suspicion of cannabis diversion.

The act specifies that this provision does not prohibit DCP from conducting an investigation.

EFFECTIVE DATE: October 1, 2025

§ 34 — ADVERTISING

Allows a person who displays advertising or promotional materials that are solely visible within the interior of a cannabis establishment to advertise cannabis or cannabis-related services

The act expands who can advertise cannabis or cannabis-related services in Connecticut to include a person who displays advertising or promotional materials that are solely visible within the interior of a cannabis establishment.

Under prior law, only cannabis establishments and a person who provided professional services related to cannabis purchases, sales, or uses were allowed to advertise cannabis or cannabis-related services.

EFFECTIVE DATE: October 1, 2025

§ 35 — HOURS FOR RETAIL CANNABIS SALES

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

The act generally limits the hours a cannabis retailer, hybrid retailer, or micro-cultivator with a retailer or hybrid retailer endorsement 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.

Prior law allowed municipalities to amend their zoning regulations or enact local ordinances to, among other things, reasonably restrict cannabis establishments' hours. Under the act, municipalities may not allow a retailer or hybrid retailer to sell during a period prohibited by the act but can still limit the allowable times further.

EFFECTIVE DATE: July 1, 2025

§§ 36 & 38 — HIGH THC-INFUSED BEVERAGES

Requires a DCP-issued high-THC beverage endorsement for persons that manufacture these beverages for sale outside of Connecticut; requires these manufacturers to include clear and conspicuous labeling that the beverage is not for sale in Connecticut and report to DCP

Under the act, a "high-THC beverage" is a beverage that (1) is not an alcoholic beverage; (2) is intended for human consumption; (3) contains, or is advertised, labeled, or offered for sale as containing, total THC that is more than three milligrams per container; and (4) contains THC solely derived from hemp (a) grown by a U.S. Department of Agriculture hemp producer licensed under an approved state or tribal hemp production plan and (b) with a total THC concentration of 0.3% or less on a dry weight basis or by volume, as applicable.

High-THC Endorsement

Existing law generally requires anyone who manufactures any infused beverage intended to be sold or offered for sale in Connecticut to have a DCP license.

Starting January 1, 2026, the act prohibits any person (i.e. individual or entity) from manufacturing a high-THC beverage in Connecticut unless the person is an infused beverage manufacturer that received a DCP-issued high-THC beverage endorsement. Under the act, a high-THC beverage endorsement authorizes the high-THC beverage manufacturer to manufacture high-THC beverages for sale exclusively outside of Connecticut. The act prohibits high-THC beverage manufacturers from advertising, offering, or selling any high-THC beverage in Connecticut or offering or selling any high-THC beverage directly to any individual. It requires these manufacturers to verify that purchasers of high-THC beverages intend to engage in the commercial resale of the beverages exclusively outside Connecticut.

Requirements

Beginning January 1, 2026, an infused beverage manufacturer seeking a high-THC beverage endorsement must apply to DCP in a commissioner-prescribed way. Each high-THC beverage manufacturer must use the electronic tracking system required under existing laws for cannabis establishments to monitor the intake, manufacturing, disposition, and distribution of all hemp oil, infused beverages, and high-THC beverages in the manufacturer's possession. The act subjects this information to the cannabis electronic tracking system and recordkeeping laws, which require records to be kept for the current taxable year and the three preceding ones, subject to DCP audit and investigation.

The act also requires infused beverage manufacturers with the high-THC beverage endorsement to (1) include a clear

and conspicuous warning in at least 12-point font on each high-THC beverage that reads "Not for Sale in CT" and (2) generally comply with hemp acquisition, manufacturing, and laboratory testing requirements that are already required for infused beverages. The act exempts these manufacturers from complying with existing laws (1) prohibiting infused beverages from exceeding three milligrams, (2) requiring certain labeling, and (3) limiting sales only to Connecticut entities authorized to sell infused beverages.

The act requires each infused beverage manufacturer with a high-THC endorsement, beginning July 31, 2026, and each six months after, to submit a report to DCP (1) for the six-month period beginning the previous January 1 or July 1, as applicable, and (2) disclose the total number of high-THC beverages the manufacturer sold out-of-state during that six-month period.

Implementing Policies, Procedures, and Regulations

The act requires the DCP commissioner to adopt regulations to implement these provisions, but he must first issue implementing policies and procedures which, under the act, have the force and effect of law. The commissioner must do so regardless of the UAPA's regulation adoption process, in order to carry out this provision and protect public health and safety.

At least 15 days before the policies and procedures take effect, the act requires the commissioner to post them on DCP's website and submit them to the secretary of the state (SOTS) to be posted on the eRegulations system. A policy or procedure is no longer effective on the earlier of (1) the date on which SOTS codifies the final regulation or (2) June 30, 2029, if the regulations have not been submitted to the Regulation Review Committee.

The commissioner must also provide the policies and procedures to each licensee in a way he prescribes.

EFFECTIVE DATE: October 1, 2025

§§ 36, 37 & 39 — INFUSED BEVERAGE WHOLESALER

Establishes licensure requirements for infused beverage wholesalers and generally requires anyone who acts or represents themselves as such to be licensed; requires the wholesalers to assess a $1 fee on each infused beverage sold; provides for compliance verifications and audits; allows DCP to take certain enforcement actions for violations

The act establishes a new licensure requirement by allowing DCP to issue or renew a license for a person to be an infused beverage wholesaler. Except for alcoholic liquor wholesale permittees and wholesale permittees for beer, the act prohibits any person from acting or representing to be an infused beverage wholesaler, unless the person has received the DCP license. By law, an "infused beverage" is a beverage that (1) is non-alcoholic and intended for human consumption and (2) contains, or is advertised, labeled, or offered for sale as containing, a total THC content of three milligrams or less per container, which must be at least 12 fluid ounces.

The act prohibits an infused beverage wholesaler from distributing alcoholic liquor and exempts alcoholic liquor wholesale permittees or wholesale permittees for beer from the requirement to apply for or maintain an infused beverage wholesaler license.

Application

A person seeking an infused beverage wholesaler license must apply to DCP in a commissioner-prescribed way. Each infused beverage wholesaler license is valid for one year and renewable for an additional year after submitting a renewal application.

The act allows DCP to issue an infused beverage wholesaler license to an applicant if the:

1. applicant's owners submit to a third-party local and national criminal background check and give the results to DCP;
2. owners do not have any disqualifying convictions specified under the cannabis laws (e.g., certain crimes involving fraud or falsifying records); and
3. proposed infused beverage wholesaler operating facility is inspected by DCP and satisfies the department's requirements for cleanliness and security.

The act only allows an infused beverage wholesaler to sell infused beverages to package store permittees and cannabis retailers, hybrid retailers, and dispensary facilities.

Prohibition on Appealing to Children or Making Health Claim

Under the act, an infused beverage wholesaler must ensure that any infused beverage it offers or sells does not (1) appeal to anyone under age 21, including based on the name or appearance of the infused beverage, or (2) make any health claim.

Compliance Verifications

The act extends existing law's requirements for certain compliance checks to infused beverage wholesalers. This includes verifying, based on a representative sample in the shipment, that the infused beverages they received in a shipment satisfy the packaging, labeling, and advertising requirements, and any related DCP regulations, policies, or procedures.

Container Assessment

As under existing law for alcoholic liquor wholesalers, infused beverage wholesalers must assess a $1 fee on each infused beverage container sold to a package store permittee, cannabis retailer, hybrid retailer, or dispensary facility. These assessments are not subject to any sales tax or treated as income tax.

Beginning on October 1, 2025, and every six months after that, each infused beverage wholesaler must remit payment to DCP for each infused beverage container sold during the preceding six-month period. The funds must be deposited into the consumer protection enforcement account and used to protect public health and safety, educate consumers and licensees, and ensure compliance with cannabis and liquor control laws.

Records

The act requires each infused beverage wholesaler to maintain all records needed to fully demonstrate business transactions related to infused beverages for the current taxable year and the three previous taxable years. The records must be maintained in an auditable format, and the infused beverage manufacturer, or any other person in charge or having custody of the records, must make the records available to DCP for inspection as described below.

Production of Information, Audit, and Inspection

Under the act, the DCP commissioner may require any infused beverage wholesaler to produce the information as he deems necessary to properly administer this provision of the act and the existing infused beverages law. The commissioner may also require a third-party independent audit of the infused beverage wholesaler, which must be paid for by the wholesaler being audited.

Upon the request of the DCP commissioner or any other enforcement agency or other authorized person, an infused beverage wholesaler, and any other person in charge or having custody of the records, must make the records immediately available for inspection and copying. The wholesaler, or the other person in charge, must produce copies of the records to the commissioner or his authorized representative within two business days after the request. The records must be given to the commissioner or his representative in an electronic format, unless doing so is commercially impractical. The act prohibits any person from using a foreign language, code, or symbol to designate any infused beverage or person when complying with these provisions.

To supervise and enforce these provisions, the DCP commissioner may enter any facility used or maintained by an infused beverage wholesaler and inspect and inventory all pertinent equipment, finished or unfinished materials, containers or labeling, and all other items in the place. This includes records, files, financial data, sales data, shipping data, pricing data, employee data, research, papers, processes, controls, and facilities.

Violations

Under the act, any violation of the act's infused beverage wholesaler provisions constitutes sufficient cause for action by the DCP commissioner. This includes suspending, putting on probation, revoking, or placing conditions on the license; issuing a fine of up to $5,000 per violation; accepting an offer in compromise; or refusing to grant or renew a license.

Information Disclosure

Under the act, all information from DCP's inspections and investigations related to administrative complaints or cases are exempt from disclosure under the Freedom of Information Act until the department has entered into a settlement

agreement, or concluded its investigation or inspection as evidenced by case closure.

The act specifies that it does not prevent DCP from sharing any information with another state or federal agency or law enforcement as the information relates to an investigation conducted for a suspected violation of law.

EFFECTIVE DATE: October 1, 2025

§ 40 — INGESTIBLE MANUFACTURER HEMP

Specifies that ingestible manufacturer hemp sold in the state must be from a federally licensed hemp producer; eliminates the requirement that the manufacturer hemp product statement disclosure include warnings directed at children

Existing law requires manufacturer hemp that is a food, beverage, oil, or other product intended for human ingestion that is distributed or sold in Connecticut to be in a package, or labeled, with certain information (e.g., product name; manufacturer, packer, and distributor contact information; and certain warning statements).

The act specifies that this hemp must be derived from hemp grown by a U.S. Department of Agriculture hemp producer licensed under an approved state or tribal hemp production plan.

For these products, prior law required a clear and conspicuous statement disclosing that "Children, or those who are pregnant or breastfeeding, should avoid using such product prior to consulting with a health care professional concerning such product's safety." The act eliminates the requirement that the statement specifically reference children.

EFFECTIVE DATE: Upon passage

§§ 41 & 42 — PENALTIES AGAINST CANNABIS ESTABLISHMENTS FOR ILLEGAL SALES TO UNDERAGED INDIVIDUALS AND SYNTHETIC CANNABINOIDS

Modifies the penalties for a cannabis establishment licensee selling or delivering cannabis or cannabis paraphernalia to someone under age 21 and makes it a class E felony for them to sell or deliver synthetic cannabinoids to anyone

The act modifies the penalties for a cannabis establishment licensee (or their agents) selling or delivering cannabis or cannabis paraphernalia to someone under age 21. It increases the penalty for illegally selling or delivering cannabis from a class A misdemeanor to a class E felony (see Table on Penalties). It decreases the penalty for illegally selling or delivering cannabis paraphernalia from a class A misdemeanor to a class C misdemeanor.

Existing law prohibits cannabis establishments from selling synthetic cannabinoids, which are classified as schedule I drugs (i.e. a drug with no current accepted medical use and a high potential for abuse) (CGS § 21a-243). The act makes it a class E felony for a cannabis establishment (or their servants or agents) to sell or deliver synthetic cannabinoids to anyone.

By law, "synthetic cannabinoids" are any substance converted by a chemical process to create a cannabinoid or cannabinoid-like substance that has (1) structural features that allow interaction with at least one of the known cannabinoid-specific receptors or (2) any physiological or psychotropic response on at least one cannabinoid specific receptor. It includes hexahydrocannabinol (HHC and HXC) and hydrox4phc (PHC) but does not include manufactured cannabinoids.

EFFECTIVE DATE: October 1, 2025

§ 43 — SOCIAL EQUITY COUNCIL WORKING GROUP

Requires the Social Equity Council to convene, by September 1, 2025, a working group to study and develop recommendations on cannabis cultivation in disproportionately impacted areas, among other things; requires the working group to report its findings to the governor and the General Law Committee by January 1, 2027

The act requires the Social Equity Council to convene, by September 1, 2025, a working group to study and develop recommendations on:

1. the availability of suitable locations within disproportionately impacted areas, and municipalities where disproportionately impacted areas are located, for indoor and outdoor cannabis cultivation by cultivators and micro-cultivators;
2. the estimated cost of developing a cultivator or micro-cultivator establishment in each disproportionally impacted area;
3. the average cost of developing a cultivator or micro-cultivator establishment in a municipality with a disproportionally impacted area compared to the average cost of doing so in a municipality that does not have such an area;
4. challenges faced by the Connecticut cannabis market and opportunities available to promote or incentivize

progress within the market;
5. resources available to track municipal cannabis tax revenues and municipal moratoriums on cannabis establishments;
6. equity joint venture business structures and practices;
7. cannabis market saturation and whether there is a need to establish a quantitative cap on cannabis cultivation in the state; and
8. any other matter the working group deems relevant.

The working group must report the study's results and any legislative recommendations to address the findings or implement its recommendations to the governor and the General Law Committee by January 1, 2027. It terminates when it submits the report or January 1, 2027, whichever is later.

EFFECTIVE DATE: Upon passage

BACKGROUND

CUTPA

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the DCP commissioner, under specified procedures, to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than $10,000, impose civil penalties of up to $5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to $5,000 for willful violations and up to $25,000 for a restraining order violation.

PA 25-171—HB 7179
General Law Committee

AN ACT CONCERNING PHARMACEUTICAL MARKETING AND PHARMACEUTICALS

SUMMARY: This act makes a number of changes related to pharmaceuticals and pharmaceutical representatives. It:
1. limits the contents of the list of pharmaceutical representatives employed by registered pharmaceutical manufacturers that the Department of Consumer Protection (DCP) must post on its website to the representatives' first name and last initial, prohibits inclusion of their home addresses, and no longer requires the posting to be prominently displayed on DCP's website;
2. allows a licensed veterinarian to authorize another person to dispense a prescription veterinary drug under certain circumstances;
3. makes various changes regarding permits to sell nonlegend (i.e. nonprescription) drugs, including eliminating the permit requirement for someone who distributes free nonlegend naloxone through a legally compliant secure box; and
4. changes requirements for these secure boxes.

EFFECTIVE DATE: Upon passage

DISPENSING VETERINARY DRUGS

The act allows a licensed veterinarian to authorize another person to dispense a prescription veterinary drug if done:
1. under a veterinarian's lawful written or oral order in the course of the veterinarian's professional practice and following federal and state laws and regulations on dispensing prescription veterinary drugs,
2. for an animal that the veterinarian has a veterinarian-client-patient relationship with and access to the animal's medical records, and
3. under the veterinarian's direct supervision.

The authorizing veterinarian must ensure that all requirements for dispensing the drug are followed.

The act allows the Department of Public Health commissioner, in consultation with DCP and the Connecticut Board of Veterinary Medicine, to adopt regulations to implement these provisions.

NONLEGEND DRUG PERMITS

Prior law required a permit from the Commission of Pharmacy in order to sell nonlegend drugs and a permit from DCP to do so in a vending machine. The act instead requires DCP to issue each of these permits and allows the DCP commissioner to set the form and manner of an application.

The act excludes from the permit requirement someone who only distributes nonlegend naloxone to the public through a secure, legally compliant lockbox (see below) for free. The act waives the $140 application fee and $100 renewal fee for a permit to sell nonlegend drugs for an applicant who attests on the application that the permit will be used only to distribute nonlegend drugs for free.

Under prior law, a permit holder had to notify the commission about a change in ownership, name, or location within five days after the change. The act instead requires a permit holder to electronically submit the change to DCP in a form and manner set by the DCP commissioner, and requires notice for a change of permanent physical location rather than change of location of permit premises.

The act eliminates a provision making these permits nontransferable.

SECURE BOXES

The act changes certain requirements for secure boxes containing an opioid antagonist (such as naloxone). As under existing law, the box must be securely affixed in a public location and be accessible by people for public use. The act deletes requirements that it be (1) temperature controlled or in a temperature-controlled environment, (2) tamper resistant, and (3) equipped with an alarm that transmits a signal and alerts first responders when accessed by someone. The act adds that the box must display any sign DCP deems necessary or appropriate and DCP must post an image of the required sign on its website.

By law, a prescribing practitioner or pharmacist certified to prescribe an opioid antagonist can enter an agreement with a community health organization, emergency medical service provider, government or law enforcement agency, or board of education to install a secure box containing an opioid antagonist. The agreement must address certain topics, such as environmental controls, replenishing contents, monitoring expiration dates, and signage about location and usage directions.

RA 25-1—sHJ 49
Government Administration and Elections Committee

RESOLUTION RESCINDING PREVIOUS APPLICATIONS OF THE GENERAL ASSEMBLY THAT CALLED FOR AN ARTICLE V CONVENTION TO PROPOSE AMENDMENTS TO THE CONSTITUTION OF THE UNITED STATES AND DIRECTING TRANSMISSION OF SUCH RESOLUTION TO CONGRESS FOR PRINTING IN THE CONGRESSIONAL RECORD

SUMMARY: This resolution rescinds the state's two outstanding calls for a federal constitutional convention (known as an Article V convention).

Specifically, it rescinds calls for conventions to propose amendments (1) authorizing the United States to negotiate with other countries to draft a constitution for a world federal government (SJ 15, 1949) and (2) prohibiting states from taxing nonresident income (SJ 9, 1958, March Special Session).

The resolution requires the secretary of the state to send certified copies to (1) the U.S. House speaker and clerk, (2) the U.S. Senate president and secretary, (3) each member of Connecticut's congressional delegation, and (4) the archivist of the United States. The secretary must also request that the resolution be printed in the Congressional Record.

Under the U.S. Constitution, Congress must convene a constitutional convention upon application of the legislatures in two-thirds of states (i.e. 34 total) (U.S. Const. Art. V). To date, the United States has never held an Article V convention.

PA 25-5—HB 7129
Government Administration and Elections Committee

AN ACT CONCERNING THE TRANSFER TO MUNICIPAL OFFICIALS OF VOTING TABULATORS AND ACCESSORIES PURCHASED BY THE SECRETARY OF THE STATE

SUMMARY: Under existing law, each municipal fiscal authority must authorize payment for any bill incurred for purchasing, leasing, or otherwise acquiring a sufficient number of voting tabulators by a town's board of selectmen, a city's common council, or the warden and burgesses of a borough, whichever is applicable.

This act authorizes the secretary of the state, regardless of this requirement, to purchase approved voting tabulators or tabulator accessories directly from the manufacturer and transfer ownership of them to the municipalities.
EFFECTIVE DATE: Upon passage

PA 25-9—sSB 1234
Government Administration and Elections Committee

AN ACT PROHIBITING LIBRARIES FROM AGREEING TO CERTAIN TERMS IN ELECTRONIC BOOK AND DIGITAL AUDIOBOOK LICENSE AGREEMENTS OR CONTRACTS

SUMMARY: This act generally prohibits publicly funded libraries from entering or renewing contracts and licensing agreements (collectively referred to as "agreements" below) with publishers of electronic literary materials (i.e. electronic books (eBooks) and digital audiobooks) that prevent, limit, or restrict the library from performing certain customary operational or lending functions specified in the act. However, the act's prohibition only applies starting 60 days after the secretary of the state determines that a substantially similar law has been enacted by one or more other states with a combined population of at least seven million.

The act applies (1) to any public library, public elementary or secondary school library, academic or research library, or public archive if it is partially or fully funded (e.g., through grants, loans, insurance, or matching expenditures) by the state or one of its political subdivisions (e.g., municipalities) and (2) for the duration of the fiscal year in which the library or archive receives the funding and the next fiscal year after that. It also applies to the Connecticut State Library (regardless of the funding or its duration).

Under the act, "publishers" are businesses that manufacture, promulgate, license, or sell books, journals, magazines, newspapers, or other literary productions (including digital formats and digital audiobooks) or aggregators in the business of licensing access to material collections, including works from multiple publishers, that enter into contracts with libraries to sell or license these materials.
EFFECTIVE DATE: July 1, 2025

PROHIBITION TRIGGER

Under the act, the state librarian must verify, at least quarterly, whether any other states have enacted laws substantially similar to the act. Then, within 30 days after the secretary of the state, in consultation with the state librarian, determines that such a law has been enacted in one or more other states with a combined population of at least seven million, according to the most recent U.S. decennial census, the state librarian must electronically notify the education commissioner, Office of Policy and Management (OPM) secretary, and all libraries operated by a state agency about the determination and when the act's prohibition will become effective.

The state librarian and the secretary of the state must also ensure that the determination and effective date are posted on their websites. In addition, the OPM secretary must electronically notify all of the state's municipalities about the determination and effective date, and the education commissioner must do the same for all public elementary and secondary schools.

AGREEMENT TERMS

Prohibited Terms

Starting 60 days after the secretary of state makes the determination described above, the act generally prohibits the covered libraries from entering or renewing agreements with publishers that prevent, limit, or restrict their ability to perform customary operational or lending functions. More specifically, the act prohibits the libraries from entering agreements that:

1. prohibit the library from lending any electronic literary material, including through an interlibrary loan;
2. 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;
3. limit the number of licenses the library can buy on the day the material is made available for public purchase;
4. prohibit the library from making nonpublic preservation copies;
5. restrict the library from disclosing an agreement's terms to another Connecticut library;
6. restrict the duration of the agreement for electronic literary material unless the library also has the option of an agreement on commercially reasonable terms, considering the library's mission, that allows (a) a pay-per-use model or (b) perpetual public use of the material;
7. require the library to violate the law that protects its patrons' confidential information;
8. are non-severable from any of its provisions that a judicial forum finds prohibited by the act; or
9. allow any of the act's prohibited provisions to be enforced outside of a judicial forum (e.g., through arbitration).

Permissible Terms

The act also specifies that the libraries' agreements with publishers may include provisions:

1. that limit the number of borrowers with simultaneous access to any electronic literary material and
2. on the library's reasonable use of technological protection measures that prevent a borrower from (a) maintaining access to material beyond the agreement's allowable loan period or (b) sharing access to the material with other borrowers.

PA 25-59—sSB 1519
Government Administration and Elections Committee

AN ACT DESIGNATING VARIOUS DAYS, WEEKS AND MONTHS

SUMMARY: This act requires the governor to proclaim the following:

1. February 8 to be Scouting America Day, to commemorate the anniversary of the day in 1910 the former Boy Scouts of America was founded, which became Scouting America;
2. February 14 to be Neurofibromatosis Awareness Day, to raise awareness of this genetic condition that often begins in childhood and causes tumors to grow on nerves throughout the body and may affect brain, cardiovascular, bone, and skin development;
3. April to be Connecticut Native Plant Month, to recognize the importance of native plants to the state's rich biological heritage;
4. April 11 to be Parkinson's Awareness Day, to raise awareness of Parkinson's disease and available treatments for

it;

5. April 26 to be Tuskegee Airmen Day, to recognize the significant contribution of the first African American military fighter pilots in American history who served during World War II, and whose impressive performance earned them more than 150 Distinguished Flying Crosses;
6. May to be Brain Tumor Awareness Month, to raise awareness, educate, and give information to the public on available treatments;
7. the first Wednesday in May to be Local Journalism Appreciation Day, to raise awareness of local journalism's value;
8. May 5 to be Red Dress Day, to commemorate missing and murdered indigenous women and children;
9. May 10 to be Dystonia Awareness Day, to raise awareness of dystonia, which causes muscles to contract involuntarily, and available treatments for it;
10. May 13 to May 19 to be Face Equity Week and May 19 to be Face Equity Day, to recognize those with craniofacial abnormalities;
11. June 1 to be Barber Recognition Day, to honor barbers in the state;
12. June 12 to be National Women Veterans' Recognition Day, to recognize the significant contributions of women who bravely and honorably served in the U.S. armed forces;
13. June 27 to be Connecticut Microbiome Day, to (a) recognize microbiome therapeutics' role in combatting diseases; (b) celebrate Connecticut microbiome research achievements; (c) recognize and raise awareness of the role human, animal, and environmental microbiomes have on health; and (d) encourage students and the public to learn more about the human microbiome's impacts;
14. July to be Uterine Fibroid Awareness Month, to raise awareness of this condition's symptoms and treatment options and improve health outcomes for women;
15. July 12 to be Connecticut Recipients of the Medal of Honor Day, to acknowledge state residents who received the Medal of Honor for their courage and sacrifices;
16. the third Saturday of September to be Lobster Roll Day;
17. October 15 to be Varian Fry Day, to remember the late Connecticut resident Varian Fry's heroic deeds in Marseille, France from 1940 to 1941, where he rescued more than 1,500 refugees, many of whom were Jewish, from the Nazis;
18. November as Veterans' Month, to recognize the service and sacrifice of people who have served in the armed forces to protect the United States and Connecticut;
19. November as Epilepsy Awareness Month, to raise awareness of the associated presentation and available treatments for it; and
20. the 15th day of the month of Kartik in the Hindu lunar calendar as Diwali, to celebrate this festival of lights.

Under the act, suitable observance exercises may be held in the state capitol and elsewhere as the governor designates.

EFFECTIVE DATE: Upon passage

RELATED ACT

PA 25-20 also establishes June 12 as National Women Veterans Recognition Day.

PA 25-81—sSB 1434
Government Administration and Elections Committee

AN ACT IMPLEMENTING THE TREASURER'S RECOMMENDATIONS FOR REVISIONS CONCERNING UNCLAIMED PROPERTY

SUMMARY: This act adds and makes various changes to the laws governing when property held or owned in Connecticut is presumed to be abandoned and subject to the state's custody as unclaimed property. Principally, the act:

1. broadens what is an acceptable "last-known address" under the state's unclaimed property laws to include certain descriptions other than those for mail delivery (§ 1);
2. explicitly subjects property under funeral service contracts to the state's unclaimed property laws and establishes circumstances for deeming that property as payable or distributable and presuming its abandonment (§§ 1 & 2);
3. makes several changes affecting required notices to property owners by (a) holders of their property before it is presumed to be abandoned and (b) the treasurer for property reported or transferred to him (§§ 3 & 5);
4. requires unclaimed property holders to retain specific records on their unclaimed property reports to the treasurer

(§ 3);
5. establishes an alternative process for handling abandoned property that is reported as being solely owned by certain constitutional offices or executive branch departments (§ 4); and
6. authorizes the treasurer to establish a program for property owners to donate their unclaimed property to charity (§ 4).

The act also makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2025

§§ 1 & 2 — FUNERAL SERVICE CONTRACTS

The act expands upon existing laws governing funeral service contracts by explicitly subjecting property held under them to the state's unclaimed property laws. Under existing law, a "funeral service contract" is a contract requiring the payment of money, the delivery of securities, or the assignment of a life insurance policy's death benefit in exchange for funeral, burial, or related services or items that are not immediately needed. For the purposes of the act's requirements and the state's unclaimed property laws, the act (1) incorporates that definition of funeral service contract and (2) regards the escrow agent, insurance company, or any other person holding or maintaining property held under a funeral service contract as that property's holder and the purchaser of that property as the property's owner.

For funeral service contracts in effect on or after July 1, 2025, the act requires that property held under the contract be deemed payable or distributable under the state's unclaimed property laws on the earliest of the following triggers:

1. when the property holder receives affirmative notice about the death of a beneficiary associated with the contract for which the holder keeps an escrow account,
2. the beneficiary's 110th birthday, or
3. 75 years after the contract's execution.

Relatedly, the act requires property holders under a funeral service contract to obtain a list of all their properties held as part of a funeral service contract that was executed at least 75 years ago for which the (1) funeral service establishment has received an affirmative death notification about the beneficiary or (2) beneficiary has reached 110 years old. PA 25-168, § 260, replaces this act's requirement and instead requires property holders to obtain a list of all their properties held under a funeral service contract (1) that was executed at least 75 years ago, (2) for which the funeral service establishment has received an affirmative death notification about the beneficiary, or (3) for which the beneficiary has reached 110 years old. Under this act, unchanged by PA 25-168, § 260, property holders must obtain these lists annually, by March 1, from funeral service establishments. (By law, these establishments must keep a copy of all funeral service contracts they enter into or that are assigned to them (CGS § 42-200(d)).)

The act further requires property held under a funeral service contract to be presumed abandoned unless the contract's beneficiary or purchaser has indicated their interest in the property within one year of when it is considered payable or distributable under the act. Relatedly, the act requires holders of these properties, in order to comply with one of the unclaimed property laws' notice requirements about presumed abandoned property (see § 3 below), to make reasonable efforts to determine the property owner's current and proper mailing address if the contract's associated annual statement is returned as undeliverable during the prior year. (State law requires that funds received as part of a funeral services contract be deposited in an escrow account, and each party to the contract must get an annual statement of the amount credited to the account.)

§§ 1, 3 & 5 — PROPERTY OWNER LAST-KNOWN ADDRESSES AND UNCLAIMED PROPERTY NOTICES

Last-Known Address (§ 1)

The act broadens the definition of "last-known address" for the state's unclaimed property laws. Under prior law, this was a description of an apparent property owner's location sufficient for mail delivery. The act instead defines it as any description, code, or other indication of an apparent owner's location that identifies the owner's state (even if it is otherwise insufficient for delivering first-class U.S. mail). By law, this definition applies unless the context requires otherwise.

In doing so, the act expands the property that escheats (reverts) to the state. By law, abandoned intangible property is subject to the state's unclaimed property laws if, among other conditions, the holder's records (1) show a last-known address of the apparent owner that is in Connecticut or (2) do not include the name of the person entitled to the property but the person's last-known address is in Connecticut (CGS § 3-66b). The law also generally requires that funds and property held by the federal government belonging to anyone whose last-known address was in Connecticut be subject to the state's unclaimed property laws (CGS § 3-62b).

Notice by Property Holder (§ 3)

By law, before property is presumed abandoned, the property's holder must, among other things, notify its owner that he or she must indicate interest in the property or it will be transferred to the treasurer and subject to escheat to the state. Under prior law, property holders had to take reasonable steps to prevent the property from being presumed abandoned by, at least, sending this notice (1) by first-class mail to the owner's last-known address and (2) to the owner's last-known email if the owner consented to the electronic delivery of required notices.

The act limits the requirement that property holders send this notice by first-class mail to when the cumulative value of all of the owner's property is $50 or more and the owner's last-known address is sufficient for first-class mail delivery. Property holders must still send the email notice, if consented to, regardless of the property's value.

The act also changes the timeframe for sending these notices by requiring property holders to send them between July 1 and September 30 of the year the property will be presumed abandoned. (In practice, property is presumed abandoned on December 31 of the calendar year in which the presumption is triggered.) Under prior law, holders had to send these notices at least 180 days before the property was presumed abandoned if the property were certain wages, salary, or other compensation for personal services, or deposits, refunds, or other sums owed by a utility. For all other property, prior law required holders to send notices within a year before it was presumed abandoned.

Notice by Treasurer (§ 5)

Existing law generally requires the treasurer to send a notice, as he deems appropriate, to each person reported as the apparent owner of unclaimed property that was reported or transferred to him during the preceding calendar year and for whom the property's holder has reported certain contact information about. By law, certain individuals with property under $2,500 to whom the treasurer makes or will make a payment are excluded from this notice requirement. The act further excludes people whose unclaimed property has a reported value under $50. The act also changes what contact information from the property holder triggers this notice requirement, which under prior law was a last-known address, valid email address, or telephone number. The act instead conditions the requirement on the holder reporting a last-known address in Connecticut sufficient for first-class mail delivery or valid email address.

By law, the treasurer's notice must describe the process for verifying ownership and claiming the property. The act replaces a requirement that the notice also include information concerning the property's amount and description and instead requires that it inform the person that they may have unclaimed property to claim.

§ 3 — PROPERTY HOLDER RECORDS OF REPORTING UNCLAIMED PROPERTY TO THE TREASURER

Under existing law, when property holders pay or deliver abandoned property to the treasurer, they generally must also file associated reports with specified information. The act requires property holders to keep records (1) of the information that must be included in these reports and (2) on the date, place, and circumstances giving rise to the property right. Property holders must also keep any documentation on items the holder considered reporting to the treasurer as unclaimed, but ultimately determined was not required to be reported, in order to verify the holder's compliance with its reporting obligations.

Under the act, property holders must generally keep these records for at least 10 years after (1) filing a report with the treasurer or (2) the last date a timely report was due to be filed. However, the act authorizes the treasurer to set a shorter retention period.

§ 4 — HANDLING OF ABANDONED PROPERTY SOLELY OWNED BY CERTAIN STATE ENTITIES

The act establishes an alternative process for handling abandoned property whose sole owner is reported as the secretary of the state, state comptroller, attorney general, state treasurer, or an executive branch department as defined in state law.

For applicable property, the treasurer must submit a report to the Office of Policy and Management (OPM) identifying the property's value and reported owner. Unless OPM directs otherwise, the property must escheat to the state three months after the report's submission. The treasurer must then reclassify the property as state property instead of as unclaimed.

§ 4 — DONATION OF UNCLAIMED PROPERTY

The act authorizes the treasurer to establish a program permitting a property owner to donate all of his or her unclaimed property to specified charitable causes. If the owner chooses to donate his or her claim, the choice is irrevocable, and the donation is considered full payment of the claim.

The treasurer must (1) prescribe the form of the donation election and (2) select one or more of the following state accounts to receive the donation:

1. organ transplant account (CGS § 17b-288);
2. AIDS research education account (CGS § 19a-32a);
3. endangered species, natural area preserves and watchable wildlife account (CGS § 22a-27*l*);
4. breast cancer research and education account (CGS § 19a-32b);
5. safety net services account (CGS § 17b-112f);
6. Connecticut Baby Bond Trust (CGS § 3-36b);
7. mental health community investment account (CGS § 17a-451g); or
8. Military Relief Fund (CGS § 27-100a).

State law authorizes a similar program for tax refunds (CGS §§ 12-743 & 12-743a).

PA 25-124—SB 1520
Government Administration and Elections Committee

AN ACT CONCERNING AN AMENDMENT TO THE FREEDOM OF INFORMATION ACT CONCERNING EDUCATION RECORDS

SUMMARY: This act specifies that the state Freedom of Information Act's disclosure exemption for records covered by the federal Family Educational Rights and Privacy Act (FERPA) applies to "education," rather than "educational," records exempt from disclosure under FERPA. This conforms with terminology used in FERPA (20 U.S.C. § 1232g(4)). The act also specifies that the exemption applies to FERPA as it existed on January 3, 2012.
EFFECTIVE DATE: July 1, 2025

PA 25-134—HB 6849
Government Administration and Elections Committee

AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR MINOR AND TECHNICAL REVISIONS TO THE GOVERNMENT ADMINISTRATION AND ELECTIONS STATUTES

SUMMARY: This act makes technical changes in various statutes affecting government and election administration.
EFFECTIVE DATE: October 1, 2025, except a technical change to a Citizens' Election Fund statute is effective July 1, 2025.

PA 25-26—sSB 1405
Government Oversight Committee
Appropriations Committee

AN ACT MODIFYING CAMPAIGN FINANCE LAWS AND THE POWERS OF THE STATE ELECTIONS ENFORCEMENT COMMISSION

TABLE OF CONTENTS:

§ 1 — CAMPAIGN FINANCE DEFINITIONS

Makes related changes to the state campaign finance law's definitions of the terms "organization expenditure" and "solicit" regarding the sharing of content created by a candidate committee or on behalf of a candidate by certain other committees

§ 2 — DISCLAIMER REQUIREMENTS

Modifies disclaimer requirements for certain political communications and advertisements by (1) modifying who must be listed in the disclaimer for certain committees, (2) generally applying them to text messages, and (3) removing certain requirements to include a personal audio disclaimer for certain video communications or advertisements

§ 3 — SEEC AUDITS

Reduces the maximum percentage of candidate committees SEEC may audit after an election or primary from 50% to 20%; requires SEEC to complete the audits within 12 months after a committee is selected and report to the legislature on its compliance

§§ 4-6 — SEEC AUTHORITY

Subjects SEEC declaratory rulings, advisory opinions, and guidance documents to certain restrictions or oversight requirements; requires SEEC to publish a list of materials that treasurers must maintain and submit for audit compliance

§§ 7 & 8 — CEP QUALIFYING CONTRIBUTIONS

Makes various changes regarding CEP qualifying contributions and aggregate fundraising amounts, including when and how they are adjusted for inflation, procedures for returning and reviewing nonqualifying contributions, and grant application requirements

§ 9 — LIVESTREAM OF COMMISSION MEETINGS

Requires SEEC to livestream its meetings

§ 9 — APPOINTMENT OF SEEC EXECUTIVE DIRECTOR

Modifies conditions under which SEEC may appoint or reappoint its executive director

§§ 10 & 11 — CONTRIBUTION AND EXPENDITURE EXEMPTIONS

Increases the maximum amounts an individual or group may spend on certain events for invitations, food, and beverages without being subject to certain campaign finance requirements

SUMMARY: This act makes various changes to the state's campaign finance laws as described in the section-by-section analysis below.
EFFECTIVE DATE: July 1, 2025, except the provisions increasing the maximum expenditure on invitations, food, and beverages that are exempt from the campaign finance requirements are effective upon passage (§§ 10 & 11).

§ 1 — CAMPAIGN FINANCE DEFINITIONS

Makes related changes to the state campaign finance law's definitions of the terms "organization expenditure" and "solicit" regarding the sharing of content created by a candidate committee or on behalf of a candidate by certain other committees

Organization Expenditure

By law, organization expenditures are made by legislative caucus, legislative leadership, or party committees to benefit candidates or their committees. Under existing law, organization expenditures may be made to prepare, display, or distribute a party candidate listing. The act specifies that this includes (1) electronically sharing, posting, or forwarding content created by a candidate committee or a party, legislative caucus, or legislative leadership committee on behalf of a candidate; (2) using personal email lists or existing email accounts used for these activities; and (3) other similar de minimus activities that may or may not be related to fundraising.

Solicit

The state's campaign finance law generally regulates when and how committees may solicit contributions for public office, and requires the filing of certain information relating to soliciting activities. Under existing law, to "solicit" is to (1) request contributions; (2) participate in fundraising activities for a committee; (3) serve as a committee's chairperson, treasurer, or deputy treasurer; or (4) establish political committees for the sole purpose of obtaining contributions.

Prior law generally exempted (1) making permitted contributions, (2) informing a person about a candidate's or public official's position, (3) providing notice about a candidate's activities or contact information, (4) serving as a party committee member or officer as allowed by law, and (5) attending a fundraiser.

The act additionally exempts electronically sharing a link to a fundraising website or an invitation to a fundraising event by a legislative caucus, legislative leadership, or party committee.

§ 2 — DISCLAIMER REQUIREMENTS

Modifies disclaimer requirements for certain political communications and advertisements by (1) modifying who must be listed in the disclaimer for certain committees, (2) generally applying them to text messages, and (3) removing certain requirements to include a personal audio disclaimer for certain video communications or advertisements

Disclaimer Requirements

Under state law, any written, typed, or printed communication (including online) from committees promoting a candidate's success or defeat, promoting or opposing a political party, or soliciting funds for a political party or a committee must generally include certain information (i.e. a disclaimer). The disclaimer must include the words (1) "paid for by" followed by a specified individual name or address, depending on the approving entity, and (2) "approved by" followed by the candidate's name.

Prior law specified that all committees, other than party committees, must have listed both the committee's and the treasurer's names after the words "paid for by." The act eliminates the requirement that the treasurer be listed by any committee. In doing so, it requires these committees to list only the committee's name, as is the case for party committees under existing law.

Similarly, under prior law, a political committee formed solely to promote the success or defeat of a referendum question had to disclose the name of its treasurer in any written, typed, or printed communication promoting the referendum's success or defeat. The act removes the requirement to include the treasurer's name but maintains existing law's requirement to include the name of the committee making the expenditure.

Text Messages

The act extends existing law's disclaimer requirements for written, typed, or printed communications to include text messages. It also specifies that for text messages, displaying the required disclaimer in the initial text message or including a link in the message to a website where the disclaimer appears satisfies the act's requirement.

Television and Internet Video

Prior law generally required that television or Internet video advertising by a candidate or exploratory committee that promotes the success or defeat of a candidate include a disclaimer at the end of the advertisement. The act requires that this disclaimer occur during the advertisement instead of at the end. It also eliminates the requirement that the advertisement include the candidate's voice and a simultaneous, personal audio message, in the following specific form: "I am .... (candidate's name) and I approved this message."

The act maintains the existing requirement for the advertisement to include the candidate's name and image in its narrative before the end and, for at least four seconds, a clearly (1) identifiable photo or similar image of the candidate who is making the expenditure and (2) readable printed statement identifying the candidate and indicating that he or she approved the advertising.

§ 3 — SEEC AUDITS

Reduces the maximum percentage of candidate committees SEEC may audit after an election or primary from 50% to 20%; requires SEEC to complete the audits within 12 months after a committee is selected and report to the legislature on its compliance

State law authorizes the State Elections Enforcement Commission (SEEC) to audit candidate committees after elections and primaries for compliance with campaign finance laws. The act reduces, from 50% to 20%, the maximum percentage of candidate committees that SEEC may audit as determined by a weighted lottery system. The act also requires that the weighted lottery be duly noticed and open to the public.

The act also creates a deadline by which the commission must complete these audits and issue its findings. Specifically, an audit of a candidate committee must be completed within 12 months of the committee's selection.

Relatedly, the act requires SEEC, starting by January 1, 2026, to annually submit a report to the Government Oversight Committee detailing any audits during the prior calendar year that it was unable to complete within the required period, along with the reasons for failing to do so.

§§ 4-6 — SEEC AUTHORITY

Subjects SEEC declaratory rulings, advisory opinions, and guidance documents to certain restrictions or oversight requirements; requires SEEC to publish a list of materials that treasurers must maintain and submit for audit compliance

SEEC Guidance Procedures (§ 4)

The law generally authorizes SEEC to oversee and advise on state campaign finance laws. The act explicitly requires SEEC to issue declaratory rulings under the Uniform Administrative Procedures Act. It also (1) restricts SEEC from issuing declaratory rulings or advisory opinions on the Citizens' Election Program (CEP) within 180 days of a state election and (2) specifies that this restriction does not limit SEEC's ability to provide general guidance or clarification on the program during this period.

List of Required SEEC Documentation (§ 5)

The act requires SEEC, starting January 1, 2026, to publish a complete and detailed list of all documentation and internal records that a treasurer of a qualified candidate committee must maintain and give to SEEC to comply with an audit (see § 3 above). Additionally, SEEC must include this list in each guidance document for the CEP that is longer than 40 pages or the equivalent for nonpaginated material. The list may only include documentation and records required by statute, regulation, declaratory ruling, or advisory opinion. Under the act, treasurers may not be held liable for failing to maintain or provide items not on the list.

Submission of Certain Guidance Documents (§ 6)

Starting July 1, 2025, any new or revised SEEC guidance relating to campaign finance or the CEP that is more than 40 pages long (or the equivalent for nonpaginated material) must be submitted to the Government Oversight Committee and the four legislative leaders. The committee may hold a hearing within 30 days after the guidance's submission.

The act applies these provisions to documents or materials providing general guidance on the state's campaign finance

laws or laws regarding the CEP and any guidebooks, factsheets, FAQs, newsletters, and training modules, including presentation decks and slides. However, it does not apply to any regulations, declaratory rulings, or advisory opinions.

§§ 7 & 8 — CEP QUALIFYING CONTRIBUTIONS

Makes various changes regarding CEP qualifying contributions and aggregate fundraising amounts, including when and how they are adjusted for inflation, procedures for returning and reviewing nonqualifying contributions, and grant application requirements

Inflationary Adjustments (§ 7)

By law, candidates qualify for the CEP by raising a certain number of qualifying contributions (QCs), which must come from individual donors. Individual QC amounts may range from $5 to $250.

To qualify for the CEP, a candidate must also raise an overall threshold amount of QCs from individual donors. The law also requires candidates for (1) governor and other statewide offices to raise a specified amount from state residents and (2) state legislators to receive contributions from a minimum number of people residing in their district. The aggregate threshold amounts specified in law vary depending on the office sought.

State law requires SEEC to adjust the maximum individual QC amount and the aggregate contribution amounts for inflation. Under existing practice, candidates may obtain QCs before these adjustments occur, but the candidates cannot collect more than the statutory maximum of $250 until the adjustment goes into effect.

The act requires that starting December 15, 2025, the adjusted individual QC amount continue to apply until SEEC makes its next inflationary adjustment. Under the act, if the maximum QC amount would be lower after being adjusted for inflation, the adjustment must not take effect, and the maximum from the immediately preceding adjustment must be maintained.

Under prior law, SEEC had to (1) publish the adjusted QC and aggregate contribution amounts by January 15 in the year of the applicable election and (2) base the adjusted amounts on inflationary changes from January 1 in a specified year through December 31 in the year before the adjustment must be made (e.g., through December 31, 2023, for the 2024 election).

Starting with the 2026 elections for legislative offices and the 2030 elections for statewide offices, the act shifts these dates back 16 days and requires SEEC to publish the adjusted QC and aggregate contribution amounts by December 15 in the applicable year and base them on inflationary changes between December 1, 2016, to November 30 of the adjustment year.

Return of QCs (§ 7)

Under existing law and the act, a contribution is not a QC if (1) it is from a principal of a state contractor or prospective state contractor, (2) it is less than five dollars, (3) the contributor does not provide his or her full name and address, (4) it is from an out-of-state resident to a candidate for statewide office and exceeds the applicable limit on out-of-state contributions, or (5) the contributor is under age 12.

If a candidate committee receives a contribution that does not meet the QC criteria, prior law authorized the committee's treasurer to either (1) return it to the contributor or (2) submit it to SEEC for deposit in the Citizens' Election Fund (CEF, which funds the CEP).

The act instead generally requires treasurers to (1) return nonqualifying contributions if they were (a) received from state contractor principals, out-of-state residents, or underage children or (b) less than five dollars or (2) donate these nonqualifying contributions to a 501(c)(3) charitable organization. If the contribution is for five dollars or more and from a contributor who did not provide his or her full name and address, the treasurer must return the contribution, if practicable, or transmit it to SEEC for deposit in the CEF.

Grant Applications (§ 8)

Under existing law, candidates seeking a CEP grant must file an application and a cumulative itemized accounting with SEEC and include a written certification that, among other things, the applicant has complied with the law's requirements for returning nonqualifying contributions.

Under the act, this certification must instead certify that the applicant has (1) whenever practicable, returned contributions of five dollars or more from a person who did not include their name and address; (2) taken reasonable efforts to return all other nonqualifying contributions; and (3) transmitted any excess contributions to the CEF.

SEEC Review of Grant Application (§ 8)

For QCs submitted to SEEC as part of a CEP grant application, the act requires the commission to (1) notify the candidate committee about any contribution that does not meet the QC criteria and (2) return any nonqualifying contributions to the treasurer. Under the act, SEEC must also cite the applicable statutory reason for its determination. For deeming a contribution a qualifying contribution, the act also establishes a rebuttable presumption that all information on a contribution certification form is accurate, which may only be rebutted by proof to the contrary based on the commission's prior investigative findings.

The act prohibits the commission from disqualifying a contribution because the (1) residential and acting addresses associated with the contribution do not match or (2) contribution was made in response to an electronically shared link to a fundraising website or fundraising event invitation.

Under state law, when the commission approves a CEP grant application it must notify the state comptroller and the qualifying candidate committee about the total grant amount to be received. (Generally, committees that apply at least 71 days before an election receive a full grant, while those that apply later receive a percentage of the full grant based on when they apply.)

The act requires the commission, when it notifies the comptroller, to ensure and advise him that the qualified candidate committee is entitled to the full grant because the committee has submitted (1) an affirmation, as part of its written certification, that the committee received the required QCs at least 71 days before the election and (2) a cumulative itemized accounting that demonstrates the committee reasonably believes the certification to be accurate (see above).

§ 9 — LIVESTREAM OF COMMISSION MEETINGS

Requires SEEC to livestream its meetings

The act requires all SEEC meetings noticed under the Freedom of Information Act to be livestreamed on an Internet website included in the meeting's notice. The website may not require any member of the public to (1) create an account to access the site or (2) take action to reconnect to the meeting if the commission goes into executive session. The act specifies that this does not require broadcasting an executive session of the commission.

§ 9 — APPOINTMENT OF SEEC EXECUTIVE DIRECTOR

Modifies conditions under which SEEC may appoint or reappoint its executive director

Under state law, SEEC may hire employees needed to administer the state's campaign finance laws, including its executive director. The act established a legislative appointment process for the executive director position, including when the position is vacant (PA 25-174, §§ 226 & 227 generally repeals and replaces these provisions).

This act's appointment process would have required (1) SEEC to submit a nomination for the executive director position to the legislature by February 1, 2027, and then every four years after that and (2) both chambers to immediately refer the nomination to the Executive and Legislative Nominations Committee, which would have had to report on the nomination by resolution within 15 days after the referral.

Both legislative chambers would have had to either confirm or reject the nomination through a resolution. If approved by both, the nominee would have taken office on March 1 of the year his or her appointment was submitted.

If either legislative chamber rejected the nominee before March 1, or if the position became vacant during the regular legislative session, the commission would have been required to submit a nominee within 30 days after the rejection or vacancy occurred. The act's process required the legislature to follow the regular appointment process for approving the nominee, except the committee resolution must have been made within 15 legislative days instead of 15 calendar days as under the initial process. If the nominee was approved by a resolution within 30 calendar days after the submission, he or she would have served at the commission's pleasure, but for no longer than the original appointment's remaining term of office. If the House or Senate rejected the nomination within that period, SEEC generally would have had to submit a new nomination.

If a nomination was submitted less than 30 days before the General Assembly's constitutionally required adjournment date and it did not act on the nomination, or if a vacancy occurred while the legislature was not in session, the act would have allowed the commission to fill the position until the sixth Wednesday of the next regular legislative session. At the beginning of that session, SEEC would have had to submit a nominee, and the legislature would follow the process outlined above for a vacancy during a regular session. The act prohibited someone who was nominated and rejected by the legislature from serving as executive director during the legislative term in which he or she was rejected.

PA 25-174 generally repeals these provisions and instead requires the commission, by March 1, 2027, and every four years after, to appoint a person to serve at its pleasure for a four-year term starting March 1 of the nominating year. If a vacancy occurs, PA 25-174 requires the commission to appoint a replacement for the remainder of the term.

Under PA 25-174, before SEEC reappoints its executive director for an additional four-year term at the end of his or her first term, the Government Administration and Elections and Government Oversight committees must hold a joint public hearing for the executive director to appear and discuss SEEC's operations, achievements, and future initiatives, as well as the health of the CEP. PA 25-174 also limits an executive director to one reappointment.

§§ 10 & 11 — CONTRIBUTION AND EXPENDITURE EXEMPTIONS

Increases the maximum amounts an individual or group may spend on certain events for invitations, food, and beverages without being subject to certain campaign finance requirements

Generally, state law subjects "expenditures" and "contributions" by candidate, party, and political committees to campaign finance reporting requirements, with certain exemptions. These exemptions include certain amounts spent by an individual on behalf of any candidate or committee for invitations, food, and beverages served at the individual's residence or a community room in the facility in which they reside. The invitation, food, and beverage may be provided on behalf of a candidate committee, regardless of CEP participation, and party, political, or slate committees.

Under prior law, the exempted amount for an individual could not exceed $400 for a single event and $800 for the calendar year or a single election. Prior law also exempted up to $800 for any event hosted by two or more individuals, subject to the cumulative total noted above, if they owned or resided at the residential premises.

The act increases the maximum for a single event by $100, to $500. It also increases the cumulative maximum and the maximum for joint events by $200, to $1,000.

PA 25-70—sHB 6883
Government Oversight Committee

AN ACT PROTECTING THE LOCATION OF HOUSING FOR DOMESTIC VIOLENCE AND SEXUAL ASSAULT VICTIMS

SUMMARY: This act expands confidentiality protections for the locations of shelters or transitional housing for victims of domestic violence or sexual assault by explicitly prohibiting public agencies from disclosing any information indicating these locations, regardless of the state Freedom of Information Act (FOIA). Prior law specified that FOIA did not require a public agency to disclose any information indicating the location of a shelter or transitional housing for domestic violence victims, and was silent on shelters or housing for sexual assault victims.

The act also explicitly allows, regardless of FOIA's requirements, portions of public agency meetings to be held in executive session if they would reveal the location of a shelter or transitional housing for domestic violence or sexual assault victims.

Under FOIA and the act, a "public agency" generally includes any:

1. executive, administrative, or legislative office of the state or any political subdivision of the state and any state or town agency;
2. department, board, commission, authority, or official of the state or of any municipality, school district, or other district or other political subdivision of the state;
3. committee of, or created by, any of these offices or officials;
4. judicial office, official, or body or committee, but only for administrative functions; and
5. person to the extent they are the functional equivalent of a public agency (CGS § 1-200(1)).

Lastly, the act also makes technical changes.

EFFECTIVE DATE: October 1, 2025

PA 25-147—sHB 7090
Government Oversight Committee
Appropriations Committee

AN ACT CONCERNING THE TIMING AND SCOPE OF AUDITS BY THE AUDITORS OF PUBLIC ACCOUNTS

SUMMARY: This act generally gives the Government Oversight Committee greater involvement in the audits done by the Auditors of Public Accounts (APA).

The law generally requires APA to audit each state officer, department, commission, board, court, quasi-public agency, and institution supported by the state at least once every two years, or as frequently as it deems necessary. The act requires APA, starting by July 1, 2026, to annually give the Government Oversight Committee a proposed schedule for the audits it plans to do over the following fiscal year.

Under the act, if an APA report on a state agency or quasi-public agency includes violations of state laws or regulations, other than minor or technical recommendations, the agency must report on the status of any corrective actions it has taken. It must make this report to APA, the governor, and the legislature within six months after the report was issued. Upon receiving the report, the Government Oversight Committee may ask APA to verify anything in the agency's corrective action report and APA must respond within 60 days.

The act also allows the Government Oversight Committee to ask APA to perform a "limited performance engagement," which under the act is a review of a specific program or entity under an agreement between APA and the committee's chairpersons and ranking members on the engagement's objectives, scope, methodology, and timing. APA must respond on whether it will perform the limited performance engagement within 60 days after receiving the request, and if so, include its suggested scope and schedule. The act requires APA to perform these limited performance engagements within available appropriations.

The act also expands the entities to which APA must send its reports to include the Government Oversight Committee. The law requires APA to report its audits' findings and recommendations to the governor, comptroller, and Appropriations Committee, and the act requires that the Government Oversight Committee also receive them. It also requires APA to report to the committee whenever it learns that the following has occurred or is contemplated: (1) an unauthorized, illegal, irregular, or unsafe handling or expenditure of state or quasi-public agency funds or (2) a breakdown in safekeeping of state or quasi-public resources. As under prior law, APA must also report this to the governor, comptroller, attorney general, and clerks of the House and Senate. By law, unchanged by the act, APA can delay making these reports to give the agency a reasonable time to investigate, but it must notify the attorney general about the decision to delay reporting.
EFFECTIVE DATE: October 1, 2025

PA 25-156—sSB 1468
Government Oversight Committee

AN ACT CONCERNING GOVERNMENT ACCOUNTABILITY REGARDING AGENCY PURCHASE CARD USE

SUMMARY: This act requires any new procedures on state agency purchasing card (P-card) use to include certain provisions, such as specifying the types of transactions allowed, limits on certain types of purchases, and deadlines for submitting receipts. It also requires each state agency to appoint an employee as its P-card coordinator, with certain responsibilities, such as issuing P-cards to authorized employees and reviewing receipts and other documentation related to their use.

By law, the comptroller may allow state budgeted agencies (see BACKGROUND) to use P-cards for purchases up to $250,000 (unless the agency has approval to exceed that amount from the comptroller and the Department of Administrative Services commissioner). The law requires the agencies, including any of their officials, employees, or agents, to use the cards under procedures established by the comptroller.

Under the act, each budgeted agency that paid for an expense with a P-card during the immediately preceding fiscal year must, starting by August 1, 2026, annually report to the comptroller on its P-card usage during the preceding fiscal year and any enforcement of violations of the act's required policies. The report must be on a form set by the comptroller.
EFFECTIVE DATE: October 1, 2025

P-CARD PROCEDURES

The act requires any P-card procedures established on or after October 1, 2025, to at least do the following:

1. prescribe which employees may use the card and limitations on its use;
2. specify the types of transactions that may be charged on the card;
3. limit authorized charges for travel, meals, and entertainment;
4. specify timing for submitting receipts or other reports on the card's usage;
5. require the receipts or reports to be digitized in CORE-CT (the state's payroll and financial tracking system) or another applicable system;
6. specify the agency approval process for reports about card usage; and
7. include specific remedies for noncompliance.

The act requires each budgeted agency to implement these procedures unless it adopts more stringent policies.

P-CARD COORDINATORS

The act also requires each budgeted agency to appoint an employee as its P-card coordinator and inform the comptroller about the appointment. Under the act, the P-card coordinator is responsible for ensuring the agency's compliance with the above procedures and must do the following:

1. authorize issuing a P-card to an employee once the employee's supervisor determines he or she should be authorized for one;
2. review receipts or other documentation for P-card transactions made by agency employees and ensure that they are entered into CORE-CT or another applicable system;
3. establish dollar limits, according to the comptroller's procedures, for agency employees using the card; and
4. deauthorize an employee from using the card due to (a) not timely providing receipts or other documentation for P-card transactions or (b) not complying with the procedures.

BACKGROUND

Budgeted Agencies

By law, a "budgeted agency" is generally every (1) executive branch department, board, council, commission, institution, or other agency; (2) judicial branch court, council, division, and other agency financed by the state; (3) full-time permanent department or agency of the legislative branch; and (4) public and private institution, organization, association, or other agency receiving financial aid from the state (CGS § 4-69).

HIGHER EDUCATION AND EMPLOYMENT ADVANCEMENT COMMITTEE

PA 24-22—sSB 107
Higher Education and Employment Advancement Committee

AN ACT UPDATING REQUIREMENTS FOR CONSTRUCTION MANAGEMENT OVERSIGHT AT THE UNIVERSITY OF CONNECTICUT, PAUSING THE REQUIREMENT FOR A PLAN TO INCREASE THE NUMBER OF FULL-TIME FACULTY AT PUBLIC INSTITUTIONS OF HIGHER EDUCATION AND REPLACING REFERENCES TO THE PRESIDENT OF THE CONNECTICUT STATE COLLEGES AND UNIVERSITIES WITH THE CHANCELLOR OF THE CONNECTICUT STATE COLLEGES AND UNIVERSITIES

SUMMARY: This act eliminates the Construction Management Oversight Committee (CMOC) and transfers its responsibilities to the UConn Board of Trustees (BOT), or one of the board's committees. The law previously charged CMOC with overseeing and implementing the UConn 2000 program. The latter, however, functionally disbanded in 2014 after completing its major work and the BOT assumed its responsibilities. CMOC's oversight responsibilities included, among other things, reviewing and approving UConn 2000 policies and procedures on selecting professionals and contractors. CMOC also was required to review each project after completion. (UConn 2000 is an infrastructure program that allows the university to use certain bond proceeds on specified projects.)

The act pauses, until 2028, a biennial requirement that the BOT and the Board of Trustees for the community-technical colleges and the Connecticut State University System (i.e., the Board of Regents (BOR)) develop plans on how to increase the number of full-time faculty and report on them to the Higher Education and Employment Advancement Committee.

Lastly, the act makes minor and technical changes, including (1) correcting references to BOR following the merger of the community-technical colleges into Connecticut State Community College and (2) changing the title of Connecticut State Colleges and Universities' chief executive officer from "President" to "Chancellor" and making associated conforming changes (e.g., changing "vice-president" to "vice-chancellor").
EFFECTIVE DATE: July 1, 2024

PA 24-47—SB 109
Higher Education and Employment Advancement Committee

AN ACT MODIFYING THE CONNECTICUT AUTOMATIC ADMISSIONS PROGRAM

SUMMARY: This act modifies the academic threshold for student admission through the Connecticut Automatic Admissions Program to "participating institutions" (i.e., the four state universities, CT State Community College, Charter Oak State College, and any other in-state higher education institution eligible to participate in the program). Specifically, it requires (1) the Board of Regents for Higher Education (BOR) to set a minimum unweighted grade point average (GPA) for program applicants to qualify for automatic admission to participating institutions and (2) these institutions to generally use this GPA as the threshold for admission through the program. However, the act allows participating institutions to set an additional academic threshold of performance on a nationally recognized college readiness assessment administered to grade 11 students (e.g., the SAT).

Under prior law, BOR had to set a minimum class rank percentile and participating institutions generally had to establish academic thresholds for admission based on this metric but could also include performance on a college readiness assessment.

The act also makes various conforming changes (e.g., requiring boards of education to calculate the unweighted GPA of students who have completed grade 11, rather than BOR's prior method for determining class rank percentile, to determine whether the GPA meets BOR's minimum).

By law, the Connecticut Automatic Admissions Program is a BOR-established program that requires participating higher education institutions to automatically admit an applicant as a full-time, first-year student to a Connecticut in-person bachelor's degree program if he or she meets certain eligibility requirements, which include meeting or exceeding the academic threshold.
EFFECTIVE DATE: July 1, 2024

PA 24-52—sSB 13
Higher Education and Employment Advancement Committee
Finance, Revenue and Bonding Committee

AN ACT INCENTIVIZING STUDENT LOAN REPAYMENT ASSISTANCE

SUMMARY: This act expands the student loan payment tax credit for qualified employers that make eligible student loan payments on a qualified employee's behalf (see below). It does so by allowing the employer to claim the credit for eligible payments it made to a student loan servicer on a qualified employee's behalf for any student education loan, rather than only loans issued by the Connecticut Higher Education Supplemental Loan Authority (CHESLA). It also establishes requirements an employer must follow when filing for a credit refund or exchange with the Department of Revenue Services (DRS).

The act caps the aggregate amount of tax credits the DRS commissioner may reserve for this program at $10 million per calendar or income year and requires the credits to be reserved in the order of applications the commissioner receives.

It also requires CHESLA to (1) establish a High Priority Occupation Loan Subsidy Program to subsidize interest rates on its loans to eligible individuals employed in high priority occupations and (2) consult with the Office of Workforce Strategy (OWS) to designate these occupations.

Lastly, the act makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2024, except the tax credit expansion is effective January 1, 2025, and applicable to calendar or income years commencing on or after that date.

QUALIFIED EMPLOYER TAX CREDIT OR REFUND

Existing law allows qualified employers that make payments on qualified employees' eligible student loans (i.e., CHESLA loans) to claim a tax credit or refund equal to 50% of the payments made up to a maximum annual credit of $2,625 per employee, per calendar or income year. By law, "qualified employees" are Connecticut residents who (1) earned their first bachelor's degree within the last five years; (2) are employed full time (i.e., at least 35 hours per week) at a qualified employer; and (3) are not an owner, member, partner, or family member of an otherwise qualified employer.

The act expands this tax credit by allowing qualified employers to claim it for eligible student loan payments it made on behalf of an eligible employee to a student loan servicer (see below) for any student education loan, rather than only payments to CHESLA for CHESLA-issued loans.

By law, and under the act, a "student loan servicer" is any person, regardless of location, responsible for servicing any student education loan to any student loan borrower (CGS § 36a-846(12)).

TAX CREDIT APPLICATION REQUIREMENTS

To claim the student loan payment tax credit, the act requires an eligible qualified employer to file an application with the DRS commissioner in a form and manner he sets. The application must include the following:

1. a list of qualified employees on whose behalf the qualified employer will be making an eligible student loan payment,
2. the total amount the employer will pay towards each employee's student education loan in the calendar or income year,
3. the employee's student loan servicer, and
4. any other information the commissioner requires.

The act requires the commissioner, upon receiving an application, to determine and reserve the credit amount the employer will be entitled to claim and issue a voucher in that amount to the employer. The act prohibits a qualified employer from claiming or a qualified small business (i.e., a qualified employer with gross receipts of $5 million or less) from exchanging more than the amount in the voucher for any calendar or income year.

HIGH PRIORITY OCCUPATION LOAN SUBSIDY PROGRAM

The act requires CHESLA to establish a High Priority Occupation Loan Subsidy Program, subject to available funding. The program must subsidize interest rates on CHESLA loans to refinance eligible loans to individuals employed in high priority occupations who meet the act's eligibility criteria.

High Priority Occupation Designation

Under the act, CHESLA must consult with OWS to designate high priority occupations under the program that (1) promote state residents' health, welfare, or education; (2) have a high demand for their services, as CHESLA and OWS determine; and (3) are experiencing or are projected to experience a workforce shortage that may affect the level of services provided.

Eligibility Criteria and Administrative Guidelines

CHESLA must also consult with OWS to establish administrative guidelines for implementing and operating the program, as well as eligibility criteria which must include the following:

1. applicant requirements, including employment requirements;
2. interest rate subsidies and principal limits on authority loans subject to the program;
3. the process for verifying applicants' employment; and
4. a requirement to terminate a recipient's subsidy if they no longer meet the program's employment requirements during the loan's term.

Account Expenditure Guidelines

The act requires CHESLA to establish a separate, nonlapsing account to hold program funds. The account must hold any moneys the law requires to be deposited in it, including any state appropriation or any sale proceeds from bonds issued for that purpose.

CHESLA must use the funds in the account to do the following:

1. subsidize loan interest under the program,
2. cover the program's reasonable and necessary administrative expenses,
3. issue authority loans to refinance one or more eligible loans, and
4. maintain a reserve to cover any losses from issuing authority loans.

PA 24-63—SB 303
Higher Education and Employment Advancement Committee

AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR TECHNICAL REVISIONS TO THE HIGHER EDUCATION STATUTES

SUMMARY: This act makes minor and technical changes to the statutes concerning higher education, including standardizing statutory references to the Office of Higher Education's "licensure" and "accreditation" of a for-profit higher education institution by replacing these terms with "authorization."
EFFECTIVE DATE: July 1, 2024

PA 24-64—sSB 304
Higher Education and Employment Advancement Committee

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE CONNECTICUT HIGHER EDUCATION SUPPLEMENTAL LOAN AUTHORITY

SUMMARY: This act allows Connecticut residents who are under age 18 to sign for a Connecticut Higher Education Supplemental Loan Authority (CHESLA) loan if they obtain the loan with an adult cosigner (i.e., age 18 or older). They must be otherwise eligible for the loan, and the act deems them to have full capacity to act on the loan with all the powers, privileges, and obligations of someone who is age 18, including as it relates to applying for, receiving, and repaying the loan. In practice, some people applying for college are under age 18 when an education loan must be signed.

By law, CHESLA may create special capital reserve funds (SCRF) to pay the interest and principal on bonds it issues. These SCRFs must be backed by money or certain other financial instruments. The act allows CHESLA to also use a surety policy or other similar instrument, valued at par (i.e., face value) and payable on or before any date by which debt service is due, to fund SCRFs. The surety policy or other instrument must be issued by a financial institution with at least a "AA"

rating by a nationally recognized statistical rating organization and approved by the treasurer. The act also makes minor, technical, and conforming changes, including specifying that notes are treated similarly to bonds.
EFFECTIVE DATE: Upon passage

PA 24-87—HB 5128
Higher Education and Employment Advancement Committee

AN ACT REQUIRING DISCLOSURE OF SCHOLARSHIP DISPLACEMENT POLICIES AT INSTITUTIONS OF HIGHER EDUCATION

SUMMARY: This act requires each higher education institution in the state to disclose its policy on reducing the amount of financial aid it offers to a current or prospective student who receives a scholarship ("scholarship displacement") in:

1. the initial financial aid package offered to each current or prospective student, and
2. a report submitted to the Higher Education and Employment Advancement Committee by January 1, 2025.

EFFECTIVE DATE: July 1, 2024

PA 24-116—sHB 5237
Higher Education and Employment Advancement Committee

AN ACT REQUIRING STUDENT SURVEYS DURING EVALUATION OF A PRIVATE CAREER SCHOOL TO RENEW A CERTIFICATE OF AUTHORIZATION

SUMMARY: This act requires the Office of Higher Education (OHE), by January 1, 2025, to develop a student survey to be conducted during an evaluation for renewing a private career school's certificate of authorization. The survey must at least include questions about the quality of each course or instructional program in which the student is or was enrolled.

By law, private career schools must have a certificate of authorization from OHE in order to operate. These certificates must be applied for before initially opening a school and then periodically renewed according to a statutory schedule. During the application or renewal process, OHE appoints a team to evaluate the school.

Under the act, each evaluation team must administer the survey to students beginning with evaluations on or after January 1, 2025.
EFFECTIVE DATE: July 1, 2024

PA 24-117—sHB 5239
Higher Education and Employment Advancement Committee
Appropriations Committee

AN ACT ESTABLISHING THE PATH PROGRAM AND AMENDING THE CONNECTICUT COLLEGIATE AWARENESS AND PREPARATION PROGRAM

SUMMARY: This act requires the Office of Higher Education (OHE), as part of its Minority Advancement Program, to establish the Preparation for Academic Transition to Higher Education (PATH) program. Beginning with FY 25, the office must annually, within available appropriations, allocate up to $100,000 for grants to nonprofit community-based organizations in Connecticut that assist 11th and 12th grade students who live in the state with:

1. completing applications to postsecondary education programs;
2. completing the Free Application for Federal Student Aid or an application for institutional financial aid for students lacking legal immigration status, including through informational events and presentations about financial aid applications; and
3. securing education scholarships and grants to finance postsecondary education program attendance.

It also revises the requirements for the Connecticut collegiate awareness and preparation program (ConnCAP), which is part of OHE's Minority Advancement Program. By law, ConnCAP must (1) develop linkages with public school systems targeted by OHE to provide motivation and skills development for middle and high school students and (2) provide competitive funding to higher education institutions in the state. The act (1) requires the program to target middle and high

school students who are disadvantaged, including students from low-income families and those who are prospective first-generation college students, for motivation and skills development, rather than "underachievers" as under prior law, and (2) defines ConnCAP as a program that provides outreach and services to middle and high school students to prepare them to successfully complete postsecondary education at a higher education institution.

It also makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2024

PATH GRANTS

The act requires OHE to award PATH program grants on a competitive basis to nonprofit community-based organizations that (1) provided the types of assistance specified above during the prior academic year and (2) will provide, together with Connecticut public high school administrators, the types of assistance specified above during the academic year for which the grants will be awarded.

The act requires OHE to establish grant application submission procedures for the program and review applications based on an evaluation format the office develops. The act requires OHE to include a preference for nonprofit community-based organizations that provide assistance in school districts designated as alliance districts for the academic year in which the grant is awarded (see BACKGROUND).

The act allows OHE to award grants in amounts from $15,000 to $20,000 for the duration of the academic year in which the grant is awarded. The act also allows OHE to require a grant recipient to repay the grant to the state if it finds that the grant is not being used for the program's purposes.

BACKGROUND

Alliance Districts

As required by law, the education commissioner designated 36 alliance districts for five years, beginning with FY 23 (CGS § 10-262u). The current designation applies to (1) the 33 school districts with the lowest accountability index scores and (2) three previously designated districts that were no longer among the 33 with the lowest scores. The index is based on several student-centered measures, including statewide assessment results and high school graduation rates, among others.

PA 24-125—sHB 5363
Higher Education and Employment Advancement Committee

AN ACT CONCERNING THE PLANNING COMMISSION FOR HIGHER EDUCATION

SUMMARY: This act makes a number of changes regarding the Planning Commission for Higher Education, which is charged with revising and updating the 2015 strategic master plan for higher education in Connecticut. Among other things, it:

1. extends, by one year, the commission's deadlines for submitting the updated master plan, and the date for certain goals and benchmarks in the plan;
2. removes the commission from within the Office of Higher Education and requires the Higher Education and Employment Advancement Committee's administrative staff to serve as administrative staff for the commission;
3. eliminates the commission's responsibility for implementing any policies it develops; and
4. makes changes related to the commission's membership and operations.

The act also makes technical and conforming changes.

EFFECTIVE DATE: Upon passage

COMMISSION MEMBERSHIP AND OPERATION

The act makes the chairpersons and ranking members of the Higher Education and Employment Advancement Committee voting members of the commission, rather than ex-officio nonvoting members. In doing so, it increases the number of the commission's voting members from 19 to 23, and correspondingly decreases the number of nonvoting members from 14 to 10.

It requires all initial commission appointments to be made by June 1, 2024. The act permits members to continue to

serve beyond their three-year terms until their successor is appointed. It also specifies that a majority of the membership constitutes a quorum for transacting business.

Prior law required the governor to appoint the commission's chairperson from among its voting members. The act adds two additional chairpersons by requiring the Senate president pro tempore and House speaker to each appoint a chairperson from these members. The act also eliminates the requirement that the commission elect a vice chairperson. The act requires the chairpersons to jointly schedule the commission's first meeting by July 1, 2024.

It also eliminates a requirement that, when establishing subcommittees and working groups needed to supplement its work, the commission collaborate with the Office of Policy and Management. The act requires the three chairpersons, rather than the chairperson and vice-chairperson, to appoint the members of these subcommittees and working groups.

SUBMISSION OF UPDATED MASTER PLAN, GOALS, BENCHMARKS, AND REPORTING DEADLINES

By law, the commission develops and ensures implementation of a strategic master plan for higher education that must address degree attainment, the number of people entering the workforce, and the achievement gap. Updated plans must (1) assess progress toward numerical goals established under the 2015 plan and (2) revise or establish these goals and benchmarks for future target dates.

The act requires the commission to submit its:

1. preliminary report on the development of the updated strategic master plan by September 1, 2025, rather than September 1, 2024, and
2. updated plan by December 1, 2025, rather than December 1, 2024.

The act delays by one year, from 2025 to 2026, the initial target date for goals and benchmarks the commission must set as part of its updated master plan. By law, these goals address topics such as (1) increasing the number of people earning degrees, completing community college courses, and entering the workforce and (2) the achievement gap. By law, the plan must also include goals and benchmarks for 2030.

The act also delays, from January 1, 2026, to January 1, 2027, the deadline for the commission to submit its first annual report to the governor and legislature on the plan's implementation and progress toward achieving its specified goals.

PA 25-21—SB 1114
Higher Education and Employment Advancement Committee

AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR TECHNICAL REVISIONS TO THE HIGHER EDUCATION STATUTES

SUMMARY: This act makes grammatical and technical changes to statutes on higher education, education, and related matters.
EFFECTIVE DATE: July 1, 2025

PA 25-22—sSB 1297
Higher Education and Employment Advancement Committee

AN ACT CONCERNING MINOR REVISIONS TO THE HIGHER EDUCATION STATUTES CONCERNING THE ESTABLISHMENT OF THE CONNECTICUT STATE COMMUNITY COLLEGE AND THE BOARD OF REGENTS FOR HIGHER EDUCATION

SUMMARY: This act makes numerous minor and technical changes to reflect the merger of the community-technical colleges into the Connecticut State Community College in 2023, including replacing references to the former Board of Trustees for the Community-Technical Colleges with the Board of Regents of Higher Education as the board that oversees the Connecticut State Community College. It makes other changes to reflect that this board also oversees the Connecticut State University System. Correspondingly, it repeals obsolete statutes governing the Board of Trustees for Community-Technical Colleges and Board of Trustees for the Connecticut State University System (§ 115).

The act also replaces one member of the Building Code Training Council and two members of the Fire Marshal Training Council, whose appointments were previously made by the former Board of Trustees of the Community-Technical Colleges, with Connecticut State Community College representatives appointed by the Board of Regents (these councils provide advice on certification and training related to the building and fire codes) (§§ 106 & 107).

The act requires that in any 2025 public acts:

1. "Board of Regents for Higher Education" must be substituted any time that "board of trustees," "Board of Trustees of the Connecticut State University System," or "Board of Trustees of the Community-Technical Colleges" is used to mean the "Board of Trustees of the Connecticut State University System" or the "Board of Trustees of the Community Technical College System" and
2. "Connecticut State Community College" must be substituted for "regional community-technical colleges" or "regional community-technical college system."

It also allows the Legislative Commissioner's Office to make technical, grammatical, and punctuation changes to carry out these provisions in the 2025 public acts (§ 113).

The act also expands the requirement for submitting security protocol plans to the Department of Emergency Services and Public Protection (DESPP) to cover all independent institutions of higher education. These security protocols must address how to recognize students and others who may be at risk of harm to themselves or others, be reviewed biennially, and be submitted to DESPP if there are revisions. The institutions must also establish trained threat assessment teams for each campus.

These provisions previously applied only to nonprofit institutions established in the state that have degree-granting authority, their main campus in Connecticut, and a primary function other than preparing students for religious vocation (§ 97).

EFFECTIVE DATE: Upon passage, except the provision on adjusting the 2025 public acts, the repeal of obsolete statutes, and one other technical change are effective July 1, 2025.

PA 25-71—sHB 6887
Higher Education and Employment Advancement Committee
Appropriations Committee

AN ACT CONCERNING HIGHER EDUCATION MANAGEMENT AND FISCAL ACCOUNTABILITY

SUMMARY: This act requires the Board of Regents for Higher Education (BOR) and UConn Board of Trustees to adopt or update their management and fiscal accountability policies to cover the following topics by January 1, 2026: (1) use of purchasing cards and state vehicles, (2) residency requirements for certain executive positions, and (3) training on business functions and compliance practices (§§ 1 & 2).

The act requires the BOR to appoint a compliance officer by January 1, 2026, to conduct regular audits and report to the BOR (§ 3).

The act also specifies that constituent units of higher education (see BACKGROUND), as existing law requires of budgeted agencies and quasi-public agencies, must submit expense information requested by the comptroller for inclusion on the comptroller's online database of expenditures. This includes data related to contracts, grants, payroll, and pensions, but does not require creation of unavailable data or technology systems or require disclosure of information protected by law (§ 4).

EFFECTIVE DATE: July 1, 2025

POLICIES

Under the act, the BOR must adopt or amend certain policies, as outlined above, applicable to each constituent unit it oversees (the state universities, Charter Oak State College, and Connecticut State Community College) and the Connecticut State Colleges and Universities (CSCU) central office. The UConn Board of Trustees must adopt or amend the same policies for UConn.

For purchasing cards, the policies must address:

1. allowable card uses;
2. cardholder training on proper uses and record-keeping requirements, with a signed acknowledgment of receiving training;
3. secondary review and sign-off in order to exceed card spending limits;
4. supervisor training on regular monitoring of card use;
5. card use by executives on food and entertainment; and
6. accountability measures for card misuse, including written acknowledgment of misuse, agreements to remedy misuse, and card revocation.

For state vehicles, the policies must address (1) rules for vehicle use and record-keeping, (2) how use is treated for compensation and taxes, and (3) accountability measures for misuse and noncompliance.

The policies must also require uniform training for executives, administrators, and staff about their positions' business functions and compliance practices.

Residency

The act requires policies addressing residency requirements for executive positions such as chancellor, vice-chancellor, president, vice-president, and equivalent positions. The act requires any employment contract negotiated on or after July 1, 2025, for CSCU chancellor or UConn president to require that these officials maintain their primary residence in the state.

BOR COMPLIANCE OFFICER

The act requires the BOR to appoint a compliance officer by January 1, 2026, to regularly audit records and expenditures at the state universities, Connecticut State Community College, Charter Oak State College, and the CSCU central office, as often as the officer deems necessary. The audits must be for:

1. compliance with applicable laws, regulations, and BOR policies;
2. reliability of financial reporting and record-keeping;
3. effectiveness and efficiency of operations; and
4. adequacy and uniformity of internal controls and compliance practices.

The compliance officer must also (1) report findings and recommendations to the BOR and (2) perform the audit required by existing law regarding faculty consulting agreements and outside research projects.

BACKGROUND

Constituent Units of Higher Education

By law, the constituent units of higher education are the (1) University of Connecticut, including all its campuses, and (2) CSCU, including the state universities, Connecticut State Community College, and Charter Oak State College.

PA 25-88—HB 7098
Higher Education and Employment Advancement Committee

AN ACT CONCERNING TUITION REFUNDS FOR FORMER STONE ACADEMY STUDENTS

SUMMARY: This act establishes new eligibility criteria for former Stone Academy students to receive tuition refunds from the private career school student protection account. It makes these students eligible if they were enrolled in, but did not graduate from, Stone Academy's practical nurse education program between November 1, 2021, and February 28, 2023, and did not:

1. receive transfer credit for a Stone Academy course or unit at another practical nurse education program;
2. receive a tuition refund from this account already;
3. participate in a teach-out (instruction that completes a course or program after a private school closes); or
4. after the act's passage, take a proctored comprehensive predictor examination given by an Office of Higher Education (OHE)-identified institution (this exam assesses a student's readiness for the National Council Licensure Examination for Practical Nurses).

The act allows these students to apply for a tuition refund until June 30, 2026. A student who receives a tuition refund under the act is not eligible to participate in a teach-out or proctored comprehensive predictor examination.

Previously, students who were enrolled in, but did not graduate from, Stone Academy's practical nurse program during this same time period were eligible for tuition refunds if they completed a course or unit that did not comply with legal requirements. Students eligible under these criteria had two years after Stone Academy closed to apply for tuition reimbursement and this application period expired earlier in 2025.

EFFECTIVE DATE: Upon passage

BACKGROUND

Private Career School Student Protection Account

This General Fund account is generally used to refund tuition to students unable to complete a course at a private career school because the school became insolvent or ceased operation. It is funded by quarterly assessments on private career schools and certain other fees (CGS § 10a-22u).

By law, OHE may also use up to $150,000 from the fund to pay stipends to certain former Stone Academy students (PA 23-204, § 67(a)).

Application for Private Career School Tuition Refund

When a private career school becomes insolvent or closes abruptly, preventing a student from finishing a course or unit of instruction, state law allows the student to apply to OHE for a tuition refund. OHE reviews the applications and determines the validity of the student's claim and the amount of the refund.

Tuition refunds are financed by the private career school student protection account. The student or any person or organization who paid tuition on the student's behalf receives a refund to the extent the account has the necessary funds (CGS § 10a-22v).

Related Act

PA 25-174, § 214, makes certain students who were enrolled in, but did not graduate from, Stone Academy's practical nurse education program eligible for OHE's student loan reimbursement program.

PA 25-99—sHB 6445
Higher Education and Employment Advancement Committee

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE OFFICE OF HIGHER EDUCATION, EXPANDING DUAL CREDIT OPPORTUNITIES AND CONCERNING COLLEGE READINESS AND REMEDIAL SUPPORT PROGRAMS AT THE CONNECTICUT STATE COLLEGES AND UNIVERSITIES AND INFORMATION REPORTED TO THE CREDENTIAL DATABASE

SUMMARY: This act makes various changes in laws and programs related to the Office of Higher Education (OHE) and the Department of Education (SDE). It:

1. defines a "Connecticut institution of higher education" and an "out-of-state institution of higher education" as they relate to authorization for distance learning and related OHE oversight activities;
2. prohibits private career schools from renewing their certificate to operate if they have not enrolled any students continually during the previous two calendar years;
3. increases, from 60 to 90 days, the length of time the OHE commissioner can extend a private career school's authorization for good cause;
4. requires OHE to review requests and applications regarding an ownership change for a higher education institution;
5. requires SDE, starting by February 1, 2026, to annually notify parents of public school students in grades 8 to 11 about opportunities to pursue a challenging curriculum (see BACKGROUND) and the availability of courses that grant postsecondary credit (§ 5);
6. requires SDE, by July 1, 2026, to develop a model agreement between secondary schools and postsecondary institutions for offering dual and concurrent enrollment courses and postsecondary credit courses to high school students;
7. requires higher education institutions that offer dual or concurrent enrollment courses to report certain information on their courses and student enrollees to SDE annually;
8. generally requires higher education institutions that offer a concurrent enrollment course as of July 1, 2025, or that add new such courses after that date, to obtain accreditation for it from the National Alliance of Concurrent Enrollment Partnerships (NACEP) within three years;
9. narrows, to the upcoming academic year, a provision from PA 25-67 that requires the Board of Regents for Higher Education (BOR) to continue offering certain transitional college readiness, embedded remedial support, and intensive remedial support programs at the state's public higher education institutions; and

10. clarifies what information institutions must submit to OHE for use in the office's existing credentials database.

EFFECTIVE DATE: July 1, 2025, except the SDE parent notification provision (§ 5) is effective January 1, 2026.

§ 1 — DISTANCE LEARNING

For the law on distance learning reciprocity, the act defines a "Connecticut institution of higher education" as such an institution that either (1) conducts instructional activities at a physical location in the state or (2) maintains an administrative office in the state. It defines an "out-of-state institution of higher education" as one that (1) does not fall under the above definition and (2) is authorized, licensed, or accredited by another state.

Specifically, these definitions apply to the existing law on OHE's multistate or regional reciprocity agreement that allows Connecticut and its higher education institutions to participate in a nationwide state authorization reciprocity agreement on distance learning programs. The nationwide agreement (1) establishes uniform standards across states and (2) eliminates the need for participating states to assess the program quality offered by an out-of-state institution.

Under this law, Connecticut institutions seeking to participate in the nationwide agreement must apply to OHE, and OHE must approve or reject the application under the agreement's terms. Participating out-of-state institutions can operate distance learning programs here under the agreement's standards. Out-of-state institutions that do not participate in the agreement must apply to OHE if they seek to offer these programs here.

§§ 2 & 3 — PRIVATE CAREER SCHOOL CERTIFICATION RENEWAL OR EXTENSION

The act prohibits OHE from renewing a private career school's certificate to operate if the school has not enrolled any students continually during the previous two calendar years. Under the act, these schools must close according to statutory procedures when their current certificate expires. By law, these procedures include verifying that coursework is complete, no refunds are due, and student records are going to be maintained.

The act also increases, from 60 to 90 days, the length of time the commissioner can extend a private career school's authorization if good cause is shown. As under prior law, the extension does not change the date of the original certificate's issuance or the date for each renewal.

§ 4 — REVIEWING CHANGE OF OWNERSHIP REQUESTS FOR AN INSTITUTION OF HIGHER EDUCATION

The act requires OHE to review requests and applications regarding change of ownership for a higher education institution. Under existing law, OHE generally reviews requests for program modifications, non-substantive changes, and authorizations.

Under the act, a "change of ownership" is generally a transaction, such as a sale, merger, or transfer, involving a higher education institution that results in a change of control over the institution. This includes transfers of a substantial portion of the institution's educational assets, but not transfers that are exclusively granting a security interest in those assets. It also includes a change in an institution's status as a public, nonprofit, or for-profit institution.

§ 6 — MODEL AGREEMENT

Under the act, by July 1, 2026, SDE must develop a model agreement between secondary schools and postsecondary institutions for providing dual and concurrent enrollment courses and postsecondary credit courses to high school students. SDE must do so in partnership with UConn, the Connecticut State Colleges and Universities, and independent institutions of higher education. By law, the latter is any nonprofit higher education institution established in Connecticut that (1) has degree granting authority, (2) has its main campus in-state, (3) is not included in the Connecticut public higher education system, and (4) is not primarily training students for a religious vocation.

§ 7 — REPORTING ON CONCURRENT AND DUAL ENROLLMENT COURSES AND STUDENTS

The act requires higher education institutions, starting by August 1, 2025, to annually report on their concurrent and dual enrollment courses in a form and manner set by the SDE commissioner and in a manner that complies with the Family Educational Rights and Privacy Act's requirements. They must include the following information for each high school student who enrolled in either type of course during the prior academic year:

1. the student's name, date of birth, student identification number, and the high school's name and SDE code;
2. for each of the student's courses: the course's name, type (dual enrollment or concurrent course), subject matter or associated academic department, department code, location where it was provided, and academic term and year;

3. the student's grade and credits for each course; and
4. any other information requested by SDE.

Under the act, a "concurrent enrollment course" and "dual enrollment course" are both postsecondary education courses in any academic subject or career-oriented pathway for high school students simultaneously enrolled in a higher education institution. However, concurrent enrollment courses are delivered at high schools and taught by high school teachers approved by the student's higher education institution and dual enrollment courses are taught by the faculty members of the student's institution.

§ 7 — NACEP ACCREDITATION

The act generally requires higher education institutions that offer a concurrent enrollment course as of July 1, 2025, to obtain NACEP accreditation for it by July 1, 2028. It allows institutions to have them accredited by NACEP after that date if SDE approves an extension in writing.

The act also requires institutions that establish new concurrent enrollment courses after July 1, 2025, to obtain NACEP accreditation for the course within three years, unless SDE approves an extension in writing.

§ 8 — TRANSITIONAL COLLEGE READINESS AND REMEDIAL SUPPORT PROGRAM OFFERINGS AT HIGHER EDUCATION INSTITUTIONS

PA 25-67, § 25, requires BOR to continue offering, for the fall 2025, spring 2026, and each following semester, every transitional college readiness, embedded remedial support, and intensive remedial support program that they offered at public higher education institutions in the fall 2024 and spring 2025 semesters. This act narrows this provision, by requiring BOR to do so only for the fall 2025 and spring 2026 semesters.

§ 9 — REPORTING TO OHE CREDENTIALS DATABASE

Existing law requires higher education institutions (among other entities) to annually submit certain information to OHE for inclusion in OHE's credentials database. The act specifies that higher education institutions do not have to submit information on the (1) website giving information on the credential and (2) industry and occupation related to the credential (such as certain codes). Prior law allowed higher education institutions to omit this information only if it was not applicable to credentials the institution offers.

BACKGROUND

Challenging Curriculum Policies

By law, each board of education must adopt a challenging curriculum policy that aligns with SDE guidance and at least includes (1) criteria for identifying grade 8 and 9 students who may enroll in an advanced course or program (e.g., honors or advanced placement classes) and (2) a requirement that these students have an academic plan.

PA 25-105—sSB 1261
Higher Education and Employment Advancement Committee

AN ACT EXPANDING THE ALLIANCE DISTRICT EDUCATOR AND COUNSELOR LOAN SUBSIDY PROGRAM AND THE HIGH PRIORITY OCCUPATION LOAN SUBSIDY PROGRAM

SUMMARY: This act expands eligibility to participate in the Alliance District Educator and Counselor Loan Subsidy program and correspondingly renames it as the Alliance District Loan Subsidy Program. The Connecticut Higher Education Supplemental Loan Authority (CHESLA) operates this existing program, which provides subsidized interest rates on CHESLA loans that refinance the private student loans of teachers, paraeducators, and school counselors employed in an alliance district. The act:

1. specifies that these school employees must be employed by a local or regional board of education or a technical education and career school and
2. expands the program to make it available to people who are employed in a high priority occupation by a local or regional board of education or a technical education and career school in an alliance district.

Additionally, the act changes the purpose of a $7 million bond authorization by (1) specifying it covers the expanded and renamed program and (2) extending the bonding to CHESLA's High Priority Occupation Loan Subsidy Program (see BACKGROUND).

The act also makes a change regarding the surety policies and other similar instruments used to fund CHESLA's special capital reserve funds, which, by law, must be used to pay interest and principal on CHESLA's bonds. By law, these policies or instruments must have at least a "AA" rating and the act specifies that this rating is required at the time of the policy's or instrument's issuance.

Finally, the act makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2025

HIGH PRIORITY OCCUPATIONS AND PROGRAM RULES

The act requires the State Department of Education (SDE) to consult with CHESLA to designate high priority occupations for the renamed loan subsidy program. It requires them to designate occupations that:

1. promote the health, welfare, or education of residents in the municipalities with alliance districts;
2. have high demand for their services as determined by SDE and CHESLA; and
3. have or are projected to have workforce shortages affecting the level of services provided.

The act requires SDE and CHESLA to establish program guidelines and eligibility criteria, including provisions on application requirements, employment requirements and verification, interest rate subsidies, limits on loan principal, and termination of an interest rate subsidy if a recipient no longer meets the employment requirements during the loan's term.

BACKGROUND

Alliance Districts

As required by CGS § 10-262u, the education commissioner has designated 36 alliance districts for five years, beginning with FY 23. The current designation applies to (1) the 33 school districts with the lowest accountability index scores and (2) three previously designated districts that were no longer among the 33 with the lowest scores. The index is based on several student-centered measures, including statewide assessment results and high school graduation rates, among others.

High Priority Occupation Loan Subsidy Program

Under this program, CHESLA subsidizes interest rates on its loans that refinance eligible loans of people employed in a high priority occupation. CHESLA consults with the Office of Workforce Strategy to designate these occupations and develop program requirements (CGS § 10a-247e).

PA 25-119—sSB 1250
Higher Education and Employment Advancement Committee

AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR HIGHER EDUCATION

SUMMARY: This act:

1. makes numerous changes to the Connecticut Preschool through Twenty and Workforce Information Network, or CP20WIN, including renaming it the Preschool through Twenty and Workforce Information Network, or P20WIN, to match current practice; codifying the Office of Policy and Management (OPM) as its administrator; and requiring regional workforce development boards, UConn, and the Connecticut State Colleges and Universities (CSCU) to submit certain data to the network (§ 2);
2. codifies a requirement that public higher education institutions (UConn and its campuses, the state universities, Connecticut State Community College, and Charter Oak State College), and their central or system offices, submit data to the federal integrated postsecondary education data system (IPEDS), which they currently do (IPEDS is a U.S. Department of Education system that compiles data from higher education institutions that participate in federal student financial aid programs) (§ 1);
3. requires these public higher education institutions to provide data, on request and in compliance with the federal

Family and Educational Rights and Privacy Act (FERPA), to OPM's Criminal Justice Policy and Planning Division (CJPPD) when necessary for the division's duties (the division works with various state agencies to promote a more effective and cohesive criminal justice system) (§ 3);

4. requires the UConn Board of Trustees and Board of Regents for Higher Education, in consultation with OPM, to examine and, by January 1, 2026, update their policies and procedures on accounts receivable holds to ensure that students in prison can enroll in postsecondary programs without delay (§ 4); and
5. makes technical and conforming changes (§§ 2, 3 & 5-7).

EFFECTIVE DATE: July 1, 2025

P20WIN

Network Purpose and Administration

The act makes minor and technical changes to the purposes of P20WIN. As under existing law, P20WIN is a state data system for matching data from state agencies and other organizations to inform policies and practices for education, workforce, and supportive service efforts.

By law, P20WIN is governed by an executive board, which must, among other duties, establish a data governing board to make and implement policies related to cross-agency data management. The act specifically designates OPM as P20WIN's administrator to (1) support the executive board and data governing board, (2) develop procedures for secure sharing and analysis of data, and (3) provide program management to support the network's operation and maintenance. It must do so according to statutory requirements on data plans and data sharing.

The act makes several changes to the duties of the P20WIN executive board, including reducing the board's duties so that it no longer (1) has overall fiscal and policy responsibility for P20WIN or (2) must ensure that when public and private funds or resources are used together, it is under agreements approved by the attorney general.

Additionally, the act changes how entities become participating agencies with P20WIN. Generally, under existing law, any entity that executes an enterprise memorandum of understanding (MOU) may participate in the network. By law, this MOU is a foundational multiparty agreement that sets forth the details of how data is shared and the respective legal rights and responsibilities of each party within the data sharing process. The act no longer allows new agencies to sign on to an existing agreement.

Workforce Development Boards

The act requires regional workforce development boards to regularly submit data to P20WIN on the performance and outcomes of the state's workforce system, including workforce training and development programs receiving state or federal money. By September 1, 2025, the chief workforce officer must consult with the labor commissioner, chief data officer, and regional workforce boards to establish the type of data boards must submit and how they must do so.

UConn and CSCU

The act requires UConn and CSCU (and their central or system offices) to submit, in a way that complies with FERPA, data to P20WIN on the outcomes of their postsecondary education and workforce development programs. By September 1, 2025, the chief data officer must set the form and way that UConn and CSCU submit their data. UConn and CSCU must annually submit their data beginning by October 1, 2025. Any report produced from the data must be in aggregated form and without personally identifiable information of students or participants, consistent with state and federal law.

PA 25-128—HB 6075
Higher Education and Employment Advancement Committee

AN ACT CONCERNING INSTRUCTORS FOR AN AIRFRAME AND POWERPLANT CERTIFICATE PROGRAM

SUMMARY: This act requires the Connecticut Technical Education and Career System to allow a person to be an instructor in its airframe and powerplant certificate program if the person:

1. meets certain federal regulatory requirements (see BACKGROUND) and
2. is airframe and powerplant certified, with at least 10 years of experience as an aerospace technician.

The act also specifies that these instructors do not need to be certified or endorsed by the state Department of Education.
EFFECTIVE DATE: July 1, 2025

BACKGROUND

Federal Regulations

Federal regulations set various requirements for certified aviation maintenance technician schools. Under these requirements, schools must ensure that instructors either (1) hold a mechanic certificate with one or more appropriate ratings or (2) if they do not hold a mechanic certificate, they are otherwise specifically qualified to teach their assigned content (14 C.F.R. § 147.19).

PA 25-158—sHB 7131
Higher Education and Employment Advancement Committee

AN ACT CONCERNING FINANCIAL AID FOR STUDENTS IN PARAMEDIC CERTIFICATE PROGRAMS

SUMMARY: This act requires the chief workforce officer, by September 1, 2025, to evaluate Department of Public Health (DPH)-approved paramedic certificate programs and identify those that qualify as high-value certificate programs. It makes students in these identified programs eligible for loans from the Connecticut Higher Education Supplemental Loan Authority (CHESLA), if they are otherwise eligible for student loans.

The act requires CHESLA, within available funding, to create a high-value certificate loan program to offer loans to students in high-value certificate programs, including students in the paramedic certificate programs identified as high-value certificate programs.

It requires the Office of Workforce Strategy, starting by October 1, 2025, to annually (1) identify a list of public or private financial aid sources for students of DPH-approved paramedic certificate programs, (2) post the list on its website, and (3) give it to the programs for their students.
EFFECTIVE DATE: July 1, 2025

BACKGROUND

High-Value Certificate Programs

By law, a high-value certificate program is a noncredit, sub-baccalaureate certificate program that is (1) offered by a higher education institution or private career school and (2) identified by the chief workforce officer as meeting the needs of employers.

PA 25-49—HB 5002 **(VETOED)**
Housing Committee
Finance, Revenue and Bonding Committee
Appropriations Committee

AN ACT CONCERNING HOUSING AND THE NEEDS OF HOMELESS PERSONS

TABLE OF CONTENTS:

§ 1 — ANNUAL HOUSING AUTHORITY REPORTING REQUIREMENTS

Would have modified housing authorities' annual reporting requirements by requiring them to (1) post these reports on their websites and (2) include new rental affordability information

§ 2 — AS-OF-RIGHT DEVELOPMENTS ON COMMERCIALLY ZONED LOTS

Generally would have required regulations adopted under CGS § 8-2 to allow as-of-right middle housing development on lots zoned for commercial use

§ 2 — MANUFACTURED HOMES

For regulations adopted under CGS § 8-2, would have required all manufactured homes meeting federal standards to be treated like other dwellings, regardless of how small they are

§§ 2, 3 & 42 — MINIMUM PARKING REQUIREMENTS

For regulations adopted under CGS § 8-2, would have generally prohibited having minimum off-street parking requirements for residential developments; would have required parking needs assessments for certain larger residential developments; would have eliminated an authorization for planning and zoning bodies to adopt regulations on paying fees instead of providing parking

§ 4 — DSS PORTABLE SHOWER AND LAUNDRY FACILITIES PILOT PROGRAM

Would have required DSS to (1) develop and administer a pilot program providing portable showers and laundry facilities to people experiencing homelessness and (2) report on the program to the Housing Committee

§ 5 — PROTEST PETITIONS

Would have limited the impact of protest petitions filed on proposals to change zoning regulations or district boundaries and also modified who may sign these petitions

§§ 6 & 40 — DISCRETIONARY INFRASTRUCTURE FUNDING DEFINITION AND PRIORITIZATION

Would have required that municipalities eligible for priority for certain discretionary infrastructure funding under both the act's fair share allocation planning and transit-oriented development district provisions receive the highest priority for this funding

§ 6 — PLANNING FOR MUNICIPAL FAIR SHARE ALLOCATIONS

Would have established a framework for prioritizing certain discretionary state funding to specified municipalities, including those with relatively high property wealth per capita with OPM-approved plans, to, among other things, allow for the creation of affordable housing units needed to meet their fair share allocation

§ 7 — FAIR SHARE METHODOLOGY AND LAND INVENTORY

Would have changed requirements related to selecting and applying the fair share methodology, which is used to formulate affordable housing need assessments and allocations; would have established a process by which municipalities could seek a legislative change of their fair share allocation; would have required most municipalities to submit information on vacant and developable land to the majority leaders' roundtable

§ 8 — HOSTILE ARCHITECTURE

Would have (1) prohibited municipalities from installing or constructing hostile architecture in or on any publicly accessible building or property they own and (2) required them to investigate alleged violations and remove any buildings or structures determined to be hostile architecture

§ 9 — DOH MIDDLE HOUSING DEVELOPMENT GRANT PROGRAM

Would have required DOH to develop and administer a grant program supporting housing authorities in expanding middle housing availability in municipalities with a population up to 50,000

§ 10 — DIRECT RENTAL ASSISTANCE PROGRAMS

Would have (1) allowed DOH and municipal housing authorities to give certain nonprofit providers grants to administer direct rental assistance programs meeting specified requirements and (2) required DSS to review these programs

§ 11 — OPEN CHOICE VOUCHER PILOT PROGRAM

Would have (1) required DOH to re-establish the Open Choice Voucher pilot program and (2) made it available to any eligible families participating in the Open Choice program, rather than only to those from the Hartford region

§ 12 — REGIONAL SERVICES GRANT TO COGS

Would have increased the regional services grant amount that each COG annually receives and specified the purposes for which it must be spent

§§ 13-15 — FIRST-TIME HOMEBUYER SAVINGS PROGRAM

Would have created a first-time homebuyer savings program, generally allowing individuals and employers to contribute into specialized savings accounts for a beneficiary's eligible homebuying expenses and receive tax benefits for doing so

§ 16 — RELIEF AVAILABLE IN PUBLIC ACCOMMODATION AND HOUSING DISCRIMINATION CASES

Would have extended to the attorney general existing judicial relief that is available to CHRO under the state's housing and public accommodation anti-discrimination laws

§ 17 — ATTORNEY'S FEES UNDER AFFORDABLE HOUSING LAND USE APPEALS PROCEDURE

Would have allowed the court to award reasonable attorney's fees to an applicant under the CGS § 8-30g appeals procedure if it found, after a hearing, that the municipal planning or zoning agency's decision was made in bad faith or to cause undue delay

§ 18 — USE OF REVENUE MANAGEMENT DEVICES

Would have (1) made 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) subjected violators to certain investigation and enforcement provisions, including a civil penalty

§§ 19, 20, 24 & 25 — ZONING FOR TRANSIT-ORIENTED DEVELOPMENT

Would have created a framework in which a municipality's priority for receiving certain discretionary state funding could be tied to its adoption of zoning regulations that promote transit-oriented development

§ 21 — INTERAGENCY COUNCIL ON HOUSING DEVELOPMENT

Would have established an interagency council on housing development to, among other things, review whether discretionary state grant programs adhere to the state Plan of Conservation and Development's goals and create guidelines for transit-oriented districts

§ 22 — OPM GRANT PROGRAM FOR COGS

Would have allowed OPM to establish a grant program for COGs to support certain transit and pedestrian infrastructure projects

§ 23 — TRANSIT-ORIENTED DISTRICTS QUALIFY AS HOUSING GROWTH ZONES

Would have made transit-oriented districts, as established under the act, qualify as housing growth zones under the Connecticut Municipal Development Authority law

§ 26 — STATE-WIDE WASTEWATER CAPACITY STUDY

Would have required the OPM secretary to study wastewater capacity in the state, including identifying areas underserved by wastewater infrastructure

§ 27 — AFFORDABLE HOUSING PROGRAM FOR CONSTRUCTION INDUSTRY EMPLOYMENT

Would have required DOH to create a program that funds proposed affordable housing development projects creating employment opportunities in the construction industry and meeting certain affordability requirements

§ 28 — MUNICIPALITIES THAT MUST HAVE A FAIR RENT COMMISSION

Would have (1) required municipalities with a population of at least 15,000 to create a fair rent commission or join a joint or regional commission and (2) allowed two or more contiguous municipalities to form a joint commission and COGs to establish regional commissions

§ 29 — CHFA SMART RATE PILOT INTEREST RATE REDUCTION PROGRAM

Would have required CHFA to expand its Smart Rate Pilot Interest Rate Reduction Program to provide benefits to additional eligible mortgage borrowers

§§ 30-32 — ONLINE RENTAL PAYMENT SYSTEMS AND EVICTIONS

Would have (1) prohibited residential landlords from starting an eviction proceeding for nonpayment of rent if their online rental payment system prevented the tenant from paying his or her rent during the applicable grace period and (2) extended these grace periods by an additional five days if an online rental payment system prevented a tenant's timely rent payment

§ 33 — ELEVATOR INSPECTIONS

Would have required privately owned multifamily housing projects to have their elevators inspected at least once every 12 months by a DAS elevator inspector

§§ 34 & 37-39 — DIFFERENT MORATORIUM THRESHOLD AFTER ADOPTING PRIORITY HOUSING DEVELOPMENT ZONE

Would have created an alternative standard for a municipality to qualify for a moratorium under CGS § 8-30g if it created an overlay zone meeting specific requirements

§ 34 — BONUS MORATORIUM POINTS FOR PROJECTS WITH A NEIGHBORING TOWN'S HOUSING AUTHORITY

Would have provided a 0.25 point per unit bonus toward a CGS § 8-30g moratorium for units eligible for HUE points under existing law if the unit was constructed by, or in conjunction with, a neighboring municipality's housing authority

§ 35 — MAJORITY LEADERS' ROUNDTABLE STUDY

Would have required the majority leaders' roundtable on affordable housing to study changing the CGS § 8-30g exemption threshold from the percentage of qualifying dwelling units in a municipality to a flat number

§ 36 — DOH AFFORDABLE HOUSING REAL ESTATE INVESTMENT TRUST PILOT PROGRAM

Would have required DOH to establish a pilot program awarding grants to entities for acquiring housing units that are subject to long-term affordability deed restrictions and located in certain municipalities

§ 41 — BROADENING PURPOSES OF HEALTHY HOMES FUND

Would have broadened the purposes for which DOH may use a certain portion of the Healthy Homes Fund

SUMMARY: This act would have made changes in laws related to housing and planning and zoning, among other things. It also would have made various minor, technical, and conforming changes. A section-by-section analysis of the vetoed act follows.
EFFECTIVE DATE: Various, see below.

§ 1 — ANNUAL HOUSING AUTHORITY REPORTING REQUIREMENTS

Would have modified housing authorities' annual reporting requirements by requiring them to (1) post these reports on their websites and (2) include new rental affordability information

The act would have modified requirements related to the reports housing authorities must annually submit to the housing commissioner and their respective municipality's chief executive officer. It would have required housing authorities, beginning with reports due March 1, 2026, to (1) post these reports on their websites and (2) include new rental affordability information. Specifically, the act would have required annual reports to include the following additional information:

1. rental price levels by "income group" (see below) for housing authority-owned or -operated rental units, and the annual change in the rental price level of these units;
2. the number of rental units at each respective rental price level for housing authority-owned or -operated housing projects or developments, as a percentage of area median income (AMI); and
3. the dates when rental units qualified as "affordable" (by law, "affordable housing" is that for which households earning no more than the federally determined AMI pay 30% or less of their annual income (CGS § 8-39a)).

By law, an "income group" is one of the following household groups, adjusted for family size and based on AMIs established by the federal Department of Housing and Urban Development:

1. household income up to 25% AMI,
2. household income above 25% AMI and up to 50% AMI,
3. household income above 50% AMI and up to 80% AMI,
4. household income above 80% AMI and up to 100% AMI, and
5. household income above 100% AMI.

Existing law requires these annual reports to include various other metrics related to housing authorities' operation, such as (1) an inventory of existing housing authority-owned or -operated housing (e.g., total number of rental units, their types and sizes, and occupancies and vacancies in each housing project or development); (2) a description and status update for new construction projects an authority is undertaking; and (3) information on certain rental housing that an authority sold, leased, or transferred during the reporting period.
EFFECTIVE DATE: October 1, 2025

§ 2 — AS-OF-RIGHT DEVELOPMENTS ON COMMERCIALLY ZONED LOTS

Generally would have required regulations adopted under CGS § 8-2 to allow as-of-right middle housing development on lots zoned for commercial use

The act would have required zoning regulations adopted under CGS § 8-2, rather than a special act, to allow certain residential developments as of right on lots zoned for commercial use.

Specifically, the act would have required zoning regulations to allow middle housing developments on any lot zoned for commercial use, as of right. Under the act, "as of right" meant the ability to be approved without requiring (1) a public hearing; (2) a variance, special permit, or special exception; or (3) other discretionary zoning action, other than a determination that (a) the site plan conforms with applicable zoning regulations and (b) there will be no substantial impacts to public health and safety.

Under the act, "middle housing" was a residential building with two to nine units, such as duplexes, triplexes, cottage clusters, perfect sixes, and townhouses (as these terms are defined by law, CGS § 8-1a).
EFFECTIVE DATE: July 1, 2026

§ 2 — MANUFACTURED HOMES

For regulations adopted under CGS § 8-2, would have required all manufactured homes meeting federal standards to be treated like other dwellings, regardless of how small they are

The law prohibits regulations adopted under CGS § 8-2 from imposing on manufactured homes (including mobile homes) and associated lots and mobile home parks conditions that are substantially different from those imposed on single- or multi-family dwellings and associated lots, cluster developments, or planned unit developments. The prohibition applies to manufactured homes built to federal standards if their narrowest dimension is 22 feet or more. The act would have eliminated this size requirement.
EFFECTIVE DATE: July 1, 2026

§§ 2, 3 & 42 — MINIMUM PARKING REQUIREMENTS

For regulations adopted under CGS § 8-2, would have generally prohibited having minimum off-street parking requirements for residential developments; would have required parking needs assessments for certain larger residential developments; would have eliminated an authorization for planning and zoning bodies to adopt regulations on paying fees instead of providing parking

The act would have generally prohibited zoning regulations adopted under statutory authority (CGS § 8-2) from having minimum off-street parking requirements for residential developments unless there is a development-specific assessment of needed parking.

The act also would have eliminated a provision in law that broadly allows planning and zoning bodies to adopt regulations on paying fees in lieu of providing parking.
EFFECTIVE DATE: July 1, 2026

Minimum Parking Regulations

For municipalities exercising zoning authority under the statutes, the act would have prohibited their zoning regulations from having minimum off-street parking requirements for residential developments. In practice, many municipalities have zoning regulations with a schedule of off-street parking requirements that vary based on a proposed project's use (e.g., retail or housing) and size (e.g., square footage or number of bedrooms). Under the act, these formulaic schedules would have been prohibited for residential developments. The act also would have specifically prohibited the local zoning enforcement officer (ZEO) or planning, zoning, or combined planning and zoning commission from rejecting a proposed development solely due to a failure to conform to a requirement for off-street parking unless the lack of parking had a specific adverse impact on public health and safety.

As under existing law, municipalities would have retained their general authority to adopt regulations designed to lessen congestion in the streets and promote health and general welfare. The act would have required applicants for residential developments with at least 24 units to pay for and submit a parking needs assessment to the ZEO or local planning, zoning, or combined planning and zoning commission. The commission would have been allowed to condition a development's approval on building an amount of off-street parking that is not more than 110% of the parking the assessment deems necessary. Under the act, the needs assessment was required to analyze (1) available existing public and private parking that may be used by the proposed development's residents, (2) public transportation options that the proposed development's residents may use that mitigate the need for off-street parking, and (3) current and projected future needs for off-street parking for the proposed development.

The act also would have made several conforming changes to reflect this prohibition on formulaic minimum parking requirements in regulations adopted under CGS § 8-2. This includes repealing provisions that allow municipalities to opt out of certain restrictions in existing law on setting minimum parking requirements for housing developments.

Fees in Lieu of Parking

The act also would have eliminated a provision in existing law that authorizes planning and zoning bodies to adopt regulations on paying fees in lieu of providing parking. The authorization the act would have eliminated applies to all zoning regulations (including those adopted under special act authority) as well as subdivision regulations adopted by a planning commission under statutory authority. Under this law, planning and zoning bodies may adopt regulations allowing applicants subject to a minimum parking requirement to pay a fee instead of providing the required parking spaces, if they

make certain findings. Specifically, the existing law requires the planning or zoning body to determine that the number of required parking spaces (1) cannot be physically located on the parcel or (2) would result in an excess number of parking spaces for the use or area.

§ 4 — DSS PORTABLE SHOWER AND LAUNDRY FACILITIES PILOT PROGRAM

Would have required DSS to (1) develop and administer a pilot program providing portable showers and laundry facilities to people experiencing homelessness and (2) report on the program to the Housing Committee

The act would have required the Department of Social Services (DSS), within available appropriations, to develop and administer a pilot program providing portable showers and laundry facilities to people experiencing homelessness. The department would have been required to implement the program in at least three municipalities and use it to provide at least three portable shower trailers and traveling laundry trucks. Under the act, DSS would have been authorized to contract with nonprofits to administer the program.

The act also would have (1) required DSS, by January 1, 2027, to report on the program to the Housing Committee and (2) terminated the program on January 1, 2027.

EFFECTIVE DATE: Upon passage

§ 5 — PROTEST PETITIONS

Would have limited the impact of protest petitions filed on proposals to change zoning regulations or district boundaries and also modified who may sign these petitions

The act would have limited the legal effect of protest petitions filed on proposals to change zoning regulations or district boundaries. It also would have modified who may sign a protest petition.

By law, a proposal to establish, change, or repeal a zoning regulation or zoning district boundary is adopted if the zoning commission's members vote in favor of it, generally by a simple majority. However, the threshold increases to a two-thirds majority if a valid protest petition is filed, making it more difficult to approve the proposal. Under the act, the voting threshold would have remained a simple majority even if a valid protest petition was filed.

Under current law, to be valid, a protest petition must be signed by the owners of at least 20% of the (1) area of the lots included in the proposed change or (2) lots within 500 feet in all directions of the property included in the proposed change. Under the act, it would have needed to be signed by the owners of at least 50% of the (1) area of the lots included in the proposed change, (2) total number of lots included in the proposal, or (3) lots within 500 feet in all directions.

EFFECTIVE DATE: July 1, 2025

§§ 6 & 40 — DISCRETIONARY INFRASTRUCTURE FUNDING DEFINITION AND PRIORITIZATION

Would have required that municipalities eligible for priority for certain discretionary infrastructure funding under both the act's fair share allocation planning and transit-oriented development district provisions receive the highest priority for this funding

The act would have specified how prioritization for "discretionary infrastructure funding" must be determined if a municipality qualified for priority funding under the act's provisions on affordable housing plans and transit-oriented districts. Under the act, municipalities that were eligible under both frameworks would have received priority over those eligible under only one framework. The Office of Policy and Management (OPM) secretary would have had to make recommendations to the state agency responsible for administering or managing the discretionary infrastructure funding and, if prioritization was allowed for the funding, the agency would have had to prioritize the funding as described above.

Under the act, "discretionary infrastructure funding" is any grant, loan, or other financial assistance that:

1. the state administers under the Clean Water Fund (to the extent it pays for municipal drinking water or sewerage system projects);
2. the state administers under the Urban Act Grant Program, Main Street Investment Fund, Small Town Economic Assistance Program, and Incentive Housing Zone Program; or
3. OPM or the economic and community development or transportation commissioners manage for transit-oriented development purposes, as defined in state law (CGS § 13b-79o).

EFFECTIVE DATE: July 1, 2025, for the definition and October 1, 2025, for the prioritization provisions.

§ 6 — PLANNING FOR MUNICIPAL FAIR SHARE ALLOCATIONS

Would have established a framework for prioritizing certain discretionary state funding to specified municipalities, including those with relatively high property wealth per capita with OPM-approved plans, to, among other things, allow for the creation of affordable housing units needed to meet their fair share allocation

The act would have established a new framework for giving certain municipalities priority for specified discretionary state funding (see above) if they (1) created a realistic opportunity for the municipality's fair share allocation (see *Background — Fair Share Allocation* and below) to be built or (2) were exempt from these planning requirements (because they generally have a relatively low per-capita property wealth). Municipalities would have been required to create the realistic opportunity under a priority affordable housing plan, which is a more detailed plan on the future development of affordable housing than existing law requires of municipalities. Among other things, the plans would have had to outline proposed "compliance implementation mechanisms," which include steps the municipality will take to support housing development, such as changing local policies, donating land, and seeking sewer funding. Under the act, the priority plan requirement applied in addition to the existing affording housing plan requirement. The act would have required the plans to be updated at least every five years.

Municipalities that did not have to adopt priority plans still had to adopt affordable housing plans every five years, as existing law requires. But the act would have eliminated the requirement that the plans show how municipalities will improve the accessibility of affordable housing units for people with disabilities. The act would have required the OPM secretary to post affordable housing plans on OPM's website.

EFFECTIVE DATE: July 1, 2025

Priority Plan Submission Requirements

The act's priority plan requirement would have applied to any municipality with an adjusted equalized net grand list per capita (AENGLC) in the highest 80% for the fiscal year before the year the plan is due. The OPM secretary would have had to determine whether a municipality is covered by the priority plan requirement. (AENGLC is generally a measure of town property wealth under the state's education cost sharing law and is defined as a combination of property tax base per person and income per person.)

The act would have set the following due dates for the first priority plans:

1. by June 1, 2027, for municipalities that begin with the letters "A" to "F";
2. between June 1, 2027, and June 1, 2028, for municipalities that begin with the letters "G" to "P"; and
3. between June 1, 2028, and June 1, 2029, for municipalities that begin with the letters "Q" to "Z".

OPM Review. Under the act, municipalities had to submit their initial and updated priority plans to the secretary for review. Within 90 days after receiving one, the secretary had to approve or reject the submission and include a written statement explaining the decision. If approved, the secretary had to issue an approval letter to the municipality.

If the secretary did not act within 90 days, the plan would be deemed provisionally approved. The secretary could reject the plan at any point and the provisional approval would be terminated when notice was sent to the municipality.

Implementing Plans and Reporting on Changes

Under the act, if a plan was approved, the municipality would then amend its zoning regulations and set up compliance implementation mechanisms (see below) as proposed in the plan. Any updated priority plan submitted to OPM would have had to detail these subsequent actions.

Priority Plan Content

The priority plans would have had to:

1. specify how the municipality intends to create a "realistic opportunity" for the development of the number of affordable housing units (a) allocated to the municipality in the fair share allocation or (b) offered by the municipality as the alternative feasible number (see below);
2. detail how the municipality intends to change its zoning regulations and use "compliance implementation mechanisms" (see below) to allow for the development of the number of affordable housing units (a) allocated to the municipality in the fair share allocation or (b) offered by the municipality as the alternative feasible number;
3. identify (a) specific zones or parcels sufficient to build the municipality's fair share allocation as of right and (b) the planned density for the zones or parcels; and

4. provide for the creation of a sufficient supply of the different types of deed-restricted affordable housing units, as specified under the act, required to meet 25% of the municipality's fair share allocation.

Under the act, "affordable housing units" generally are units that are deed restricted for at least 40 years to preserve them as affordable to low-income households (i.e. those earning no more than 80% of the lesser of the state or area median income).

Realistic Development Opportunity. The plan would have had to specify how the municipality would, among other things, create a "realistic opportunity" for the development of the number of affordable housing units allocated to the municipality (or the alternative number the municipality suggests is feasible, see below).

Under the act, a "realistic opportunity" is using municipal powers (e.g., planning and zoning powers) and "compliance implementation mechanisms" to remove barriers and constraints to the construction, rehabilitation, repair, or maintenance of affordable housing units. It also includes removing constraints to allow these actions on developable land for the benefit of low-income households, in a time frame and with administrative burdens (including fees and hearings) comparable to what the municipality imposes on applicants seeking to build single-family homes.

Under the act, "developable land" is an area identified as being feasible for residential or mixed uses. But it does not include:

1. land already committed to a public use or purpose, whether publicly or privately owned;
2. existing parks, recreation areas, and open space dedicated to the public or subject to a recorded conservation easement;
3. land otherwise subject to an enforceable restriction on, or prohibition of, development;
4. wetlands or watercourses as defined in state law; and
5. areas exceeding one-half acre of contiguous land that are unsuitable for development due to topographic features, such as steep slopes.

Compliance Implementation Mechanisms. Under the act, "compliance implementation mechanisms" are (1) changes to municipal policies and procedures and (2) proactive steps taken to allow for the development of affordable housing units.

These proactive steps include (1) redeveloping a site, (2) seeking funding for affordable housing unit development or sewer infrastructure, (3) donating municipal land for development, or (4) entering into agreements with developers for a development that includes affordable housing units.

Unit Types Required. The act specified that the priority plan must provide for the creation of different types of affordable housing units to meet 25% of the fair share allocation. Specifically, the municipality would have had to ensure that of any affordable housing units:

1. at least 50% are family units (i.e. not age-restricted and have at least two bedrooms);
2. no more than 25% are age-restricted or preserved only for people with disabilities;
3. at least 25% are rental units, and of these at least 50% are family units; and
4. no more than 25% are studio or one-bedroom units.

Alternative Feasible Number. Under the act, if a municipality opted to assert, when submitting its priority plan, that it could not meet 25% of its fair share allocation and provide for the creation of the unit types outlined above, then it had to explain why. It would also have had to explain its intended steps to overcome any impediments to developing its fair share allocation, including specifying an alternative number of units it is currently able to develop. The explanation the municipality submitted would have had to include evidence of a lack of developable land if that was a relevant concern.

Priority for Certain Discretionary Funding

Under the act, municipalities would have been eligible for prioritized discretionary funding from certain state programs if they (1) had an approved or provisionally approved priority plan or (2) were exempt from making priority plans. The act specified that it should not be construed to make a municipality that does not have an approved priority plan ineligible for discretionary infrastructure funding.

To receive the funding on a priority basis, municipalities would have had to apply to the OPM secretary on a form he prescribed. The act would have required the OPM secretary to make recommendations to the state agency responsible for the specified funding and would have allowed the agency to prioritize an eligible municipality if the grant program allowed for priority designation and the municipality was otherwise eligible for the funding.

Background — Fair Share Allocation

A 2023 law required the OPM secretary, in consultation with the housing and economic and community development commissioners, to create a methodology for each municipality's fair share allocation of affordable housing by generally (1) determining the need for affordable housing units in each of the state's planning regions and (2) fairly allocating this need

to each region's municipalities.

The OPM secretary must, in consultation with these commissioners, use the methodology to determine the minimum need for affordable housing units for each planning region and a municipal fair share allocation for each region's municipalities.

§ 7 — FAIR SHARE METHODOLOGY AND LAND INVENTORY

Would have changed requirements related to selecting and applying the fair share methodology, which is used to formulate affordable housing need assessments and allocations; would have established a process by which municipalities could seek a legislative change of their fair share allocation; would have required most municipalities to submit information on vacant and developable land to the majority leaders' roundtable

Existing law requires OPM to establish and apply a methodology for (1) determining the need for affordable housing units in each of the state's planning regions and (2) fairly allocating this need to each region's municipalities. The act would have made changes to this process.

The act also would have (1) required most municipalities to report to the legislature on vacant and developable land and (2) created a process for municipalities to seek an adjustment of their fair share allocation. (The priority planning requirement, as described above, also would have had a process for municipalities to contest their fair share allocation.)
EFFECTIVE DATE: October 1, 2025

Selecting and Applying Methodology

The act would have required the OPM secretary to update the methodology used every 10 years, and correspondingly would have required the secretary to apply the methodology every 10 years to establish affordable housing needs by region and fair share allocations for each municipality.

Currently, establishing the methodology is a one-time requirement due December 1, 2024. In practice, the secretary has not yet established a methodology nor submitted it to the legislature. The act would have superseded current law's requirements and instead required the secretary to use a specified methodology outlined in a May 2025 report ("Connecticut Fair Share Housing Study, Housing Needs Methodology and Allocation") submitted to OPM by a consultant hired to review methodology options. Under the act, from October 1, 2025, until December 1, 2034, the secretary would have had to use Alternative Approach A, as outlined in Appendix A of this report, when establishing fair share allocations.

Additionally, the act would have made a conforming change to clarify that existing law's legislative approval requirement for the selected methodology would not apply until the second time a methodology is selected (i.e. by January 1, 2035, and then every 10 years).

Land Inventory and Alternative Fair Share Allocation

The act would have created a one-time reporting requirement for municipalities subject to the priority affordable housing plan requirement (i.e. fair share planning, see above). By January 1, 2026, each municipality would have had to submit to the majority leaders' roundtable, in a form it specified, an inventory of vacant and developable land in the municipality. Under the act, land is "vacant" land if it is not developed or lacks essential ancillary improvements, above and below water, required for it to serve a useful purpose (including an approved subdivision that is not being physically improved or sold as lots). "Developable" land is the same as under the fair share planning provisions (see above). When submitting this information, the municipality would have been able to also propose an alternative fair share allocation (as part of the priority planning process, as described above, municipalities also would have had an opportunity to propose an alternative allocation, for approval by OPM).

By February 1, 2026, the majority leaders' roundtable would have had to analyze the submitted information and make recommendations on whether the alternative allocation proposed should be approved by the legislature. Its recommendations would have been required to be submitted to the Housing Committee in the same manner as task force reports. The Housing Committee would have reported its approval or disapproval. Each chamber would have had to confirm or reject the recommendations by resolution. If rejected, the recommendations would be referred back to the Housing Committee for reconsideration.

The act specified that if a municipality did not propose an alternative allocation, the OPM-calculated allocation (based on the consultant report) applied.

§ 8 — HOSTILE ARCHITECTURE

Would have (1) prohibited municipalities from installing or constructing hostile architecture in or on any publicly accessible building or property they own and (2) required them to investigate alleged violations and remove any buildings or structures determined to be hostile architecture

Beginning October 1, 2025, the act would have prohibited municipalities from installing or constructing "hostile architecture" in or on any publicly accessible building or property they own. Under the act, "hostile architecture" is any building or structure designed or intended primarily to prevent a person experiencing homelessness from sitting or lying in or on them at street level. The term excludes design elements meant to prevent skateboarding or rollerblading or vehicles from entering certain areas.

Under the act, after a municipality received written notice from anyone that a building or structure violated the act's provisions, the municipality would have been required to (1) investigate the alleged violation and (2) if the municipality determined the building or structure was hostile architecture, remove it within 90 days.

The act also specifies that these provisions would not have applied to hostile architecture installed or constructed before October 1, 2025.

EFFECTIVE DATE: October 1, 2025

§ 9 — DOH MIDDLE HOUSING DEVELOPMENT GRANT PROGRAM

Would have required DOH to develop and administer a grant program supporting housing authorities in expanding middle housing availability in municipalities with a population up to 50,000

The act would have required the Department of Housing (DOH), within available bond authorizations (see *Background — Related Act*), to develop and administer a middle housing development grant program supporting housing authorities in expanding middle housing availability in municipalities with a population of up to 50,000 (based on the most recent decennial census). By law, "middle housing" is:

1. duplexes, triplexes, and quadplexes;
2. cottage clusters (a group of at least four detached housing units, or live work units, per acre and located around a common open area); and
3. townhouses (a residential building built in a group of three or more attached units, each of which shares at least one common wall with an adjacent unit and has exterior walls on at least two sides).

The act would have required DOH to develop and issue a request for proposals from housing authorities for the program. Under the program, DOH would have been able to give these housing authorities grants for providing middle housing development assistance related to (1) pre-development, construction, or rehabilitation, or (2) land or building acquisition.

EFFECTIVE DATE: July 1, 2025

Background — Related Act

The bond act (PA 25-174, § 119) authorizes up to $100 million in general obligation (GO) bonds for DOH to administer such a middle housing development grant program.

§ 10 — DIRECT RENTAL ASSISTANCE PROGRAMS

Would have (1) allowed DOH and municipal housing authorities to give certain nonprofit providers grants to administer direct rental assistance programs meeting specified requirements and (2) required DSS to review these programs

The act would have allowed DOH and municipal housing authorities (or authorities acting jointly), within available appropriations or funding, to give nonprofit providers (i.e. generally housing authorities and certain nonprofits) grants to administer direct rental assistance programs meeting specified requirements. Under the act, these would have been programs making cash payments to, or on behalf of, eligible households ("recipients") to secure or maintain housing. Recipients would have been required to be (1) eligible for assistance under the state Rental Assistance Program (RAP) and (2) on a waiting list for the federal Housing Choice Voucher (HCV) program (see *Background — Tenant-Based Rental Assistance*).

The act would have capped direct rental assistance under a provider's program at the greater of (1) DOH's maximum allowable rent schedule for RAP or (2) fair market rent under the HCV program. It would have also (1) required providers

to meet certain application, data privacy, and reporting requirements; (2) required DSS to review providers' program proposals, including ensuring the direct rental assistance would not impact a recipient's eligibility for other government benefits; and (3) set various requirements on program interaction with other types of housing assistance and program termination. The act would have ended these programs by July 1, 2028.
EFFECTIVE DATE: July 1, 2025

Nonprofit Providers

Under the act, "nonprofit providers" included housing authorities or nonprofit corporations that engage in philanthropy or owning or operating housing. The act would have required providers seeking a direct rental assistance program grant to develop a proposal and submit it to DOH or the participating housing authority. The proposal would have had to include information on how the provider would:

1. implement program operations,
2. determine recipient eligibility,
3. process direct rental assistance payments,
4. establish privacy policies and procedures and accordingly collect data on program operation, and
5. report on program operations to DOH.

The act would have required nonprofit providers implementing a program to comply with its eligibility requirements and state housing policy. Additionally, they would have been required to give each recipient written notice, before providing direct rental assistance, about any potential impact of program participation on their current or future eligibility for federal or state benefits (see below). This notice would have had to include contact information for recipients to get additional information or guidance.

The act would have allowed DOH to give financial or technical support to any provider operating a program.

Data Privacy. Under the act, any data a nonprofit provider collected from a recipient according to the provider's program policies, procedure, or regulations would have been confidential and exempt from disclosure under the Freedom of Information Act, except for aggregated information included in the report discussed below.

DSS Review and Approval

The act would have (1) required DOH and housing authorities to submit any direct rental assistance program proposals to the DSS commissioner for review and (2) prohibited nonprofit providers from making direct rental assistance payments until the commissioner approved the proposal. In undertaking the review, the commissioner would have had to ensure the direct rental assistance did not impact a recipient's eligibility for, or the amount of, any benefits under state-administered assistance programs, including any program a state or municipal agency administers with federal funding or assistance.

The act would have required the DSS commissioner to disregard direct rental assistance a recipient received, meaning she would have had to exclude it as income when determining a recipient's eligibility for certain benefits. The disregard would have applied for the duration of a recipient's participation in a direct rental assistance program and the commissioner could have reauthorized it. Under the act, if the commissioner had determined that a waiver or approval (federal, state, or local) was needed to authorize the income disregards under applicable benefits programs, she would have had to request and promptly pursue it. The act would have required the commissioner to approve program proposals after obtaining the needed waivers or approvals or finding them not required.

Program Termination and Other Tenant-Based Rental Assistance

Direct rental assistance programs implemented under the act would have been required to end by July 1, 2028, and any recipient who still needed housing assistance at a program's conclusion could have been issued a RAP certificate, if available. Under the act, a recipient's participation in a program would not have impacted their status on an HCV or RAP waiting list. It would have allowed any recipient issued a federal or state voucher to exit the direct rental assistance program.

Under the act, recipients would not have been eligible for direct rental assistance if they were also receiving assistance through a RAP certificate, HCV voucher, or any other housing assistance that partially or fully subsidized their rent. The act would have required nonprofit providers to reallocate unexpended funds or vacated slots (resulting from a recipient's exit or ineligibility) to another eligible recipient based on the provider's program implementation criteria.

Program Reporting

The act would have required any nonprofit provider with a direct rental assistance program, by July 1, 2029, to report to DOH on program implementation and outcomes. DOH would have been required to submit these reports to the Housing Committee and at least include the following information:

1. an analysis of the number of recipients served disaggregated by demographics, including household size, income level, and housing insecurity status;
2. the program's impact on recipients, including changes in housing stability, ability to relocate to another housing unit, household income, and access to employment or education opportunities;
3. a cost-effective analysis comparing the program to the HCV program and RAP;
4. feedback from recipients and landlords participating in the program; and
5. recommendations for continuing, expanding, or modifying the program.

Background — Tenant-Based Rental Assistance

Tenant-based rental assistance is generally rental subsidies to help low-income households rent privately owned homes that meet certain guidelines. The federal Department of Housing and Urban Development's HCV program (42 U.S.C. § 1437f(o)) and RAP (CGS § 8-345) are two examples of programs that offer this type of assistance.

§ 11 — OPEN CHOICE VOUCHER PILOT PROGRAM

Would have (1) required DOH to re-establish the Open Choice Voucher pilot program and (2) made it available to any eligible families participating in the Open Choice program, rather than only to those from the Hartford region

The act would have (1) required the DOH commissioner, in consultation with the education commissioner and housing, civil rights, and education advocates, to re-establish the Open Choice Voucher pilot program by June 15, 2026, and (2) made it available to any eligible families participating in the Open Choice school program (see *Background — Open Choice Program*), rather than only to those participating in the Hartford region as the original program required.

SA 21-26 first established this pilot program, which required the DOH commissioner to designate 20 RAP certificates over a two-year period (the 2022-2023 and 2023-2024 school years) for families who (1) qualified as low-income under RAP, (2) had participated in the Open Choice program for at least one year in the Hartford region, and (3) wanted to move to the municipality where their child was attending school through Open Choice. The act would have required the commissioner to make another 10 existing certificates available to program participants (in any district, not just the Hartford region) during each of the 2026-2027 and 2027-2028 school years.

As under the expired pilot program, the act also would have required the DOH commissioner to submit interim and final reports on the re-established pilot to the Education and Housing committees (by August 31, 2026, and August 31, 2027, respectively).

EFFECTIVE DATE: July 1, 2025

Background — Open Choice Program

The Open Choice Program is a voluntary interdistrict attendance program that allows students from large urban districts to attend suburban schools and vice versa, on a space-available basis. Its purpose is to reduce racial, ethnic, and economic isolation; improve academic achievement; and provide public school choice.

§ 12 — REGIONAL SERVICES GRANT TO COGS

Would have increased the regional services grant amount that each COG annually receives and specified the purposes for which it must be spent

Beginning with the 2026 fiscal year, the act would have increased by $400,000 the regional services grant amount that each regional council of governments (COG) annually receives from the Regional Planning Incentive Account. Each COG would have been required to use $200,000 of the additional amount to fund positions providing technical support and legal services for planning and developing housing. They would have been required to use the other $200,000 to fund either a (1) regional stormwater management and flood mitigation coordinator position or (2) regional municipal solid waste and recycling coordinator position.

By law, the regional services grants to the nine COGs must total $7 million each year, with each COG receiving a base amount and per-capita amount. Under existing law, the OPM secretary must update the distribution formula every five years. The act would also have required the OPM secretary to consult with the COGs when he does so.
EFFECTIVE DATE: July 1, 2025

§§ 13-15 — FIRST-TIME HOMEBUYER SAVINGS PROGRAM

Would have created a first-time homebuyer savings program, generally allowing individuals and employers to contribute into specialized savings accounts for a beneficiary's eligible homebuying expenses and receive tax benefits for doing so

The act would have created a first-time homebuyer savings program, generally allowing individuals and employers to contribute into specialized savings accounts for a beneficiary's eligible homebuying expenses and receive tax benefits for doing so.

Specifically, the act would have created (1) personal income tax deductions for certain individuals who contribute to, or are the qualified beneficiaries of, funds deposited into a first-time homebuyer savings account and (2) a tax credit for employers who similarly contribute to the accounts of their employees. It would have required the Department of Revenue Services (DRS) commissioner to implement the tax deduction and credit, including by preparing associated forms, and allowed him to adopt implementing regulations.

Under the act, individuals would have been able to open at financial institutions (i.e. banks, out-of-state banks, credit unions, or their affiliates or third-party providers) savings accounts dedicated to paying for or reimbursing the down payment and closing costs of an account holder who is a first-time homebuyer and resides in a Connecticut one- to four-family residence purchased with account funds (i.e. the "qualified beneficiary"). The act would have designated "first-time homebuyers" as those who have not previously owned or purchased, either individually or with someone else, a one- to four-family residence (including a mobile manufactured home or a unit in a cooperative, common interest community, or condominium).

To qualify for the act's tax deductions, account holders would have had to have a federal adjusted gross income (AGI) below $125,000 for single filers or $250,000 for joint filers. They could have deducted (1) the contributions deposited in the account, generally capped at $2,500 for single filers and $5,000 for joint filers annually; (2) accrued interest; and (3) for an account holder who is also the account's qualified beneficiary, the amount withdrawn to pay or reimburse him or her for program eligible costs. For the act's tax credit, employers would have been able to annually claim 10% of their contributions to employees' accounts against the corporation business or personal income tax, but the amount would have been capped at $2,500 for any specific employee. Deductions and credits would have started in the 2027 tax or income year, as applicable, but the 2027 deduction or credit could have included contributions made in the 2026 tax or income year.

If funds were withdrawn from a first-time homebuyer savings account for a reason other than an allowed purpose, the act generally would have imposed a civil penalty of 10% of the withdrawn amount.
EFFECTIVE DATE: January 1, 2026

Account Contributions

The act would have allowed anyone to contribute to a first-time homebuyer savings account with no limit on contributions made to, or contained in, an account. Accounts could have only contained cash, but account holders could have invested the funds in money market funds.

It would have prohibited employers of account holders from seeking reimbursement for contributions they made to an employee's account if his or her employment ended.

Use of Account Funds

The act would have limited the use of account funds to (1) a qualified beneficiary's down payment and closing costs to purchase a one- to four-family residence in the state as his or her primary residence (i.e. "eligible costs") and (2) the financial institution's account service fees. Allowable closing costs would have been disbursements listed on the settlement statement associated with the home purchase. The act would have allowed an account holder to withdraw funds from an account and deposit them into another account established for the same purpose.

Account Holder Powers and Responsibilities

Establishing the Account. Under the act, an individual could have established one or more accounts. Joint tax return filers could have jointly established and held accounts, so long as they jointly filed tax returns for each taxable year that the account exists.

The act would have prohibited an account holder from using any funds deposited into an account for administrative fees or expenses, other than the financial institution's service fees.

Designating the Beneficiary. The act would have required individual or joint account holders to designate the account's qualified beneficiary by April 15 of the year immediately after the taxable year during which the account was established.

Under the act, account holders could have designated a new qualified beneficiary at any time, but there could be only one qualified beneficiary associated with an account at a time. In addition, the act would have prohibited anyone from establishing or holding more than one account with the same qualified beneficiary.

Tax Reporting. The act would have required an account holder to submit to the DRS commissioner the following information for each tax year during which the holder had a first-time homebuyer savings account:

1. his or her tax return;
2. any information the commissioner requires about the account to implement the tax deduction and credit;
3. the IRS Form 1099 issued by the financial institution for the account; and
4. if the account holder withdrew funds from the account during the taxable year, (a) a detailed accounting of the eligible and ineligible costs paid or reimbursed with account funds and (b) the remaining account balance.

Withdrawing Funds. The act would have established a civil penalty, collectible by the DRS commissioner, of 10% of the withdrawn amount for an account holder who withdraws account funds for a reason other than transferring the funds to another such account or paying or reimbursing the qualified beneficiary for the home purchase down payment or closing costs. If the account holder deducted these withdrawn funds for state income tax purposes, the withdrawn funds would have been considered income.

The act would have waived the withdrawal penalty and not considered the withdrawn funds as income if the:

1. account holder did not claim the funds for a state income tax deduction,
2. withdrawn funds were subsequently deposited in another account under the first-time homebuyer savings program,
3. withdrawal was due to the death or disability of an account holder who established the account, or
4. withdrawal is considered an asset disbursement as part of a bankruptcy proceeding.

Commissioner Responsibilities. To implement the deduction and credit, the act would have required the DRS commissioner to prepare forms to:

1. designate (a) accounts as first-time homebuyer savings accounts and (b) qualified beneficiaries and
2. collect from account holders information for tax purposes and any other information the commissioner needed to perform his program duties.

Financial Institution Responsibilities. The act would have authorized the DRS commissioner to require that financial institutions provide certain unspecified information about each first-time homebuyer account. However, it would have limited the role of financial institutions by specifying that they were not required to:

1. designate an account as a "first-time homebuyer savings account,"
2. track the use of funds withdrawn from an account, or
3. allocate account funds among account holders.

Additionally, under the act, a financial institution would have not been liable or responsible for:

1. determining if, or ensuring that, an account meets the act's requirements;
2. determining if account funds are used to pay for or reimburse eligible costs; or
3. disclosing or remitting taxes or penalties unless applicable law requires it.

However, the act would have required a financial institution to distribute funds in a first-time homebuyer savings account according to the account's governing contract when it received proof of an account holder's death and all other information required by the contract.

Tax Benefit — Individual Deduction

Beginning with the 2027 tax year, the act would have established three tax deductions for first-time homebuyer account holders for (1) qualifying contributions, (2) accrued interest, and (3) withdrawals. The deductions would have applied only to the extent the income was included in the taxpayer's federal AGI.

Income Thresholds. To qualify for the deductions, account holders would have had to meet the following income thresholds:

1. for single filers (i.e. unmarried individuals, married individuals filing separately, and heads of household), a federal AGI of less than $125,000 and
2. for joint filers, a federal AGI of less than $250,000.

Deduction Amounts: Contributions, Accrued Interest, and Qualified Beneficiary Deductions. The act would have established a deduction for contributions that generally equals the amount contributed to an account during the applicable tax year, minus any funds withdrawn during the tax year that were not already claimed for a deduction, up to $2,500 for single filers and $5,000 for joint filers for each tax year.

For the 2027 tax year only, account holders could have deducted the amount contributed (less withdrawals) for both the 2026 and 2027 tax years, allowing an aggregate deduction of up to $5,000 for single filers and $10,000 for joint filers.

The act would have allowed account holders to deduct the total interest accrued on their accounts during each tax year, beginning with the 2027 tax year.

For an account holder who is a qualified beneficiary, the act would have established a tax deduction in the amount of any withdrawal from an account that is used to pay, or reimburse, the eligible costs he or she incurred (i.e. the income from a withdrawal used to pay eligible expenses is offset by this tax deduction).

Tax Benefit — Employer Credit

Beginning with the 2027 tax or income year, as applicable, the act would have established a tax credit for employers that contributed to a current employee's first-time homebuyer savings account, which they could have claimed against the corporation business tax or personal income tax (but not the withholding tax). The act would have set the annual credit amount at 10% of the employer's contributions to the employees' accounts, capped at $2,500 for any specific employee. (Corresponding with the act's individual deductions, the 2027 credit would have included contributions made during the 2026 and 2027 tax or income years.)

Under the act, if the employer was an S corporation or a partnership for federal income tax purposes, the employer's shareholders or partners could have claimed the credit. For a single-member limited liability company disregarded as an entity separate from its owner, the owner could have claimed the credit if he or she was subject to business corporation or income tax. Taxpayers claiming the credit would have had to provide DRS supporting documentation, as the commissioner required.

§ 16 — RELIEF AVAILABLE IN PUBLIC ACCOMMODATION AND HOUSING DISCRIMINATION CASES

Would have extended to the attorney general existing judicial relief that is available to CHRO under the state's housing and public accommodation anti-discrimination laws

The act would have extended to the attorney general existing judicial relief that is available to the Commission on Human Rights and Opportunities (CHRO) under the state's housing and public accommodation anti-discrimination laws. It would have specifically authorized the attorney general to ask for certain injunctive relief, punitive damages, or civil penalties against anyone who violates these anti-discrimination laws.

The judicial relief under the act would have been available for actions brought by the attorney general against a person for a pattern or practice of violations or as the result of the attorney general investigating a potential violation. The attorney general would have been allowed to petition for the relief from the Superior Court for the judicial district where the violation or alleged violation occurred.

EFFECTIVE DATE: October 1, 2025

Petition for Relief, Damages, and Civil Penalties

Under the act, the attorney general's petition could have sought certain remedies available under an existing CHRO statute, such as:

1. appropriate injunctive relief, including temporary or permanent orders or decrees restraining and enjoining the violator from selling or renting to anyone other than the person adversely affected by the violation pending the court's decision;
2. an award of damages based on a specific calculation that accounts for, among other things, the adversely affected person's alternative housing, storage, and moving costs;
3. an award of punitive damages payable to the adversely affected person, up to $50,000;

4. a civil penalty up to $10,000, $25,000, or $50,000 payable to the state, generally depending on the violator's number of prior discriminatory housing practices; or
5. a combination of these remedies.

CHRO Jurisdiction

Certain provisions of existing law would have extended to the act's provisions and as such, the act would have:
1. maintained an adversely affected person's right to file a complaint with CHRO,
2. prohibited the attorney general from bringing an action concurrent with a case before CHRO that involves the same parties and alleged facts and circumstances,
3. allowed the attorney general to refer cases to CHRO as appropriate, and
4. required the attorney general to post information on his office's website about properly filing a CHRO complaint.

§ 17 — ATTORNEY'S FEES UNDER AFFORDABLE HOUSING LAND USE APPEALS PROCEDURE

Would have allowed the court to award reasonable attorney's fees to an applicant under the CGS § 8-30g appeals procedure if it found, after a hearing, that the municipal planning or zoning agency's decision was made in bad faith or to cause undue delay

The affordable housing land use appeals procedure (i.e. CGS § 8-30g) generally requires municipal planning and zoning agencies to defend their decisions rejecting qualifying affordable housing development applications or approving them with restrictions that would have a substantial adverse impact on the project's viability or the affordability of income-restricted units. Specifically, applicants (e.g., developers) can use the appeals procedure to contest these decisions in court and the procedure places the burden of proof on the municipal planning or zoning agency. (In traditional land use appeals, the appellant instead must convince the court that the agency acted illegally or arbitrarily or abused its discretion.)

Under the act, if the court found, after a hearing, that the agency's decision was made in bad faith or to cause undue delay, the court would have been allowed to award reasonable attorney's fees to the applicant (if the court ordered the construction of a total number of (1) units in an affordable housing development or (2) affordable units in a set-aside development equaling at least 90% of the units proposed in the original application to the commission).

EFFECTIVE DATE: October 1, 2025

§ 18 — USE OF REVENUE MANAGEMENT DEVICES

Would have (1) made 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) subjected violators to certain investigation and enforcement provisions, including a civil penalty

The act would have made 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. Also, the act would have subjected violators to its investigation and enforcement provisions, which in turn would have authorized the attorney general to investigate and bring action against violators on behalf of the state and its residents.

The act defined "revenue management device" as a device commonly known as revenue management software that uses one or more programmed or automated processes to calculate nonpublic competitor data on local or statewide rents or occupancy levels, to advise a landlord on (1) whether to leave a unit vacant or (2) the amount of rent he or she could get. It included a product that incorporates a revenue management device, but did not include a:
1. report that publishes existing rental data in an aggregated way, but that does not recommend rental rates or occupancy levels for future leases or
2. product used for establishing rent or income limits under the affordable housing program guidelines of a local, state, or federal program.

The act defined "nonpublic competitor data" as information not available to the general public, including information about actual rent amounts, occupancy levels, lease start and end dates, and other similar data, regardless of whether the information was (1) attributable to a specific competitor or anonymized and (2) derived from or otherwise provided by another person that competes in the same or a related market.

EFFECTIVE DATE: October 1, 2025

§§ 19, 20, 24 & 25 — ZONING FOR TRANSIT-ORIENTED DEVELOPMENT

Would have created a framework in which a municipality's priority for receiving certain discretionary state funding could be tied to its adoption of zoning regulations that promote transit-oriented development

The act would have created a framework in which a municipality's priority for receiving certain discretionary infrastructure funding (see above) could be tied to its designation as a qualifying transit-oriented community (TOC) or its plans to become one. Under the act, a municipality with a rapid transit station or bus station generally could have become a TOC by adopting zoning regulations creating a transit-oriented district (or "district") around the station that meets certain requirements, including allowing certain housing developments "as of right" (see *Background — As-of-Right Developments*).

The act would have allowed certain municipalities without a rapid transit station to request that the Office of Responsible Growth (ORG) coordinator deem them qualifying transit-adjacent communities after they create a district that meets the requirements applicable to TOC districts. Under the act, if they were deemed qualifying transit-adjacent communities, they would have been entitled to any discretionary infrastructure funding that is available to TOCs on a priority basis, but they are not TOCs themselves.

EFFECTIVE DATE: October 1, 2025

Priority for Discretionary Infrastructure Funding

Under the act, a municipality was eligible for prioritized discretionary funding if it (1) qualifies as a TOC by establishing a reasonably sized transit-oriented district; (2) adopts a resolution stating its intent to become one; (3) has a transit-oriented district by October 1, 2025; or (4) is a transit-adjacent community. The act would have required that this funding be used exclusively on improvements located within a district (but they could also benefit property outside a district).

Under the act, to receive prioritized discretionary infrastructure funding, eligible municipalities would generally have needed to apply to the OPM secretary using a form he sets. The secretary then would make recommendations to the agency that administers or manages the funding. If the funding type is permitted to be prioritized, and the municipality was eligible for the funding, the agency generally could give these municipalities priority status over other applicants.

Additionally, the act would have required administering agencies to give higher priority for discretionary funding to TOCs with a transit-oriented district located in an activity zone as designated in the state Plan of Conservation and Development for 2025-2030. In other words, it would have required agencies to prioritize TOCs in which the district is in an activity zone above other TOCs as well as municipalities that are not TOCs.

The act specified that it did not make any municipalities ineligible for discretionary funding, even if they are not eligible for prioritized funding.

Bonus Funding. The act would have made TOCs eligible for additional funding under any program the OPM secretary administers if the TOC adopted additional zoning criteria (in addition to meeting all other TOC requirements discussed below), including (1) higher density development, (2) requiring greater housing unit affordability than what the act specifically required in certain larger proposed developments, (3) developing public land or public housing, (4) implementing programs to encourage homeownership, and (5) other criteria the OPM secretary set.

Qualifying as a TOC

A municipality would generally have become a TOC by establishing a transit-oriented district meeting certain requirements the act established, as described below. These requirements were generally aimed at enabling varied housing types to be developed near transit stations. The act also would have restricted the regulations a municipality could adopt for its districts.

The OPM secretary, or his designee, would have determined a municipality's compliance with the act's eligibility requirements. (The OPM secretary could delegate this and his other TOC-related authority under the act to a designee.) To help a municipality adopt a conforming district, OPM could give (1) technical assistance on adopting regulations that substantially comply with OPM's guidelines, described below, or (2) an interpretation or written guidance on whether a municipality's regulations conform to the statute under which most municipalities exercise zoning powers (CGS § 8-2).

The secretary would have been able to waive certain requirements by granting an exemption (see below), but could not impose requirements additional to those in the act and CGS § 8-2.

The act specified that the secretary could not deem a municipality a qualifying TOC without its consent.

Transit-Oriented Districts. Under the act, a "transit-oriented district" is an area the municipality designates that is subject to zoning criteria designed to encourage increased development density (including mixed-use development) and a concentration of discretionary state investments.

TOCs are municipalities that have adopted a reasonably sized, as determined by the OPM secretary, transit-oriented district containing at least one of the following:

1. a regular bus service station (i.e. a bus stop with a bus stopping at least every 60 minutes during peak hours) operating no less than five days per week or
2. a rapid transit station or a planned station (i.e. any public transportation station serving any rail or rapid bus route).

Additionally, the district had to (1) encompass all the land within a one-half mile radius of these stations or (2) be located within a reasonable distance, as determined by the OPM secretary, of any other transit service, a commercial corridor, or the municipality's downtown area (i.e. a central business district or other commercial area that, among other things, serves as a center of socioeconomic interaction).

To qualify as a TOC, a municipality's transit-oriented district had to be a reasonable size. Under the act, the OPM secretary, in consultation with the zoning commission, was responsible for determining whether a district meets this requirement. To do so, the secretary had to (1) determine whether the area could equitably support greater development density, based on the municipality's geographic characteristics, and (2) consider the municipality's and region's housing needs.

When making his determination, the OPM secretary could not require the following land types to be included in the transit-oriented district:

1. special flood hazard areas on the National Flood Insurance Program's flood insurance rate map;
2. inland wetlands, as defined in state law;
3. existing or planned public park land;
4. land subject to conservation or preservation restrictions (e.g., an easement);
5. coastal resources protected by the Coastal Management Act;
6. areas needed to protect drinking water supplies; and
7. areas likely to be inundated during a 30-year flood event, as shown in the sea level change scenarios UConn's Marine Sciences Division publishes.

The zoning commission could consult with any town agency to determine whether the district is a reasonable size.

A municipality's zoning commission had to consult with its inland wetlands agency when establishing the district's boundaries. If a proposed activity in the district could qualify as a "regulated activity" under state law (e.g., filling or obstructing wetlands or watercourses), the commission had to collaborate with the agency to determine whether it requires a permit.

Requirements for Developments in TOCs

As-of-Right Developments. Qualifying TOCs would have had to allow the following developments as of right (after an inland wetlands public hearing, if one is required) in the district:

1. middle housing developments with up to nine units;
2. developments with 10 or more units, at least 30% of which qualify as a § 8-30g set-aside development (see *Background*); and
3. developments, with any number of units, if they are (a) built on land owned by the municipality, the state, the local public housing authority, a nonprofit, or a religious organization and (b) deed-restricted for at least 40 years to preserve them as units priced affordably for renters or buyers earning 60% or less of the lesser of the federally determined state or area median income (SMI or AMI) (i.e. for which these households would pay no more than 30% of their annual income).

Under the act, "middle housing developments" generally are duplexes, triplexes, townhomes, and perfect sixes (three-story buildings with two units per story).

The act additionally specified that municipalities must, within a district, allow existing residential or commercial properties to be converted into any of the above-listed developments (and allowed as of right).

Accessory Apartments Allowed. Under the act, a person who owns real property in a transit-oriented district, and has owned property in the municipality for at least three years, could have built an accessory apartment as of right on his or her property.

These property owners could have done so even if the municipality voted to opt out of the state law generally allowing accessory apartments as of right on lots with single-family homes in all municipalities. Under the act, the accessory apartment would have had to comply with any structural or architectural zoning requirements adopted pursuant to CGS § 8-2, which is the law most municipalities exercise zoning authority under.

Under existing law, an "accessory apartment" is a separate dwelling unit that (1) is located on the same lot as a principal dwelling unit of greater square footage; (2) has cooking facilities; and (3) complies with or is otherwise exempt from any applicable building code, fire code, and health and safety regulations (CGS § 8-1a).

Required Set-Asides. TOCs would have had to require developers proposing developments with 10 or more units (unless allowed as of right as described above) to either (1) deed-restrict a certain percentage of the units for 40 years after initial occupancy (see the table below) so they are affordable for renters or buyers earning no more than 60% of the lesser of the SMI or AMI or (2) enter into a contribution agreement.

Under the act, the percentage of units that a developer would have had to deed-restrict (set aside) varied with the strength of the area's housing market and its quality of life ("opportunity"), as determined by the Connecticut Housing Finance Authority's (CHFA's) most recent Housing Needs Assessment. The table below shows the classifications and corresponding percentages of units that would have had to be restricted under the act.

Deed-Restriction Requirements

CHFA's Census Tract Designation	*Restricted Units*
High Opportunity/Heating Market	10%
High Opportunity/Cooling Market	10%
Low Opportunity/Cooling Market	5%

District Guidelines Adopted in Consultation With Interagency Housing Development Council

The secretary, in consultation with the interagency council on housing development (see below), would have had to develop guidelines on TOC districts. The guidelines would have had to at least address:

1. prioritizing mixed-use and mixed-income developments;
2. increasing affordable housing availability;
3. ensuring appropriate environmental considerations are made, with an emphasis on analyzing potential impacts on environmental justice communities (as defined in state law);
4. increasing (a) ridership of mass transit systems and (b) the feasibility of walking, biking, and other means of mobility other than motor vehicle travel;
5. reducing the need for motor vehicle travel;
6. maximizing the availability of developable land;
7. increasing the economic viability of development projects;
8. reducing the length of time needed to approve development applications;
9. lot size, lot coverage, setback requirements, floor area ratio, and height restrictions; and
10. inclusionary zoning requirements.

The act specified that the guidelines could include model ordinances, regulations, or bylaws for municipalities exercising zoning powers under CGS § 8-2.

Substantial Compliance Requirement and Exemptions. The act would have generally prohibited TOCs from adopting any regulations for their transit-oriented districts that would not substantially comply with OPM's guidelines on these districts. However, the OPM secretary could approve conflicting regulations, upon a municipality's application, based on factors the application identified. The secretary would have had to make a decision within 60 days after receiving the application and was prohibited from "unreasonably withholding" exemption approvals. If the request was denied, the municipality could opt out of the act's TOC provisions and would have had to return any discretionary infrastructure funding it already received.

Qualifying by Resolution

Under the act, a municipality that was not a qualifying TOC would still have been eligible for prioritized discretionary funding if its legislative body adopted a resolution stating it intended to enact zoning regulations enabling it to qualify. It would have had to actually enact the regulations within 18 months after adopting the resolution. A municipality that failed to do so would have had to return any prioritized discretionary funding it received, unless the OPM secretary granted an extension at his discretion, and would also have been ineligible for additional prioritized funding until it enacted these zoning regulations.

Qualifying by Establishing a District by October 1, 2025

The act would have made any municipality that adopted a transit-oriented district by October 1, 2025, eligible for discretionary infrastructure funding on a priority basis for developments within the district. The municipality did not need to qualify as a TOC.

Qualifying Transit-Adjacent Communities

The act would have allowed certain municipalities to request, by resolution of their legislative bodies, that the ORG coordinator deem them qualifying transit-adjacent communities, after they adopted a transit-oriented district that met the requirements applicable to TOCs as described above.

Specifically, a qualifying transit-adjacent community would have had to (1) lack a rapid transit station, (2) border a municipality that has one or more rapid transit stations or regular bus service stations, and (3) create a transit-oriented district in or adjacent to a downtown area in its jurisdiction. The community could not be a TOC.

If the ORG coordinator deemed it a qualifying transit-adjacent community, it would have been entitled to any discretionary infrastructure funding available to TOCs on a priority basis.

Background — As-of-Right Developments

For the laws on zoning, an "as-of-right development" is a development that may be approved without requiring (1) a public hearing; (2) a variance, special permit, or special exception; or (3) other discretionary zoning action, other than a determination that a site plan conforms with applicable zoning regulations (CGS § 8-1a).

Background — § 8-30g Set-Aside Development

Under the affordable housing land use appeals procedure (referred to as "§ 8-30g"), a set-aside development is a development in which at least 30% of the units are deed-restricted for at least 40 years after initial occupancy. Specifically, at least (1) 15% of the units must be deed-restricted to households earning 60% or less of the AMI or SMI, whichever is less, and (2) 15% of the units must be deed-restricted to households earning 80% or less of the AMI or SMI, whichever is less.

§ 21 — INTERAGENCY COUNCIL ON HOUSING DEVELOPMENT

Would have established an interagency council on housing development to, among other things, review whether discretionary state grant programs adhere to the state Plan of Conservation and Development's goals and create guidelines for transit-oriented districts

The act would have established an interagency housing development council to advise the ORG coordinator and help her review regulations, develop guidelines, and establish programs on transit-oriented districts to support responsible housing growth in the state.

EFFECTIVE DATE: Upon passage

Purpose

The council would have had to first meet by July 1, 2025, and then at least every six months, to:

1. evaluate state and quasi-public agencies' plans, programs, regulations, and policies for opportunities to combine their efforts and resources to increase housing development;
2. develop methods to consistently report and document housing development data;
3. develop approaches to housing growth that balance conservation needs (e.g., natural resources protection) and development needs (e.g., housing, economic growth, and infrastructure);
4. review whether discretionary state grant programs adhere to the state Plan of Conservation and Development's goals and make recommendations to agencies and quasi-public agencies, including on ways to increase deed-restricted developments in transit-oriented districts and middle housing; and
5. create guidelines, in consultation with the OPM secretary and as described above, on adopting and developing transit-oriented districts within TOCs (e.g., prioritizing mixed-use and mixed-income developments and reducing the need for motor vehicle travel).

Reporting Requirements

Beginning by October 1, 2026, the council would have had to annually submit its recommendations to the Housing and Planning and Development committees. By the same date, the council would also have to submit its recommendations on the above-listed items 4 and 5 (including its district guidelines) to these legislative committees and post this information on OPM's website.

Members

In addition to the ORG coordinator (who would serve as the chairperson) and any ad hoc members she determined were needed, the council would have consisted of the following ex officio members or their designees:

1. OPM secretary,
2. DOH commissioner,
3. Department of Economic and Community Development commissioner,
4. Department of Energy and Environmental Protection commissioner,
5. Department of Public Health commissioner,
6. Department of Transportation commissioner,
7. Municipal Development Authority chief executive officer, and
8. CHFA chief executive officer.

§ 22 — OPM GRANT PROGRAM FOR COGS

Would have allowed OPM to establish a grant program for COGs to support certain transit and pedestrian infrastructure projects

The act would have allowed the OPM secretary to establish, within available funding, a program awarding grants to COGs for public transit, bicycle, or pedestrian infrastructure projects.
EFFECTIVE DATE: October 1, 2025

§ 23 — TRANSIT-ORIENTED DISTRICTS QUALIFY AS HOUSING GROWTH ZONES

Would have made transit-oriented districts, as established under the act, qualify as housing growth zones under the Connecticut Municipal Development Authority law

The act would have made transit-oriented districts, as established under the act, housing growth zones under the Connecticut Municipal Development Authority. Under existing law, municipalities cannot receive certain financial assistance from the authority until they enact approved housing growth zone regulations.
EFFECTIVE DATE: October 1, 2025

Background — Housing Growth Zones

The Connecticut Municipal Development Authority is a quasi-public agency authorized to stimulate economic development and transit-oriented development, including by giving financial support and technical assistance to municipalities to develop "housing growth zones." These are areas around a central business district or passenger transit station in which local zoning regulations facilitate substantial new housing development (CGS § 8-169hh et seq.).

§ 26 — STATE-WIDE WASTEWATER CAPACITY STUDY

Would have required the OPM secretary to study wastewater capacity in the state, including identifying areas underserved by wastewater infrastructure

The act would have required the OPM secretary, within available appropriations and in coordination with the interagency council on housing development (see above), to conduct a state-wide wastewater capacity study. The study would have evaluated publicly and privately owned wastewater infrastructure's capacity, flows, physical conditions, regulatory compliance, and vulnerabilities to natural hazards.

In conducting the study, the secretary would have been required to identify (1) areas "underserved" by wastewater

infrastructure and (2) existing wastewater capacity limitations. He would also have had to make recommendations for efficient investments in wastewater infrastructure to support housing and economic development while protecting public and environmental health.

The act would have required the secretary to submit the report to the Commerce, Environment, Housing, and Planning and Development committees by July 1, 2026. The secretary would also have had to submit it to the members of the interagency council on housing development.

EFFECTIVE DATE: Upon passage

§ 27 — AFFORDABLE HOUSING PROGRAM FOR CONSTRUCTION INDUSTRY EMPLOYMENT

Would have required DOH to create a program that funds proposed affordable housing development projects creating employment opportunities in the construction industry and meeting certain affordability requirements

The act would have required DOH, within available bond authorizations (see *Background — Related Act*), to develop and administer a program that funds proposed affordable housing development projects creating employment opportunities in the construction industry. It also would have (1) required DOH to set criteria for awards and (2) set related housing affordability requirements.

Under the act, beginning July 1, 2026, eligible project sponsors would have been able to apply, as prescribed by DOH, to receive program funding for a proposed project.

EFFECTIVE DATE: January 1, 2026

Criteria for Awarding Funds

The act would have required DOH to set criteria for awarding funds, which at a minimum required the following:

1. the applicant to secure co-investment funding from a union pension fund (or comingled fund of union pension fund investments) with a demonstrated record of successful investment in affordable housing construction,
2. the proposed project to be covered by a project labor agreement, and
3. the applicant to be committed to workforce training by following state-registered apprenticeship standards and apprenticeship readiness programs.

Under the act, DOH would not have been able to approve financing for a proposed project later than three years after the department was allocated funds for the program.

Affordability Requirements

The act would have required all housing built with program funding to have affordability restrictions (i.e. deed restrictions) that apply for at least 40 years and limit occupancy to households earning up to 80% of the median income, or other means DOH selects. These affordability restrictions would have had to require the housing to be sold or rented at a price that is not more than 30% of an eligible household's income.

Background — Related Act

The bond act (PA 25-174, § 117) authorizes up to $50 million in GO bonds over four years for DOH to finance projects to create employment opportunities in the construction industry by developing affordable housing.

§ 28 — MUNICIPALITIES THAT MUST HAVE A FAIR RENT COMMISSION

Would have (1) required municipalities with a population of at least 15,000 to create a fair rent commission or join a joint or regional commission and (2) allowed two or more contiguous municipalities to form a joint commission and COGs to establish regional commissions

The act would have required the legislative body of municipalities (i.e. towns, cities, or consolidated towns and cities) with a population of at least 15,000, by January 1, 2028, to adopt an ordinance creating a fair rent commission, establishing or joining a joint fair rent commission, or joining a regional fair rent commission (see *Background — Fair Rent Commissions*). It also would have allowed other municipalities below this population threshold to do so. Existing law (1) required all municipalities (i.e. towns, cities, or boroughs) with a population of at least 25,000 to have a commission by July 1, 2023, and (2) allows others to have them.

Under the act, two or more contiguous municipalities could have formed a joint fair rent commission by adopting concurrent ordinances through their legislative bodies. Existing law (1) limits this option only to municipalities under the population threshold discussed above and (2) does not require that the municipalities be contiguous. The act would have specified that a municipality contiguous to a joint fair rent commission member municipality could join the joint commission by adopting an ordinance through its legislative body. Relatedly, it would have allowed a municipality to leave a joint commission by vote of its legislative body, as long as the withdrawing municipality created its own fair rent commission or joined another joint or regional fair rent commission according to the act's requirements.

The act also would have allowed (1) a COG to establish a regional fair rent commission and (2) any municipalities that are members of the COG to join the regional commission by adopting an ordinance through their legislative body. It would have required regional commissions to set the way in which complaints are submitted to it. Additionally, under the act, a party to a pending regional commission matter would have been able to request that the commission conduct any meeting (or portion of a meeting) virtually (i.e. using any technology that facilitates real-time public access to meetings) if the party's attendance was required. Regional commissions would have had to do so in conjunction with an in-person meeting.

The act would have prohibited municipalities that had to establish a fair rent commission and had done so before July 1, 2025, from abolishing their commission before January 1, 2028, unless the municipality joined a joint or regional fair rent commission.

Existing law requires a municipality's chief executive officer to notify DOH that the municipality has established a fair rent commission and send the department a copy of its ordinance within 30 days after it is adopted. The act would have specified that these requirements also apply to municipalities that joined joint or regional commissions.

EFFECTIVE DATE: July 1, 2025

Background — Fair Rent Commissions

By law, fair rent commissions are generally empowered to (1) control and eliminate excessive (i.e. harsh and unconscionable) rental charges and (2) enforce landlord-tenant statutes prohibiting landlord retaliation and establishing eviction protections for certain protected tenants. Among other things, commissions may receive rent complaints and hold hearings on them (CGS § 7-148b et seq.).

Background — Related Act

PA 25-121 requires any municipality that creates a fair rent commission to post on its website a publicly accessible copy of the commission's adopted bylaws. It also specifies that commission hearings must be open to the public.

§ 29 — CHFA SMART RATE PILOT INTEREST RATE REDUCTION PROGRAM

Would have required CHFA to expand its Smart Rate Pilot Interest Rate Reduction Program to provide benefits to additional eligible mortgage borrowers

The act would have required CHFA to expand its Smart Rate Pilot Interest Rate Reduction ("Smart Rate") Program to provide benefits to additional eligible mortgage borrowers. CHFA would have had to do so as part of its homeownership loan program and within resources allocated to DOH by the State Bond Commission for this program.

CHFA's Smart Rate program offers eligible mortgage borrowers an additional interest rate reduction of 1.125%. To be eligible, borrowers must, among other requirements, (1) have combined student loan debt with an unpaid principal balance of at least $15,000; (2) be a first-time homebuyer or have not owned a home in the past three years, unless purchasing in certain targeted areas; and (3) meet certain income and sales price limitations.

EFFECTIVE DATE: July 1, 2025

§§ 30-32 — ONLINE RENTAL PAYMENT SYSTEMS AND EVICTIONS

Would have (1) prohibited residential landlords from starting an eviction proceeding for nonpayment of rent if their online rental payment system prevented the tenant from paying his or her rent during the applicable grace period and (2) extended these grace periods by an additional five days if an online rental payment system prevented a tenant's timely rent payment

The act would have prohibited residential landlords from starting an eviction proceeding for nonpayment of rent if their online rental payment system prevented the tenant from paying his or her rent during the law's grace periods, which the act would have extended under these circumstances.

Existing law allows a landlord (i.e. owner or lessor) or his or her legal representative or attorney to start an eviction proceeding by serving a notice to quit possession when a residential tenant does not pay his or her rent within a nine-day grace period beginning the day after rent is due. This grace period also generally applies to residents of mobile manufactured home parks. (The grace period is four days for one-week tenancies.) The act would have extended these grace periods for an additional five days if a landlord's online rental payment system prevented a tenant's timely rent payment.

EFFECTIVE DATE: July 1, 2025

Background — Related Act

PA 25-168, § 459, modifies the above provision on grace period extension by specifying that the extension only applies to the applicable week or month that was the subject of the nonpayment. PA 25-49 was vetoed, and, as a result, this section of PA 25-168 has no legal effect.

§ 33 — ELEVATOR INSPECTIONS

Would have required privately owned multifamily housing projects to have their elevators inspected at least once every 12 months by a DAS elevator inspector

The act would have required all "privately owned multifamily housing projects" to have their elevators inspected at least once every 12 months by a Department of Administrative Services (DAS) elevator inspector. Following each inspection, the inspector would have been required to submit a report to the state building inspector describing the status of (1) each elevator on the premises and (2) any ongoing elevator repair, including how long any elevator is expected to remain inoperable.

A privately owned multifamily housing project is a property that is at least 15 stories tall, contains age-restricted dwelling units, and is subject to a mortgage insured under the National Housing Act (12 U.S.C. § 1701 et seq.).

Under existing law, elevators and escalators generally must be inspected at least once every 18 months and their operation certificates must be renewed every two years; however, elevators located in private residences are exempt from these requirements and instead must be inspected at the owner's request.

EFFECTIVE DATE: October 1, 2025

Background — Related Act

PA 25-108, § 3, prohibits DAS from renewing an operation certificate for elevators or escalators that were deemed unfit for operation during the most recent inspection or are the subject of any outstanding violation of applicable law.

§§ 34 & 37-39 — DIFFERENT MORATORIUM THRESHOLD AFTER ADOPTING PRIORITY HOUSING DEVELOPMENT ZONE

Would have created an alternative standard for a municipality to qualify for a moratorium under CGS § 8-30g if it created an overlay zone meeting specific requirements

The act would have created an alternative standard for a municipality to qualify for a temporary suspension of the affordable housing land use appeals procedure (i.e. CGS § 8-30g). Under existing law, a municipality qualifies for this temporary suspension (i.e. moratorium) each time it shows it has added a certain amount of affordable housing units over the applicable period (see *Background — § 8-30g*). Under the act, if a municipality adopted zoning regulations creating an

overlay zone meeting specific requirements, a lower moratorium threshold would have generally applied. The act designated these zones "priority housing development zones" (hereinafter priority zones).

Among other requirements, the priority zone would have had to (1) cover at least 10% of the municipality's developable land and (2) allow specific minimum housing densities and multifamily housing development as-of-right. The act would have made the housing commissioner responsible for reviewing these priority zones for conformity with the act's requirements and approving them through letters of eligibility.

The act specified that its provisions on the required content of priority zone regulations must not be construed to affect the power of local zoning commissions, or the body exercising zoning authority, to adopt or amend regulations under their statutory or special act powers.

EFFECTIVE DATE: July 1, 2025

Reduced Moratorium Threshold

Under the act, municipalities that adopt a commissioner-approved priority zone generally would have qualified for a § 8-30g moratorium under a lower threshold than existing law sets (i.e. after adding less affordable housing stock, generally). But they would have been eligible for one only if, when they applied for the moratorium, the commissioner determined that they complied with the requirements in the final letter of eligibility (see below).

By law, a municipality is eligible for a moratorium each time it shows it has added a certain amount of affordable housing units over the applicable period, measured in housing unit equivalent (HUE) points. A moratorium typically lasts four years, except that municipalities with at least 20,000 dwelling units are eligible for moratoria lasting for five years if they are applying for a subsequent moratorium (i.e. they previously qualified for a moratorium) and have adopted an affordable housing plan.

In addition to showing existing law's moratorium thresholds, the table below shows the act's reduced threshold for municipalities that adopt an approved priority zone. The act would not have changed the threshold applicable to certain larger municipalities with an affordable housing plan applying for a subsequent moratorium, even if they adopted a priority zone.

Moratorium Eligibility Thresholds

	Existing Law's Requirements for Added Housing Units, Measured in HUE Points	***Requirements for Municipalities That Adopt a Priority Zone as Provided by the Act, Measured in HUE Points***
Generally Applicable Moratorium Threshold	Greater of 2% of the housing stock, as of the last decennial census, or 75 HUE points	Greater of 1.75% of the housing stock, as of the last decennial census, or 65 HUE points
Subsequent Moratorium Threshold for Municipalities That Have at Least 20,000 Dwelling Units and Adopt an Affordable Housing Plan	1.5% of the housing stock, as of the last decennial census	No change

Requirements for Local Zone Adoption

Regardless of conflicting provisions in a charter or special act, the act would have allowed any municipality that adopted zoning regulations to amend them to establish a priority zone as an overlay zone. The zone could consist of one or more subzones, as long as each subzone and the zone as a whole comply with the act's requirements.

The act specified that any regulation creating a priority zone must:

1. be consistent with CGS § 8-2 (the law most municipalities exercise zoning authority under), including its provisions on varied housing opportunities;
2. ensure the zone is consistent with the state plan of conservation and development and located in an "eligible location" (i.e. within an existing residential or commercial district and suitable for development as a priority zone);
3. allow "multifamily housing" (i.e. buildings with three or more residential dwelling units) as of right within the

zone, generally subject to minimum density requirements the act would have established (see below);
4. ensure the zone encompasses at least 10% of the municipality's total developable land (see below); and
5. be likely to substantially increase the production of new dwelling units needed to meet housing needs within the zone (as determined by the housing commissioner).

The act would have specifically allowed a municipality's zoning commission (or body exercising zoning authority) to:
1. modify, waive, or eliminate dimensional standards applicable to any underlying zone in order to support the minimum or desired densities, mix of uses, or physical compatibility in the priority zone (e.g., building height, setbacks, lot coverage, parking ratios, and road design standards);
2. in a priority zone, allow for a mix of business, commercial, or other nonresidential uses within a single zone or for the separation of these uses into one or more subzones, if (a) the zone as a whole complies with the act's requirements and (b) the uses are consistent with as-of-right residential development and the densities the act specified; and
3. overlay the priority zone over all or part of an existing historic district.

Minimum Density Requirements

Under the act, the following minimum housing densities would have had to have been allowed in a priority zone, per acre of developable land:
1. four units per acre for single-family detached housing,
2. six units per acre for duplexes or "townhouse housing" (i.e. a residential building constructed in a group of at least three attached single-family dwelling units in which each unit extends from foundation to roof and has exterior walls on at least two sides), and
3. 10 units per acre for multifamily housing.

The act specified that municipalities (1) may only subject these minimum densities to site plan or subdivision procedures, submission requirements, and approval standards and (2) cannot subject them to special permit or special exception procedures, requirements, or standards.

Developable Land Defined

Under the act, "developable land" is the area within the boundaries of an approved priority zone that can feasibly be developed into residential uses consistent with the act. It excludes:
1. land already committed to a public use or purpose, whether publicly or privately owned;
2. existing "open space" (i.e. land or a permanent interest in land that is used for or satisfies at least one of the criteria listed in an existing law on grants for acquiring open space and watershed land), parks, and recreation areas dedicated to the public or subject to a recorded conservation easement;
3. land otherwise subject to an enforceable restriction or prohibition on development;
4. wetlands or watercourses (as defined under state law); and
5. areas of at least a half acre of contiguous land that are unsuitable for development due to topographic features, such as steep slopes.

Parameters for Establishing New Historic Districts

The act specified that a municipality may establish a historic district within an approved priority zone. Municipalities would have had to notify the commissioner about new districts within seven days (see below). If the district's requirements or regulations would render the approved priority zone out of compliance with the act's requirements, the commissioner would have had to (1) deny or revoke a preliminary or final letter of eligibility and (2) deny or revoke a certificate of affordable housing project completion (i.e. the eligibility determination for an § 8-30g moratorium).

Priority Zone Approval Process

Once a municipality adopted a priority zone, it would have had to request from the housing commissioner a final letter of eligibility. (The act would have also allowed (1) a municipality to apply for, and the commissioner to issue, a preliminary letter of eligibility, based on its proposed zoning modifications and (2) the commissioner to subsequently issue a final letter of eligibility when the municipality implemented the proposed modifications and met the act's priority zone requirements.)

The commissioner would have been required to review requests within 90 days after receiving them and could approve, reject, or request modifications to them.

If a municipality modified a proposed or adopted priority zone (including creating an overlapping historic district) after applying for or receiving a preliminary or final letter of eligibility, it would have had to notify the commissioner about the modifications within seven days. The commissioner could have denied or rescinded the letter if the changes did not comply with the act's requirements.

Reviewing Progress in the Zone

The act would have allowed the housing commissioner, at least a year after providing a final letter of eligibility, to review market conditions in a municipality and the state and, in her discretion, determine whether there were sufficient building permits or other indicators of progress toward constructing dwellings in the zone. If she determined that was not the case, she could rescind a letter of eligibility or current certificate of affordable housing completion.

Background — § 8-30g

The affordable housing land use appeals procedure is a set of rules that allows developers to appeal to Superior Court local planning and zoning commission decisions denying affordable housing developments or approving them with costly conditions. In traditional zoning appeals, the developer must convince the court that the commission (i.e. municipality) acted illegally or arbitrarily, or abused its discretion, by rejecting the proposed development. The § 8-30g appeals procedure instead places the burden of proof on the municipality. Only municipalities in which less than 10% of the housing stock is affordable, and that have not qualified for a moratorium, are subject to the procedure.

Background — Affordable Housing Developments

By law, an affordable housing development under § 8-30g is "assisted housing" or a "set-aside development." The former is generally certain government-assisted housing or housing occupied by people receiving rental assistance. The latter is a development in which, for at least 40 years after initial occupancy, at least 30% of the units are deed-restricted based on specified household income limits.

Background — HUE Points

A municipality is eligible for a moratorium on appeals taken under the § 8-30g procedure each time it shows it has added a certain amount of affordable housing units over the applicable period (since July 1, 1990, for first moratoria), measured in HUE points. Generally, newly built set-aside and assisted housing developments count toward the moratorium, as do units subjected to certain deed restrictions. The table below shows existing law's HUE point allocation by unit type.

Base and Bonus HUE Points

Unit Type		*Base HUE Value (per Unit)*
Owned or rented market-rate unit in a "set-aside development"		0.25
Owned or rented elderly unit restricted to households earning no more than 80% of the median income		0.50
Owned family unit restricted to households earning no more than:	80% of median income	1.00
	60% of median income	1.50
	40% of median income	2.00
Rented family unit restricted to households earning no more than:	80% of median income	1.50
	60% of median income	2.00
	40% of median income	2.50
Owned or rented homes in resident-owned mobile manufactured home parks occupied by households earning 80% or less of the median income		1.50

Unit Type	*Base HUE Value (per Unit)*
Owned or rented homes in resident-owned mobile manufactured home parks occupied by households earning 60% or less of the median income	2.00
Owned or rented homes in resident-owned mobile manufactured home parks not otherwise eligible for points	0.25
Dwelling units in "middle housing" developed as-of-right (see CGS § 8-1a)	0.25
Unit Type	***Bonus HUE Value***
Rental family units in a set-aside development, if the developer applied for local approval before July 6, 1995	Bonus equal to 22% of the total points awarded to the development

§ 34 — BONUS MORATORIUM POINTS FOR PROJECTS WITH A NEIGHBORING TOWN'S HOUSING AUTHORITY

Would have provided a 0.25 point per unit bonus toward a CGS § 8-30g moratorium for units eligible for HUE points under existing law if the unit was constructed by, or in conjunction with, a neighboring municipality's housing authority

Under existing law, a municipality qualifies for a temporary suspension (i.e. moratorium) of the affordable housing land use appeals procedure (CGS § 8-30g) each time it shows it has added a certain amount of affordable housing units over the applicable period, measured in HUE points. The act would have provided a 0.25 point bonus for units eligible for HUE points under existing law if the unit was constructed by, or in conjunction with, a neighboring municipality's housing authority. (For additional information on HUE points, see §§ 34 & 37-39 *Background — HUE Points*).
EFFECTIVE DATE: July 1, 2025

§ 35 — MAJORITY LEADERS' ROUNDTABLE STUDY

Would have required the majority leaders' roundtable on affordable housing to study changing the CGS § 8-30g exemption threshold from the percentage of qualifying dwelling units in a municipality to a flat number

The act would have required the majority leaders' roundtable on affordable housing to review the potential issues and benefits of changing the CGS § 8-30g exemption threshold from the percentage of qualifying dwelling units in a municipality to a flat numerical value. (By law, municipalities are exempt from the § 8-30g appeals procedure if at least 10% of their housing units are affordable, based on certain criteria.)

The act would have required the roundtable to report its findings and recommendations to the Housing Committee by February 1, 2026.
EFFECTIVE DATE: Upon passage

§ 36 — DOH AFFORDABLE HOUSING REAL ESTATE INVESTMENT TRUST PILOT PROGRAM

Would have required DOH to establish a pilot program awarding grants to entities for acquiring housing units that are subject to long-term affordability deed restrictions and located in certain municipalities

The act would have required DOH, within available resources (see *Background — Related Act*), to create and administer an Affordable Housing Real Estate Investment Trust pilot program. The program's purpose would have been to award grants to entities for acquiring housing units that are subject to long-term deed restrictions requiring they be maintained as affordable housing. Under the act, these units would have been located in municipalities with populations of at least 130,000 but less than 140,000, based on the most recent federal decennial census (i.e. Stamford and New Haven). Program participation would have been by application, as DOH prescribed.
EFFECTIVE DATE: July 1, 2025

Background — Related Act

The bond act (PA 25-174, § 13) authorizes up to $2 million in GO bonds for an Affordable Housing Real Estate Investment Trust pilot program.

§ 41 — BROADENING PURPOSES OF HEALTHY HOMES FUND

Would have broadened the purposes for which DOH may use a certain portion of the Healthy Homes Fund

By law, 15% of the money in the Healthy Homes Fund (i.e. the portion that does not go to the Crumbling Foundations Assistance Fund) is used by DOH for lead removal, remediation, and abatement. The act would have repealed a provision in law that limits the scope of DOH's residential hazard abatement activities under the Healthy Homes Fund to lead, which would have allowed DOH to use the fund to abate other contaminants or conditions (e.g., radon) affecting dwellings.
EFFECTIVE DATE: July 1, 2025

Background — Related Act

PA 25-107 eliminates a provision related to a Healthy Homes Fund assistance program for owner-occupied condominium units in Hamden with structurally deficient foundations.

PA 25-52—HB 6894
Housing Committee

AN ACT ESTABLISHING AN INTERAGENCY COUNCIL ON HOMELESSNESS

SUMMARY: This act establishes an interagency council on homelessness in statute (see BACKGROUND) and charges it with advising and assisting the Department of Housing (DOH) commissioner to improve homelessness prevention and response efforts. The council has 25 regular members (13 ex officio and 12 appointed) and up to eight more ad hoc members as determined by its chairperson (the DOH commissioner). The act requires the council to convene by October 1, 2025, and to meet at the request of the DOH commissioner or a majority of the regular members.

The act also requires the council, starting by July 1, 2026, to annually report its recommendations to the governor and the Appropriations, Housing, and Human Services committees.
EFFECTIVE DATE: Upon passage

COUNCIL'S DUTIES

The act specifically charges the council with doing the following:

1. considering ways to improve existing homelessness programs by coordinating policies across state agencies, including those that improve health and human services for people experiencing homelessness, increase housing stability, and create more affordable housing;
2. improving state programs in the homelessness response system, including immediate assistance for people experiencing homelessness, support for emergency shelters, and investments in housing stability; and
3. meeting the state's housing demands by maximizing funding for housing assistance, increasing the permanent supportive housing supply, improving rapid rehousing programs, and evaluating and finding solutions for expanded access to safe and affordable housing with an interagency approach designed to support the needs of people in the state.

COUNCIL MEMBERSHIP

The table below describes the council membership under the act. Ad hoc members and regular ex officio members, with the exception of the Long-Term Care Ombudsman, may be designees.

Interagency Council on Homelessness Membership

Regular Members	
Ex Officio	***Appointments***
DOH commissioner (chairperson)	DOH commissioner: two appointments
Department of Aging and Disability Services commissioner	Senate president pro tempore: two appointments; one who is a person experiencing (or that has previously experienced) homelessness and one who represents a continuum of care organization
Department of Children and Families commissioner	House speaker: two appointments; one who represents an organization advocating for domestic violence victims or prevention and one who represents an organization providing shelters or housing for people experiencing homelessness
Department of Correction commissioner	Senate majority leader: one appointment who is a representative of a public housing authority
Department of Labor commissioner	House majority leader: one appointment with expertise in mental health or addiction treatment
Department of Mental Health and Addiction Services commissioner	Senate minority leader: two appointments; one who represents local government and one who represents a philanthropic organization
Department of Social Services commissioner	House minority leader: two appointments; one who represents a faith-based organization and one who represents a group advocating for housing developers
Department of Veterans Affairs commissioner	
Office of Policy and Management secretary	
Judicial Department Court Support Services Division executive director	
Office of Health Strategy commissioner	
Connecticut Housing Finance Authority chief executive officer	
Long-Term Care Ombudsman	
Optional Ad Hoc Members	
Department of Developmental Services commissioner	
Department of Economic and Community Development commissioner	
Department of Emergency Services and Public Protection commissioner	
Department of Public Health commissioner	
Office of Early Childhood commissioner	
State Department of Education commissioner	
Department of Transportation commissioner	
Office of Higher Education commissioner	

BACKGROUND

Connecticut Interagency Council on Homelessness

In January 2024, Governor Lamont announced the establishment of the Connecticut Interagency Council on

Homelessness, with a charge similar to the council codified under the act.

Related Act

PA 25-146, § 5, corrects the Office of Health Strategy commissioner's title in this act.

PA 25-107—SB 1306
Housing Committee

AN ACT ELIMINATING CERTAIN FUNDING PROVISIONS FROM THE HEALTHY HOMES FUND

SUMMARY: This act eliminates a provision related to a Healthy Homes Fund assistance program for owner-occupied condominium units in Hamden with structurally deficient foundations. Under this provision, funding from remittances to the Healthy Homes Fund between May 1, 2022, and April 30, 2023, was directed to the Department of Housing (DOH) to give grants to the owners of these condominiums to either remediate their foundations or move.

By law, the Healthy Homes Fund is a separate nonlapsing General Fund account used primarily to support the Crumbling Foundations Assistance Fund, which assists homeowners with concrete foundations damaged by pyrrhotite (i.e. crumbling foundations). It also supports DOH's hazard abatement activities. The fund is capitalized by revenue from an annual $12 surcharge on certain homeowners' insurance policies.

EFFECTIVE DATE: July 1, 2025

BACKGROUND

Related Act

PA 25-49, § 41, (VETOED) repeals a provision that limits the scope of DOH's hazard abatement activities under the Healthy Homes Fund to lead, thus allowing DOH to use the fund to abate other contaminants or conditions (e.g., radon) affecting homes.

PA 25-121—sSB 1266
Housing Committee

AN ACT REQUIRING THE POSTING OF FAIR RENT COMMISSION BYLAWS AND THAT THE HEARINGS OF SUCH COMMISSIONS BE OPEN TO THE PUBLIC

SUMMARY: This act requires any municipality (i.e. town, city, or borough) that creates a fair rent commission (FRC) to post on its website a publicly accessible copy of the FRC's adopted bylaws.

The act also specifies that FRC hearings must be open to the public. By law, FRCs, like other local public agencies, are subject to the Freedom of Information Act (FOIA). Except for executive sessions, FOIA generally requires "meetings" (which are defined to include hearings) to be open to the public (CGS §§ 1-200 & 1-225).

EFFECTIVE DATE: July 1, 2025

BACKGROUND

Fair Rent Commissions

The law requires municipalities with populations of 25,000 or more (and authorizes others) to establish fair rent commissions to (1) control and eliminate excessive (i.e. harsh and unconscionable) rental charges and (2) enforce landlord-tenant statutes prohibiting landlord retaliation and establishing eviction protections for certain tenants (CGS § 7-148b et seq.).

Related Act

PA 25-49, § 28 (VETOED), would have required municipalities with a population of 15,000 or more, by January 1, 2028, to create a fair rent commission or join a joint or regional commission. It also would have allowed (1) two or more

contiguous municipalities to form a joint commission and (2) a council of governments to establish a regional commission.

PA 25-146—sHB 7027
Housing Committee

AN ACT CONCERNING THE USE OF CONDOMINIUM DEPOSITS FOR CONSTRUCTION AND DEVELOPMENT, ACCOUNTING OF RENTAL CHARGES AND A WORKING GROUP TO DEVELOP A UNIFORM STATUTORY DEFINITION OF "AFFORDABLE HOUSING"

SUMMARY: Under certain conditions, this act allows condominium developers ("declarants") to use a purchaser's deposit for actual construction costs, rather than keeping the funds in escrow, if the sale contract allows this.

Separately, the act (1) requires residential landlords, at an occupant's request, to provide an accounting for the dwelling unit showing assessed charges, completed payments, and any balance owed or surplus paid (§ 3) and (2) establishes a working group to develop a statutory definition of "affordable housing" to promote consistency in the statutes. Lastly, it makes a technical change to PA 25-52 to correct the Office of Health Strategy commissioner's title (§ 5).
EFFECTIVE DATE: July 1, 2025, except the working group provision and technical change are effective upon passage.

§§ 1 & 2 — CONDOMINIUM DEPOSITS

Existing law requires certain deposits toward the purchase or reservation of a condominium (or other common interest community) unit to be placed in escrow. This applies if the seller is someone, such as the declarant, who must deliver a public offering statement before offering units to the public.

Prior law required these deposits to be kept in escrow until delivered to the declarant (at closing or due to the purchaser's default) or refunded to the purchaser. The act provides an additional option by allowing the deposit to be used for construction costs. Specifically, it allows the declarant, under certain conditions, to withdraw funds from the escrow account, in excess of 1% of the purchase price, for the actual costs (see below) of the condominium's construction, development, and design.

The act allows this if the (1) sale contract allows it and (2) purchaser represents in the contract that the purchaser is an accredited investor as defined in federal securities regulations (see BACKGROUND). If the act's criteria are met, the declarant may withdraw funds from escrow as described above when construction has begun, for eligible costs incurred after the end of the purchaser's 15-day right to cancel the contract.

Under the act, if the purchase agreement allows the deposit's use for this purpose, it must include the following statement, in bold type, on the first page and immediately above the space for the purchaser's signature:

> "ANY PAYMENT IN EXCESS OF ONE (1%) PER CENT TOWARDS THE PURCHASE PRICE MADE TO THE DECLARANT PRIOR TO CLOSING PURSUANT TO THE PURCHASE AGREEMENT MAY BE USED FOR ACTUAL COSTS OF CONSTRUCTION, DEVELOPMENT, AND DESIGN, AS DEFINED IN C.G.S. 47-271."

Under the act, "actual costs" for this purpose include demolition costs; site clearing; permit or impact fees; architectural, engineering, and surveying fees; and construction, development, and design costs of furnishing and equipping the property. Sales and marketing costs are excluded. The act also prohibits the withdrawn funds from being used for salaries, commissions, expenses, real estate licenses, or advertising purposes.

The act makes a conforming change by requiring the public offering statement to indicate that a deposit on a unit may be withdrawn and used for the above purposes rather than kept in escrow.

These provisions apply to condominiums governed by the state's Common Interest Ownership Act (see BACKGROUND).

§ 4 — WORKING GROUP ON STATUTORY AFFORDABLE HOUSING DEFINITION

The act establishes a working group to develop a statutory definition of "affordable housing" to promote consistency in the statutes. (For Title 8, which primarily concerns housing and zoning laws, "affordable housing" is housing for which households earning no more than the federally determined area median income pay 30% or less of their annual income (CGS § 8-39a).)

Under the act, the working group includes (1) the Housing Committee chairpersons (who are also the group's chairpersons); (2) the Housing Committee ranking members; and (3) any other individuals the chairpersons believe are

sources of relevant information and data, including the housing commissioner or her designee. The chairpersons must schedule and hold the working group's first meeting by August 29, 2025. The Housing Committee's administrative staff must serve as that of the working group.

The act requires the working group to report its findings and recommendations to the Housing Committee by January 1, 2026. The group terminates on the date it does so or January 1, 2026, whichever is later.

BACKGROUND

Accredited Investors

Under federal Securities and Exchange Commission regulations, "accredited investors" are those qualified to buy and sell unregistered securities. This generally includes, among others, certain banks; securities brokers or dealers; insurance, investment, or business development companies; and individuals with a net worth or income exceeding certain thresholds (e.g., an individual with income over $200,000) or who hold certain professional credentials (e.g., investment professionals) (17 C.F.R. § 230.501(a)).

Common Interest Ownership Act (CIOA)

CIOA governs condominiums and other common interest communities formed in Connecticut on and after January 1, 1984 (CGS § 47-200 et seq.). Certain CIOA provisions also apply to common interest communities created in Connecticut before January 1, 1984, but do not invalidate existing provisions of the communities' governing instruments. Common interest communities created before that date can amend their governing instruments to conform to portions of CIOA that do not automatically apply (CGS §§ 47-214, -216 & -218).

PA 25-38—sHB 7102
Human Services Committee

AN ACT CONCERNING MATERNAL AND INFANT HEALTH CARE

SUMMARY: This act requires the Office of Health Strategy (OHS) commissioner to develop a strategic plan to increase the number of birth centers and birthing hospitals in areas with high percentages of Medicaid recipients and limited access to these facilities. Under the act, the OHS commissioner must report by January 1, 2027, to the Appropriations, Human Services, and Public Health committees on recommendations and estimated state appropriations needed to facilitate the opening of more birth centers and birthing hospitals in underserved areas.

By law, the Connecticut Fatherhood Initiative (CFI) council must actively participate in efforts to further CFI objectives. The act expands these efforts to include expanding fathers' roles in supporting maternal health. Under existing law, the Department of Social Services (DSS) must apply for any available federal and private health funds that promote CFI's objectives and award grants from these funds to entities with programs that promote various goals (e.g., responsible parenting and economic stability). The act adds programs that support expanding fathers' roles in supporting maternal health to the types of programs this funding may support.
EFFECTIVE DATE: July 1, 2025

STRATEGIC PLAN ON BIRTH CENTERS AND HOSPITALS

The act requires OHS to develop a strategic plan to increase the number of birth centers and birthing hospitals in areas with a high percentage of Medicaid recipients and limited access to these facilities. A birth center is a freestanding facility licensed by the Department of Public Health (DPH) to provide perinatal, labor, delivery, and postpartum care during and immediately after delivery to people with low-risk pregnancies and healthy newborns, typically for less than 24 hours. It does not include a hospital or facility attached to a hospital. A birthing hospital is a health care facility that cares for (1) patients during child delivery and postpartum periods and (2) newborns following birth.

The act requires OHS to develop the strategic plan in consultation with the DSS and DPH commissioners and include the following:

1. barriers to opening birth centers and birthing hospitals,
2. incentives that the state may offer to facilitate opening these facilities, and
3. an evaluation of best practices nationwide to facilitate opening and sustaining these facilities.

PA 25-42—sHB 7103
Human Services Committee
Appropriations Committee

AN ACT CONCERNING THE KATIE BECKETT WORKING GROUP RECOMMENDATIONS

SUMMARY: This act requires the Department of Social Services (DSS) commissioner to (1) develop a five-year plan to eliminate the waiting list for the Katie Beckett Waiver Program and add home modification coverage as a service offered through the program and (2) report by October 1, 2026, to the Appropriations and Human Services committees on recommended state appropriations needed to implement the plan. The Katie Beckett program is a Medicaid waiver that allows children with severe physical disabilities to be eligible for Medicaid home- and community-based care.

The act also lowers the maximum age for Katie Beckett participants from 21 to 18. (At age 18, they become eligible for coverage under a different Medicaid program.)

The act requires the DSS commissioner to include information on the waiver program's eligibility criteria and provider reimbursement rates in the department's Medicaid provider bulletins. It also requires DSS to post certain program information on its website.

Lastly, the act requires DSS to annually administer a survey, via mail or e-mail, to applicants on the program's waiting list. The survey must let applicants confirm or update demographic information and choose to remain on the waiting list or be removed. Applicants who do not respond to the survey must remain on the waiting list.
EFFECTIVE DATE: Upon passage, except the provision lowering the maximum age for the program is effective July 1, 2025.

DSS WEBSITE REQUIREMENTS

The act requires the DSS commissioner to publish the following information on the department's website by January 1, 2026:

1. eligibility criteria for the Katie Beckett Waiver program, including any income or asset thresholds;
2. a summary of available services under the program;
3. a list of contact information for family support groups and advocacy groups for children and young adults with severe debilitating diseases or conditions;
4. a list of other Medicaid waiver programs or Medicaid state plan services that offer services for children and young adults described above and eligibility criteria for these programs;
5. a list of private organizations and state programs that may offer funding for home modification or adaptive equipment for people with disabilities; and
6. a link to the Department of Aging and Disability Services website for information on adaptive equipment purchases or assistive technology loans.

PA 25-63—SB 1473
Human Services Committee

AN ACT REQUIRING MEDICAID COVERAGE FOR FDA-APPROVED GENE THERAPIES TO TREAT SICKLE CELL DISEASE

SUMMARY: This act requires the Department of Social Services commissioner to provide Medicaid coverage for federal Food and Drug Administration (FDA)-approved gene therapies to treat sickle cell disease. (Federal law generally requires Medicaid to cover these therapies from manufacturers participating in the Medicaid Drug Rebate Program (42 U.S.C. § 1396r-8).) The commissioner must apply for any federal initiative, including the Centers for Medicare and Medicaid Services' cell and gene therapy access model, to increase cost-effective access to these therapies (which conforms to current practice).

The commissioner must report, by January 1, 2026, to the Human Services Committee on (1) efforts to increase cost-effective access to the therapies, (2) the number of Medicaid recipients who received Medicaid-covered therapies and the state's cost to cover them, and (3) estimated state appropriations needed for this coverage.
EFFECTIVE DATE: Upon passage

PA 25-83—HB 5730
Human Services Committee

AN ACT CONCERNING STAGGERED TERMS FOR MEMBERS OF THE TWO-GENERATIONAL ADVISORY BOARD

SUMMARY: By law, the Two-Generational Advisory Board advises the state on how to foster family economic self-sufficiency in low-income households through a comprehensive two-generational service delivery approach. The board consists primarily of appointed members who, under prior law, served terms of an unspecified duration. Beginning July 1, 2025, the act (1) sets three-year terms for appointed board members and (2) requires them to be appointed or reappointed by the appointing authorities such that no more than one-third of their terms end on the same date. To implement these requirements, the act sets term expiration dates for current and future board members with some current members potentially having terms longer than three years to establish a staggered expiration pattern, then all future terms are three years. The act sets the expiration dates as follows:

1. for members appointed before June 30, 2022, terms end June 30, 2026;
2. for members appointed on or after June 30, 2022, but before July 1, 2025, terms end June 30, 2028; and
3. for members appointed on or after July 1, 2025, terms end three years after the member's appointment date.

Existing law requires the board's membership to include representatives of nonprofit and philanthropic organizations and scholars with expertise in two-generational programs and policies; however, prior law did not designate an appointing authority for these members. Under the act, these members must be selected by the Commission on Women, Children, Seniors, Equity and Opportunity.
EFFECTIVE DATE: July 1, 2025

PA 25-89—sHB 7108
Human Services Committee
Appropriations Committee

AN ACT CONCERNING AUTISM AND INTELLECTUAL DISABILITY SERVICES AND ABUSE AND NEGLECT INVESTIGATIONS

SUMMARY: This act sets reporting and other requirements related to people with intellectual and developmental disabilities (IDD) and autism spectrum disorder.

The act requires the Department of Developmental Services (DDS) to:

1. (a) report on abuse and neglect reports filed and investigations conducted under existing laws and (b) review related DDS policies and procedures (§ 1),
2. report on its use of funds appropriated for its programs (§ 2), and
3. establish a working group to study recommendations on Southbury Training School (§ 3).

The act also requires the (1) Department of Social Services (DSS) to apply for any available federal funding or private grant funding to conduct a state-wide autism needs assessment (§ 4) and (2) Office of Policy and Management (OPM) to establish a working group on the feasibility of an interagency complex case team for young adults with IDD, including autism spectrum disorder (§ 5).

Lastly, the act allows the Appropriations, Human Services, and Public Health committees to annually hold a joint informational hearing to review DDS and DSS efforts to ensure the safety and quality of care for people with disabilities receiving services funded by federal Medicaid waiver programs. Hearing topics may include (1) how the agencies are addressing audit findings and recommendations on abuse and neglect prevention from state and federal auditors and (2) timely abuse and neglect complaint reporting and related corrective action (§ 6).

EFFECTIVE DATE: Upon passage, except the provisions requiring DDS to report on spending appropriated funds and allowing a joint information hearing are effective July 1, 2025.

§ 1 — DDS ABUSE AND NEGLECT REPORTS AND INVESTIGATIONS

Existing law requires DDS to maintain a registry of certain former employees who were fired from or left their jobs due to substantiated abuse or neglect, and make the registry available to specified agencies and employers. The law also requires DDS to investigate reports of abuse and neglect of people with IDD and people who receive services from DSS's Division of Autism Spectrum Disorder Services.

The act requires the DDS commissioner to report annually, beginning by January 15, 2026, on abuse and neglect reports filed under these laws to the Human Services and Public Health committees, and post the report on its website. The report must include:

1. the number of abuse and neglect complaints the department received in the previous year and deaths reported;
2. the number and type of complaints that DDS investigated and the percentage investigated directly by the department or by private providers;
3. the number and percentage of cases that were substantiated; and
4. any administrative action taken by DDS regarding substantiated complaints, including a distribution of their outcomes and any recommendations.

The act also requires the DDS commissioner, starting by February 1, 2026, to review department policies and procedures on abuse and neglect investigations and reports every five years and post any updates to policies and procedures on the department's website. As part of the review, the commissioner must:

1. ensure the policies and procedures reflect the current process in place for investigating abuse and neglect reports,
2. review DDS's method for sharing information on substantiated abuse and neglect complaints with the reported victim or his or her legal representative while keeping records related to its registry of former employees confidential, and
3. get feedback on the policies and procedures from qualified providers as the DDS commissioner determines.

§ 2 — DDS REPORT ON APPROPRIATED FUNDS

The act requires the DDS commissioner to report quarterly, beginning by September 30, 2025, to the Appropriations, Human Services, and Public Health committees and post the report on its website. The report must describe:

1. progress in spending funds appropriated for programs DDS administers;
2. what services these funds were spent on;

3. whether lapsed funds are anticipated at the end of the fiscal year;
4. reasons appropriated funds were not spent, if applicable; and
5. waiting lists for DDS services.

§ 3 — SOUTHBURY TRAINING SCHOOL WORKING GROUP

The act requires the DDS commissioner, or his designee, to convene a working group to study information and make recommendations on the current and potential future use of Southbury Training School. The commissioner must appoint the working group, and its members must at least include representatives from:

1. the Southbury Training School Board of Trustees,
2. Southbury Home and School Association,
3. the protection and advocacy system (i.e. Disability Rights Connecticut), and
4. DDS.

The act allows the commissioner to appoint additional people to the working group or solicit additional input from other stakeholders (e.g., representatives from other state agencies, legislators, and the town of Southbury). The study must at least consider current and future supports delivered on the school campus, disposition of buildings and grounds, and costs for any recommendations.

The commissioner must report on the working group's findings and recommendations to the Appropriations, Human Services, and Public Health committees by February 1, 2026.

§ 4 — STATE-WIDE AUTISM NEEDS ASSESSMENT

The act requires the DSS commissioner, in consultation with OPM, to apply for any available federal funds or private grants to conduct a state-wide autism needs assessment. Under the act, if this assessment is funded, it must collect data from people living with autism spectrum disorder and their caregivers to inform policy and service delivery. The act requires DSS to make any funded assessment available on its website.

§ 5 — INTERAGENCY COMPLEX CASE TEAM WORKING GROUP

The act requires the OPM secretary, in consultation with the Governor's Kids Cabinet, to establish a working group on the feasibility of an interagency complex case team for young adults (ages 17 to 22) with IDD, including autism spectrum disorder, who also:

1. may have co-occurring mental or behavioral health needs,
2. are in urgent need of community placement or agency services, and
3. qualify for support from more than one state agency.

The act requires the OPM secretary to report to the Human Services and Public Health committees by February 1, 2026, on:

1. findings on the need to create a formalized process to address long hospital stays for these young adults and safe discharges with community supports,
2. best practices identified in other states,
3. recommendations on state appropriations needed to operationalize any recommended process,
4. recommendations on a referral process for complex case team management, and
5. proposed legislation to implement any recommended process.

Under the act, the working group ends on February 1, 2026, or when it completes its report, whichever is sooner.

PA 25-144—sHB 6932
Human Services Committee
Appropriations Committee

AN ACT CONCERNING THE ESTABLISHMENT OF A STATE INTERPRETING STANDARDS BOARD

SUMMARY: This act establishes a nine-member Interpreting Standards Board within the Department of Aging and Disability Services (ADS) to set education, training, and certification requirements for interpreters for people who are deaf, deafblind, or hard of hearing. The standard board's duties also include establishing the training needed to provide interpreting services to select populations and reviewing complaints about interpreters who are not complying with state

interpreting standards. The act requires the ADS commissioner to incorporate new interpreter standards based on the board's recommendations by March 1, 2027.

The act establishes the Interpreting Standards Board within ADS's Bureau of Services for Persons who are Deaf, Deafblind or Hard of Hearing and makes this bureau, rather than ADS, responsible for certain tasks related to interpreter credentialing and registration, including receiving interpreter registrations. The act allows the standards board to recommend (1) waivers from registration and related requirements and (2) acceptable credential equivalents.

The act delays, from January 1 to September 1, 2025, the deadline for the Advisory Board for Persons who are Deaf, Deafblind, or Hard of Hearing to submit its first annual report to the governor and legislature. It also (1) specifically requires the advisory board's recommendations to include policy and legislative changes needed to address gaps in interpreting services for non-English-speakers and (2) requires the board to refer complaints concerning interpreters to the Interpreting Standards Board, in addition to Disability Rights Connecticut, as existing law requires.

By law, anyone providing interpreting services must comply with certain requirements (e.g., annual registration). Existing law defines "interpreting" as a way to translate or transliterate English concepts to a language concept used by a person who is deaf, deafblind, of hard of hearing, or vice versa, using specified methods, such as American Sign Language, English-based sign language, cued speech, and oral transliterating. Under the act, it also includes translating or transliterating using (1) protactile language and tactile language for people who are deafblind, rather than using information received tactually, as under prior law, and (2) non-English-based language for non-English-speakers.

Lastly, the act makes minor, technical, and conforming changes.

EFFECTIVE DATE: October 1, 2025, except provisions establishing the Interpreting Standards Board and changing advisory board reporting requirements take effect July 1, 2025.

INTERPRETING STANDARDS BOARD

Board Appointments

The ADS commissioner, in consultation with the bureau director, must appoint the board by October 1, 2025. Appointed board members must have expressed a willingness to serve on the board. The commissioner must appoint nine members, at least six of whom must reflect the state's geographic and racial diversity, as follows:

1. the Connecticut Association of the Deaf president, or designee;
2. the Connecticut Registry of Interpreters for the Deaf president, or designee;
3. the DeafBlind Association of Connecticut president, or designee;
4. one deaf interpreter professional representative;
5. one hearing interpreter professional representative; and
6. four consumers of interpreting services, one each representing consumers who are hearing, deaf, deafblind, and hard of hearing.

Board Member Qualifications and Terms

The act requires the appointed interpreter professionals and consumers to have been state residents for at least three years and have at least three years' experience providing or using interpreting services and interacting with people who are deaf, deafblind, or hard of hearing. They must also be familiar with interpreting issues and professional interpreter standards. For the appointed interpreter professionals, the act gives priority to those who have been certified or registered interpreters involved in delivering interpreting services for deaf, deafblind, or hard of hearing people for at least three years. And each interpreter professional must be trained in providing services in a different special setting (e.g., community, educational, legal, and medical settings).

The act staggers the standard board members' terms by requiring the ADS commissioner to initially appoint the interpreter professionals and two consumers to a three-year term and the other two consumers to a two-year term. After these initial terms, the commissioner must appoint six of the nine board members for two-year terms on a staggered basis.

The act requires the standards board members to elect a chairperson and other officers as they deem advisable at their first meeting, which they must hold by November 1, 2025. The standards board must meet at least quarterly.

Standards Board Duties

The act requires the standards board to:

1. set education, training, and certification requirements for interpreters working in special settings, including community, educational, legal, and medical settings;

2. establish training needed to provide interpreting services to select populations (e.g., protactile language and tactile language interpreting training to serve deafblind people and training in interpreting methods to serve non-English speakers);
3. set operational standards for organizations and providers supplying interpreting services in these settings and to select populations (e.g., deafblind people);
4. in consultation with the bureau director, expand interpreter access to educational, training, internship, apprenticeship, mentorship, and credentialing opportunities and promote access to these opportunities to grow the pool of interpreters in the state;
5. receive and review all complaints on noncompliance with state interpreting standards and file associated reports (as described below); and
6. make recommendations to the ADS commissioner by January 1, 2027, on new interpreter standards, regulations, and legislation on interpreter qualifications.

INTERPRETER REGISTRATION

The act transfers from ADS to its Bureau of Services for Persons Who are Deaf, Deafblind or Hard of Hearing responsibility for registering interpreters, prescribing registration forms, issuing interpreter identification cards, and maintaining a current interpreter listing on ADS's website, categorized by the settings for which they are qualified. Under the act, this listing must also be categorized by specialized skills (e.g., protactile language or tactile language interpreting for deafblind people, or interpreting for non-English speakers). The act requires the bureau, rather than ADS, to issue annual identification cards listing the types of settings in which the registrant is qualified to interpret. It allows the bureau, rather than ADS, to require documentation of a registrant's training hours, in consultation with the Interpreting Standards Board.

NEW INTERPRETER STANDARDS

Current law generally requires anyone providing interpreting services in the state to register, hold recognized national or state interpreter credentials, and meet one of nine separate pathways or combinations of credentials that satisfy certain requirements to provide interpreting services in general (community) settings, with separate requirements for medical and legal settings. The act requires the ADS commissioner to implement policies and procedures, by March 1, 2027, that incorporate new interpreter standards based on the Interpreting Standards Board's recommendations. It sunsets current law's requirements when these new standards are adopted.

The act requires the commissioner to implement these policies and procedures before adopting regulations, as authorized under the Uniform Administrative Procedures Act. She must post notice about the department's intent to adopt the regulations on the eRegulations system within 20 days after implementing the policies and procedures and prominently link to them on the ADS website. Under the act, the policies and procedures are valid until final regulations are adopted. The act requires the commissioner to submit the policies and procedures in proposed regulation form to the Legislative Regulation Review Committee within 12 months after publishing the department's notice of intent.

The act exempts interpreters who are interpreting for deafblind people from existing requirements until these new standards are adopted or until a state or national standard is established for protactile language or tactile language interpreting.

CREDENTIAL SUBSTITUTES, EQUIVALENTS, AND WAIVERS

The act allows interpreters and interpreter registration card applicants who hold different certificates or credentials from recognized national and state interpreter credentialing organizations to apply to the standards board for a review of whether an approved acceptable credential equivalent or substitute, or a waiver for up to three years from complying with state interpreting standards, may be granted. After reviewing an application for a credential equivalent, the act allows the standards board to recommend to ADS a substitute credential or waiver and a determination of any qualified settings in which the applicant may work. The ADS commissioner may grant a substitute credential or waiver in her discretion.

The act exempts from registration requirements any interpreter with an acceptable credential equivalent or waiver from ADS in accordance with the Interpreting Standards Board's recommendations.

COMPLAINTS

The act requires the standards board to review complaints about noncompliance with state interpreting standards. It requires the board to file reports with:

1. Disability Rights Connecticut for all substantiated complaints;
2. the American Association for the DeafBlind, for substantiated complaints involving interpreters for deafblind people; and
3. a national or state professional interpreter certifying organization, if the board determines an interpreter violated the organization's interpreter code of professional conduct.

PA 25-148—sHB 7107
Human Services Committee

AN ACT CONCERNING A TASK FORCE TO STUDY EXPANDING GOVERNMENTAL EMPLOYMENT OPPORTUNITIES FOR PERSONS WITH DISABILITIES, UPDATES TO ABLE ACCOUNT STATUTES AND OVERSIGHT OF DRIVING PROGRAMS FOR PERSONS WITH DISABILITIES

SUMMARY: This act (1) establishes a task force to study expanding governmental job opportunities for people with disabilities; (2) makes changes to Connecticut's Achieving a Better Life (ABLE) program (see BACKGROUND), including aligning eligibility requirements with federal law; and (3) transfers, from the Department of Aging and Disability Services (ADS) to the Department of Motor Vehicles (DMV), a unit responsible for people with disabilities' driver training and evaluation.
EFFECTIVE DATE: Upon passage, except the provision transferring the driver training unit to DMV is effective July 1, 2025.

§ 1 — GOVERNMENTAL EMPLOYMENT OPPORTUNITIES TASK FORCE

The act establishes a 13-member task force to study expanding governmental job opportunities for people with disabilities. The study must include best practices nationwide for governmental employment programs for people with disabilities and the costs and benefits of adopting these programs in Connecticut.

Under the act, the task force must report its findings and recommendations to the Government Administration and Elections, Higher Education and Employment Advancement, Human Services, Judiciary, Labor and Public Employees, and Public Health committees by January 1, 2027. The task force terminates on this date or when it submits the report, whichever is later.

Membership

Under the act, task force members include the following seven state officials or their designees: the administrative services, ADS, and developmental services commissioners; Connecticut Council on Developmental Disabilities chairperson; Office of Policy and Management secretary; judicial branch chief court administrator; and Connecticut State Colleges and Universities chancellor. An additional six members must be appointed as follows:

1. one member with expertise in employment for people with disabilities appointed by the House speaker;
2. one member with expertise in challenges for people with disabilities in gaining employment appointed by the Senate president pro tempore;
3. one member representing an organization for community nonprofit contractors who employ people with disabilities appointed by the House majority leader;
4. one member who is a current or past participant in the Department of Administrative Services's janitorial work program appointed by the Senate majority leader;
5. one member representing an advocacy organization for people with intellectual and developmental disabilities appointed by the House minority leader; and
6. one member appointed by the Senate minority leader.

The act requires appointing authorities to make their initial appointments by July 31, 2025, and fill any vacancies. Appointed members may be legislators.

Leadership and Meetings

Under the act, the House speaker and Senate president pro tempore must select the task force chairpersons from among its members, who must schedule and hold the task force's first meeting by August 30, 2025.

The act requires the Human Services Committee's administrative staff to serve in this capacity for the task force.

§§ 2-7 — ABLE PROGRAM

The act makes various changes to Connecticut's ABLE program. Specifically, the act updates references to federal ABLE statutes and regulations in Connecticut's statutes to ensure (1) Connecticut's definitions related to program participants and eligibility align with federal criteria, including expanded federal eligibility in 2026, and (2) any future federal changes are automatically incorporated into state statute.

The act also:

1. updates terminology on who is eligible to open an ABLE account to align with federal law;
2. allows the state treasurer, who administers the ABLE program, to pay fees associated with administering individual ABLE accounts;
3. disregards, to the extent federal law allows, ABLE accounts when determining eligibility for all means-tested public assistance programs administered by the state or its political subdivisions, rather than only specific programs listed in prior law; and
4. makes minor, technical, and conforming changes.

Expanded Eligibility

Under federal law and prior state law, a person who receives Social Security disability benefits and has certified his or her disability in the given tax year is eligible to participate in the ABLE program so long as the person's disability occurred before age 26. Effective January 1, 2026, federal law is scheduled to expand ABLE program eligibility to people whose disability occurred before age 46. The act aligns Connecticut's statutory definition of "eligible individual" with the federal definition, effectively expanding eligibility for the state's program starting in 2026 and automatically incorporating any future eligibility changes enacted under federal law into the state's program.

Authorized Individuals

The act replaces references to "depositors" with references to "authorized individuals," to conform with federal law. Under prior state law, a depositor was someone making a deposit into an ABLE account pursuant to a participation agreement (i.e. the agreement between the trust and depositor to benefit a designated beneficiary). The act instead references "authorized individuals," which are the people or entities authorized under (1) federal regulations to establish an ABLE account on an eligible individual's behalf and (2) the state's qualified ABLE program to establish an ABLE account or act on its designated beneficiary's behalf.

Under federal regulations and existing state law, an ABLE account may be established by the eligible individual or a person he or she chooses. If the eligible individual is unable to establish his or her own account, their agent under a power of attorney, or their conservator or legal guardian, spouse, parent, sibling, grandparent, or representative payee appointed for them by the Social Security Administration, in that order, can establish the account (26 C.F.R. § 1.529A-2(c)). The act preserves this same order, by replacing this specific list in state law with a reference to the federal regulation in the "authorized individual" definition.

Income Disregards

To the extent allowed by federal law, the act requires any funds invested in, contributed to, or distributed from an ABLE account to be disregarded when determining an individual's eligibility for assistance under any means-tested public assistance program administered by the state or its political subdivisions. Under prior law, these funds were disregarded only for the following assistance or benefit programs:

1. the Temporary Family Assistance program;
2. programs funded under the federal Low Income Home Energy Assistance Program;
3. the state-administered general assistance program (SAGA);
4. the optional State Supplement Program, to the extent the federal Supplemental Security Income program allows; and
5. any other federally funded assistance or benefit program, including the state's medical assistance programs (i.e. HUSKY and Medicaid).

§ 8 — DRIVER TRAINING AND EVALUATION FOR PEOPLE WITH DISABILITIES

The act transfers, from ADS to DMV, a unit responsible for people with disabilities' driver training and evaluation. It correspondingly eliminates (1) prior law's process for ADS to certify with DMV a person with disabilities' driver training completion and recommend any license restrictions or limitations and (2) certain related provisions (including the requirement that DMV issue a driver's license with the recommended restrictions if the person has met all other requirements for a license).

Additionally, under existing law, staff working in the unit, while engaged in driver instruction or evaluation, have the same authority and immunity with respect to these activities as motor vehicle inspectors. The act extends this authority and immunity to unit staff while examining people with disabilities' driving ability.

Under the act, as under existing law, this unit serves state residents with serious disabilities who can drive using special equipment but who cannot get instruction through other driver education programs.

BACKGROUND

ABLE Program

The federal ABLE Act allows states to establish their own ABLE programs to (1) encourage individuals and families to save money to support individuals with disabilities to maintain health, independence, and quality of life and (2) provide secure funding for disability-related expenses on behalf of designated beneficiaries with disabilities that will supplement, but not replace, benefits provided through private insurance, Medicaid, and other sources. Eligible people living with a disability or blindness, or their families, may establish and contribute to accounts. Funds in the accounts may be spent on qualified disability expenses, including education, housing, and transportation.

Related Act

PA 25-168, §§ 449-454, has identical provisions on ABLE accounts.

PA 25-168, § 339, has identical provisions on the driver training and evaluation program.

PA 25-151—sSB 1358
Human Services Committee
Appropriations Committee

AN ACT CONCERNING INFLATIONARY RATE INCREASES FOR STATE-CONTRACTED NONPROFIT HUMAN SERVICES PROVIDERS

SUMMARY: This act establishes annual inflationary increases for rates paid to nonprofit human services providers that contract with the state and requires the Office of Policy and Management (OPM) to report every three years on appropriations needed to make these increases. Under the act, a nonprofit human services provider includes organizations that perform (1) services for people with physical, intellectual, or developmental disabilities (including autism spectrum disorder) or (2) behavioral health services.

Specifically, beginning July 1, 2027, the act requires any state agency contracting with a nonprofit human services provider to annually increase rates for recurring contracts by the percentage increase in the consumer price index (CPI) for all urban consumers in the northeast region in the previous calendar year (a measure of inflation). The requirement applies to contracts with any state board, authority, commission, department, office, institution, council, or other agency of the state, including higher education institutions. The act prohibits the agencies from decreasing rates if the CPI decreases.

The act similarly requires the Department of Social Services (DSS) commissioner, beginning July 1, 2027, to annually adjust Medicaid rates for nonprofit human services providers contracting with DSS. The increase is the same percentage increase, if any, for state agency contracts described above. DSS must make the adjustment unless federal Medicaid laws do not allow it.

Lastly, the act requires OPM to submit a report every three years, starting by January 1, 2026, to the Appropriations, Human Services, and Public Health committees on state agency contracts with nonprofit human services providers. The report must include any appropriations needed to ensure that rates for the contracts in future fiscal years include any increase in the CPI inflation measure described above.

EFFECTIVE DATE: Upon passage

PA 25-167—sHB 7192
Human Services Committee
Insurance and Real Estate Committee
Appropriations Committee

AN ACT IMPLEMENTING RECOMMENDATIONS OF THE BIPARTISAN DRUG TASK FORCE

TABLE OF CONTENTS:

§ 1 — PHARMACY BENEFITS MANAGER DUTY OF GOOD FAITH AND FAIR DEALING

Requires PBMs to use good faith and fair dealing under their contracts with health carriers or plan sponsors and in performing their duties with all parties; requires PBMs to notify health carriers and plan sponsors about any conflicts of interest with their duties under the act

§ 2 — PBM DRUG PRICING FOR HEALTH PLANS

Requires a PBM to offer a health plan the option of being charged the same price for a prescription drug that the PBM pays a pharmacy for the drug

§ 3 — HEALTH CARRIER REBATE ANNUAL REPORTING

Expands the contents of the insurance commissioner's annual report on health carrier rebates to include certain information on how rebates affected premiums and cost sharing

§ 4 — HEALTH CARRIER PRICING AND PROFIT REPORTING REQUIREMENTS

Requires the insurance commissioner to require carriers to annually report on pricing for, and profit generated between, the carrier and any PBM or mail-order pharmacy, if the information is reasonably available and proprietary information is kept confidential

§ 5 — PRESCRIPTION DRUG SHORTAGES TASK FORCE

Creates a task force to study prescription drug shortage preparedness and mitigation

§ 6 — PRESCRIPTION DRUG PRODUCTION CAPACITY

Allows DECD to use bond proceeds to support prescription drug production capacity in the state

§ 7 — PHARMACISTS' COMPENSATION WORKING GROUP

Establishes a working group to study and make legislative recommendations on the compensation of pharmacists who administer vaccines, HIV-related tests, and influenza-related tests and prescribe FDA-approved contraceptive devices or products

§ 8 — CREDIT FOR CERTAIN PRESCRIPTION DRUG COSTS UNDER HEALTH INSURANCE POLICIES AND HEALTH BENEFIT PLANS

Generally requires health carriers to credit insureds or enrollees for certain prescription drug costs when determining in-network liability for out-of-pocket expenses; establishes requirements for proof of payment an insured or enrollee must provide to receive credit for purchases from out-of-network providers; limits the total annual credit amount for out-of-network purchases and prohibits carryover to another policy period

§§ 9-18 — CANADIAN PRESCRIPTION DRUG IMPORTATION PROGRAM

Allows the DCP commissioner, after a consultant's feasibility study, to seek federal approval to establish a program to import prescription drugs from Canada for distribution in the state; establishes several related requirements if the program is approved, such as on (1) drug safety, quality, and tracking and (2) Canadian suppliers' and participating wholesalers' documentation; provides for DCP enforcement and emergency actions and penalties (e.g., if the drugs are adulterated); and, if the drug importation program is not feasible, allows a DCP consultant to conduct a feasibility review of Canadian prescription drug price benchmarking and develop policy recommendations

§§ 19 & 20 — STATE DRUG PURCHASING AGENCY PRICE NEGOTIATIONS

Generally requires DAS to negotiate bulk prices for prescription drugs on behalf of the state's drug purchasing agencies in order to buy them at lower cost; allows drug purchasing agencies, when negotiating drug prices with manufacturers, to incorporate the maximum fair price negotiated by CMS; allows drug purchasing agencies to enter compacts with other states for these purposes

§ 21 — ADVISORY COUNCIL ON PHARMACEUTICAL PROCUREMENT

Creates a council to advise the DAS commissioner and drug purchasing agencies on prescription drug negotiations

§ 22 — GENERIC GLP-1 DRUGS FOR WEIGHT LOSS

Requires and authorizes the DSS commissioner to take certain steps to increase access to generic, lower cost forms of GLP-1 drugs for HUSKY Health members

SUMMARY: This act makes various changes related to prescription drugs, pharmacy benefits managers (PBMs), health carriers, and other related matters. A section-by-section analysis follows below.
EFFECTIVE DATE: Various, see below.

§ 1 — PHARMACY BENEFITS MANAGER DUTY OF GOOD FAITH AND FAIR DEALING

Requires PBMs to use good faith and fair dealing under their contracts with health carriers or plan sponsors and in performing their duties with all parties; requires PBMs to notify health carriers and plan sponsors about any conflicts of interest with their duties under the act

The act requires PBMs to exercise good faith and fair dealing in performing their contractual duties to health carriers or other health benefit plan sponsors. It also specifies that a PBM has an obligation of good faith and fair dealing in performing its duties with all parties, including carriers and other plan sponsors with whom it interacts when performing its services.

Under the act, a PBM must notify the heath carrier or plan sponsor, in writing, if any of the PBM's activities, policies, or practices directly or indirectly present a conflict of interest with these duties.

The act authorizes the insurance commissioner to adopt implementing regulations.
EFFECTIVE DATE: October 1, 2025

§ 2 — PBM DRUG PRICING FOR HEALTH PLANS

Requires a PBM to offer a health plan the option of being charged the same price for a prescription drug that the PBM pays a pharmacy for the drug

Starting January 1, 2026, the act requires a PBM to offer a health plan the option of being charged the same price for a prescription drug that the PBM pays a pharmacy for the drug.
As under existing law for prohibited provisions in these contracts:

1. any contract provision that violates the act is void and unenforceable, but a provision rendered invalid or unenforceable does not affect remaining provisions;
2. any general business practice that violates the act's provision is an unfair trade practice under the Connecticut Unfair Trade Practices Act (CUTPA, see *Background — Connecticut Unfair Trade Practices Act*); and
3. the insurance commissioner may enforce this provision and upon request, audit pharmacy services contracts for compliance.

EFFECTIVE DATE: January 1, 2026

Background — Connecticut Unfair Trade Practices Act

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the Department of Consumer Protection (DCP) commissioner, under specified procedures, to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than $10,000, impose civil penalties of up to $5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept

voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to $5,000 for willful violations and up to $25,000 for a restraining order violation.

§ 3 — HEALTH CARRIER REBATE ANNUAL REPORTING

Expands the contents of the insurance commissioner's annual report on health carrier rebates to include certain information on how rebates affected premiums and cost sharing

Existing law requires the insurance commissioner to annually report on health carrier rebate practices for the prior year and publish the report on the department's website. The act expands the report's required contents to include (1) the percentage of rebate dollars health carriers used to reduce premiums and (2) an evaluation of rebate practices to reduce cost-sharing for health care plans delivered, issued, renewed, amended, or continued.

Under existing law, the report must include (1) an explanation of how carriers accounted for rebates when calculating premiums, (2) a statement disclosing whether and how carriers made rebates available to insureds at the point of purchase, (3) any other way carriers applied rebates, and (4) any other information the commissioner deems relevant.

EFFECTIVE DATE: October 1, 2025

§ 4 — HEALTH CARRIER PRICING AND PROFIT REPORTING REQUIREMENTS

Requires the insurance commissioner to require carriers to annually report on pricing for, and profit generated between, the carrier and any PBM or mail-order pharmacy, if the information is reasonably available and proprietary information is kept confidential

Under the act, the insurance commissioner must require health carriers to annually report on pricing in effect for the prior year, and profit generated between, the carrier and any PBM or mail-order pharmacy doing business with the carrier. This applies as long as the information is reasonably available to the carrier and the commissioner, under existing standards, keeps confidential any information that is marked as proprietary.

EFFECTIVE DATE: January 1, 2026

§ 5 — PRESCRIPTION DRUG SHORTAGES TASK FORCE

Creates a task force to study prescription drug shortage preparedness and mitigation

The act creates an ongoing task force to study emergency preparedness and mitigation strategies for prescription drug shortages. The task force must identify drugs at risk of shortage in this state and recommend ways to address that (see below).

EFFECTIVE DATE: Upon passage

Task Force Members, Administration, and Reporting Requirement

The task force includes eight members appointed by the legislative leaders, as shown in the following table. Appointees may be legislators.

Task Force Appointed Members

Appointing Authority	*Appointee Qualifications*
House speaker	• Expert in prescription drug supply chains • Expert in federal law on prescription drug shortages
Senate president pro tempore	• Representative of hospitals • Representative of providers who treat patients with rare diseases
House majority leader	• Representative of the Mohegan or Mashantucket Pequot tribes

Appointing Authority	*Appointee Qualifications*
Senate majority leader	• Representative of the Mohegan or Mashantucket Pequot tribes
House minority leader	• Representative of health insurance companies
Senate minority leader	• Representative of the Connecticut Health Insurance Exchange

The task force also includes the following seven officials or their designees: the DCP, economic and community development (DECD), health strategy, insurance, public health, and social services commissioners and UConn Health Center's chief executive officer.

Appointing authorities must make their initial appointments within 30 days after the act's passage (i.e. by August 7, 2025), and fill any vacancy.

The House speaker and Senate president pro tempore must select the task force chairpersons from among its members. The chairpersons may add any other members they deem necessary and must schedule and hold the first meeting within 60 days after the act's passage. The General Law Committee's administrative staff must serve in that capacity for the task force.

The act requires the task force, starting by January 1, 2026, to annually report its findings and recommendations to the General Law, Human Services, Insurance and Real Estate, and Public Health committees. The report must identify (1) those drugs the task force determines are at risk of shortage and (2) strategies to mitigate these shortages, including ways to increase in-state production of drugs that are at risk of shortage and critically necessary to provide health care in the state.

§ 6 — PRESCRIPTION DRUG PRODUCTION CAPACITY

Allows DECD to use bond proceeds to support prescription drug production capacity in the state

The act allows DECD to use bond proceeds from an existing bond authorization to support prescription drug production capacity in the state, as long as the commissioner may give preference to financial assistance applications that incorporate recommendations by the task force established above to prevent or mitigate prescription drug shortages (§ 5).
EFFECTIVE DATE: July 1, 2025

§ 7 — PHARMACISTS' COMPENSATION WORKING GROUP

Establishes a working group to study and make legislative recommendations on the compensation of pharmacists who administer vaccines, HIV-related tests, and influenza-related tests and prescribe FDA-approved contraceptive devices or products

By July 1, 2025, the act requires the chairpersons of the Insurance and Real Estate Committee, or their designees, to convene a working group to study and make legislative recommendations on the compensation of licensed pharmacists who provide certain health care services, including vaccine administration, HIV-related tests, influenza-related tests, and prescribing federal Food and Drug Administration (FDA)-approved contraceptive devices or products.

The Insurance and Real Estate Committee's administrative staff must serve as the working group's staff.
EFFECTIVE: Upon passage

Membership and Appointments

The working group must consist of the Insurance and Real Estate Committee chairpersons and ranking members and the insurance and DCP commissioners, or their designees.

Additionally, by August 7, 2025, the Insurance and Real Estate Committee chairpersons must appoint the following members to the working group:

1. three licensed pharmacists, one each employed by an independent pharmacy (i.e. a privately owned pharmacy that has up to five stores located in Connecticut), chain pharmacy, and health system pharmacy;
2. three members, one each representing an (a) organization representing PBMs, (b) health insurance company doing business in Connecticut, and (c) pharmaceutical company doing business in Connecticut;
3. a faculty member of a school of pharmacy in Connecticut;
4. two members representing employers in Connecticut, including a small employer (less than 50 employees) and a

large one (more than 100 employees); and
5. a representative of the Connecticut Health Insurance Exchange.

The Insurance and Real Estate Committee chairpersons may appoint any other members they deem necessary and must fill any vacancy.

Reporting

The working group must report its findings and legislative recommendations to the Insurance and Real Estate Committee by February 1, 2026. It terminates on that date or when it submits the report, whichever is later.

§ 8 — CREDIT FOR CERTAIN PRESCRIPTION DRUG COSTS UNDER HEALTH INSURANCE POLICIES AND HEALTH BENEFIT PLANS

Generally requires health carriers to credit insureds or enrollees for certain prescription drug costs when determining in-network liability for out-of-pocket expenses; establishes requirements for proof of payment an insured or enrollee must provide to receive credit for purchases from out-of-network providers; limits the total annual credit amount for out-of-network purchases and prohibits carryover to another policy period

The act requires health carriers to credit insureds or enrollees for certain prescription drug costs when determining in-network liability for out-of-pocket expenses paid directly to a pharmacy or health care provider.

It establishes proof of payment requirements an insured or enrollee must provide to the health carrier to receive credit for prescription drugs purchased from an out-of-network provider. For these purchases, the act also (1) limits the total amount credited toward any insured's or enrollee's annual out-of-pocket expense and (2) prohibits carrying over a credit to a new policy period.

EFFECTIVE: July 1, 2026

Calculation of In-Network Liability for Out-of-Pocket Expense

Under the act, when calculating an insured's or enrollee's in-network liability for his or her out-of-pocket expense (e.g., annual coinsurance, copayment, or deductible), each health carrier (see below) must give credit for any out-of-pocket expense the insured or enrollee pays directly to any state-licensed pharmacy or health care provider for any prescription drug, as long as:

1. no claim for the prescription drug was submitted to the carrier and
2. the out-of-pocket expense paid by the insured or enrollee is less than the average discounted rate for the drug paid to an in-network provider according to the terms of the policy or plan.

Under the act, this applies to insurers, health care centers (i.e. HMOs), hospital or medical service corporations, fraternal benefit societies, or other entities ("health carriers") that deliver, issue, renew, amend, or continue an individual or a group health insurance policy or health benefit plan in the state on or after January 1, 2026, providing coverage for (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; or (4) hospital or medical services, including those provided under an HMO plan.

Prescription Drug From Out-of-Network Health Care Provider

Under the act, if an insured or enrollee purchases a prescription drug from any out-of-network health care provider for a lower amount than the average amount paid by the insured's or enrollee's health carrier to any in-network provider for the same drug, the health carrier must give credit for the purchase when calculating the insured's or enrollee's liability for in-network annual out-of-pocket expenses. This applies if the insured or enrollee gives the carrier proof of payment following the requirements below.

The act specifies that this provision must not be construed to restrict any health insurance policy or health benefit plan from requiring a prior authorization or precertification otherwise provided for in the insured's or enrollee's policy or plan.

Proof of Payment. The act requires health carriers to (1) develop a proof of payment form and publish it on their website for insureds and enrollees to submit proof of payment for any out-of-network prescription drug purchase as described above and (2) annually give them written notice of, and instructions for downloading or electronically submitting, the form.

Upon receiving a proof of payment form from an insured or enrollee, a carrier must give credit for any out-of-pocket payments that the insured or enrollee paid to any out-of-network pharmacy or health care provider under the provision above, if the:

1. prescription drug the insured or enrollee purchased is included under his or her policy or plan and
2. insured or enrollee purchased the drug for a lower price than the average amount paid by the carrier to an in-network provider for the same drug.

Out-of-Pocket Maximum and Prohibited Carryover. Under the act, the total amount credited toward any insured's or enrollee's annual out-of-pocket expense for prescription drugs purchased from an out-of-network provider must not (1) exceed the total amount that the insured or enrollee must pay out-of-pocket under the terms of the policy or plan during a policy period and (2) carry over to a new policy period.

§§ 9-18 — CANADIAN PRESCRIPTION DRUG IMPORTATION PROGRAM

Allows the DCP commissioner, after a consultant's feasibility study, to seek federal approval to establish a program to import prescription drugs from Canada for distribution in the state; establishes several related requirements if the program is approved, such as on (1) drug safety, quality, and tracking and (2) Canadian suppliers' and participating wholesalers' documentation; provides for DCP enforcement and emergency actions and penalties (e.g., if the drugs are adulterated); and, if the drug importation program is not feasible, allows a DCP consultant to conduct a feasibility review of Canadian prescription drug price benchmarking and develop policy recommendations

The act allows the DCP commissioner, on behalf of the state and following a consultant's feasibility study, to seek federal approval to establish a Canadian prescription drug importation program, to import drugs that have the highest potential for cost savings in the state.

If the drug importation program is not likely to lead to significant cost savings, the act allows the DCP-contracted consultant to conduct a feasibility review of Canadian prescription drug price benchmarking and develop policy recommendations.

EFFECTIVE DATE: October 1, 2027, except the provisions that define the applicable terms and require the feasibility study are effective July 1, 2025.

Feasibility Study and Report; Consultant Responsibilities (§ 10)

The act requires the DCP commissioner to:

1. hire, within available resources, a consultant to study the feasibility of establishing a Canadian prescription drug importation program to reduce prescription drug costs in the state and
2. report the findings to the Appropriations, General Law, and Human Services committees and the Office of Policy and Management (OPM) by October 1, 2027.

Within six months after being contracted, the consultant must recommend to the DCP commissioner whether it is more likely than not that a prescription drug importation program is feasible and will result in cost savings to the state.

If the consultant determines that it is not likely to result in significant savings, he or she must give a written justification for the determination and may (1) start a feasibility review of Canadian prescription drug price benchmarking and (2) develop policy recommendations for implementing an upper payment limit for prescription drugs in the state based on the Canadian price benchmarking.

Food and Drug Administration Approval (§ 11)

Request for FDA Approval. If the DCP commissioner, after the consultant's study and in consultation with the OPM secretary, determines that the Canadian drug importation program is feasible, the act authorizes the commissioner to request program approval from the FDA under federal law.

The request to the FDA must at least do the following:

1. describe (a) the state's plans for operating the program and (b) any opportunities to coordinate with other states,
2. demonstrate that any prescription drug imported and distributed in this state under the program would (a) meet all applicable federal and state standards for safety and effectiveness and (b) comply with all federal tracing procedures, and
3. state the estimated program implementation costs.

The act authorizes the DCP commissioner to spend resources before FDA approval to ensure efficient implementation, but it prohibits the commissioner from actually operating the program without FDA approval.

FDA-Approval Received. If the FDA approves the request, the DCP commissioner must submit a notice disclosing it to the OPM secretary; social services and health strategy commissioners; and Appropriations, General Law, Human Services, and Public Health committees.

Prescription Drug Importation, Distribution, and Standards (§§ 9, 12 & 13)

Importation and Distribution. If a Canadian prescription drug importation program is established under the act, participating wholesalers may, subject to the act's provisions and under the program, import and distribute drugs from a participating Canadian supplier to pharmacies, institutional pharmacies, and qualifying laboratories in the state.

Under the act, an "institutional pharmacy" is the area within a care-giving, correctional, or juvenile training institution where drugs are stored and dispensed under the direct charge of a pharmacist.

Drug. For the Canadian prescription drug importation program, a "drug" is an article that is:

1. recognized in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States, official National Formulary, or any of their supplements;
2. intended to diagnose, cure, mitigate, treat, or prevent disease in humans;
3. not food and intended to affect the structure or any function of the human body; and
4. not a device and intended for use as a component of any article specified in those listed above.

Participating Wholesaler. A "participating wholesaler" in the program is designated by DCP to distribute prescription drugs in the manufacturer's original container, obtained from a participating Canadian supplier.

Participating Canadian Supplier. A "Canadian supplier" is a manufacturer or wholesale drug distributor licensed or permitted under Canadian law to manufacture or distribute prescription drugs. A "participating Canadian supplier" is such a supplier that is exporting prescription drugs, in the manufacturer's original container, to a participating wholesaler for distribution in the state under the program.

Drug Standards. Under the program, participating wholesalers may import and distribute prescription drugs in this state from a participating Canadian supplier if doing so would not violate federal patent laws and the drug meets the FDA's drug safety, effectiveness, misbranding, and adulteration standards.

A drug cannot be imported under the program if it is:

1. considered a controlled substance under federal law;
2. a biological product (e.g., a virus, therapeutic serum, vaccine, blood, or blood component applied to prevent, treat, or cure a human disease or condition);
3. inhaled during surgery, infused, or intravenously injected; or
4. a parenteral drug that the federal Health and Human Services (HHS) secretary determines would pose a threat to the public health if imported.

Track-and-Trace-Related Requirements (§§ 9 & 14)

Under the program, the DCP commissioner must require participating Canadian suppliers and participating wholesalers to (1) comply with all applicable track-and-trace requirements and (2) make all track-and-trace records available within 48 hours after the commissioner requests them.

"Track-and-trace" is the product tracing process in the federal Drug Quality and Security Act for the components of the pharmaceutical distribution supply chain.

The DCP commissioner must prohibit the distribution, dispensing, or sale outside the state of any prescription drug imported under the program.

Safety and Quality Requirements (§§ 9 & 15(a))

Under the act, a participating wholesaler must ensure the safety and quality of all drugs imported and distributed in the state under the program.

Drug Requirements. The drugs must (1) be approved for marketing in the United States; (2) not be adulterated or misbranded; and (3) meet all labeling requirements (e.g., content, prominence of information, and designation of established names) under federal law.

Laboratory Testing. Under the act, "laboratory testing" is a quantitative and qualitative analysis of a drug consistent with the applicable provisions of the official United States Pharmacopoeia.

The act requires a participating wholesaler to engage a qualifying laboratory (i.e. one in the United States approved by the FDA for the federal Food, Drug, and Cosmetic Act's provisions on Canadian drug importation) to test for authenticity and degradation a (1) statistically valid sample size for each batch of each drug in the initial shipment and (2) statistically valid sample of the shipment.

The laboratory's testing must be consistent with the federal Food, Drug and Cosmetic Act.

Wholesaler Records Maintenance and Retention Requirements (§ 15(a) to (c))

Under the program, a participating wholesaler must maintain:

1. qualifying laboratory records, including complete data derived from all tests needed to ensure that each drug imported under the program complies with the act's safety and quality requirements, and
2. documentation showing that the required testing was done at a qualifying laboratory consistent with the federal Food, Drug and Cosmetic Act and all other applicable federal and state laws and regulations on qualifying laboratory qualifications.

After a qualifying laboratory submits information and documentation to the participating wholesaler, the wholesaler must keep them for at least three years from the submission date.

A participating wholesaler must also maintain the following information for each drug the wholesaler imports and distributes in the state under the program, and submit it to the DCP commissioner upon his request:

1. the name and quantity of the drug's active ingredient and a description of the drug's dosage form,
2. the date the wholesaler received the drug and the price the wholesaler paid,
3. the quantity the wholesaler received and the drug's point of origin and destination,
4. a report on any drug that fails qualifying laboratory testing, and
5. any additional information and documentation that the commissioner deems necessary to protect public health.

Participating Supplier Documentation Requirements (§ 15(d))

The DCP commissioner must require each participating Canadian supplier to maintain the following information and documentation for each drug the supplier exports into the state under the program:

1. the drug's original source, including the manufacturer's name and manufacture date and location;
2. the shipping date and quantity;
3. the quantity of each lot of the drug originally received and the source of the lot;
4. the lot or control number and batch number the manufacturer assigned to the drug; and
5. any additional information and documentation that the DCP commissioner deems necessary to ensure public health protection.

The supplier must submit the above information and documentation to the commissioner, upon the commissioner's request.

Authorized Emergency Actions for Public Health or Welfare (§ 16)

The act authorizes the DCP commissioner to issue cease and desist, recall, embargo, or destruction orders to program participants when warranted and subject to administrative proceedings and penalties.

Cease and Desist Order. If the DCP commissioner determines that public health, safety, or welfare requires emergency action, the commissioner may order a participating Canadian supplier, participating wholesaler, re-labeler, re-packer, and qualifying laboratory to cease and desist from actions specified in the order pending administrative proceedings. The cease and desist order must be in writing and signed by the commissioner and is effective upon delivery to the respondent.

Administrative Proceeding and Civil Penalty. After a cease and desist order is issued, an administrative proceeding under the Uniform Administrative Procedure Act must begin promptly. After a hearing, the commissioner may impose a civil penalty up to $5,000.

Recall, Embargo, or Destruction. The commissioner may require the recall, embargo, or destruction of any drug that was imported and distributed under the program that has been identified as adulterated or misbranded. The action must be done according to DCP's process for food, drug, and cosmetic seizures and embargoes in existing law, which includes a hearing and possible civil penalty.

Generally, a drug is deemed adulterated under several circumstances, such as if it consists of any filthy, putrid, or decomposed substance, or has been produced, prepared, packed, or held under insanitary conditions so that it may have been contaminated with filth or made injurious to health.

Written Notice to Impacted Businesses. If a cease and desist, recall, embargo, or destruction order is issued, the person adversely impacted by the order must notify all other businesses participating in the program about the order. The notice must be in writing.

DCP Regulations and Report to the General Assembly (§§ 17 & 18)

If a Canadian prescription drug importation program is established, the act allows the DCP commissioner to adopt

implementing regulations.

Starting by 180 days after the first importation, the commissioner must biannually submit a report to the Appropriations, General Law, Human Services, and Public Health committees describing the program operation, any violations that resulted in action being taken by the commissioner, and the status of any violation investigations.

§§ 19 & 20 — STATE DRUG PURCHASING AGENCY PRICE NEGOTIATIONS

Generally requires DAS to negotiate bulk prices for prescription drugs on behalf of the state's drug purchasing agencies in order to buy them at lower cost; allows drug purchasing agencies, when negotiating drug prices with manufacturers, to incorporate the maximum fair price negotiated by CMS; allows drug purchasing agencies to enter compacts with other states for these purposes

The act generally requires the Department of Administrative Services (DAS) to negotiate bulk prices for prescription drugs on behalf of the drug purchasing agencies, which under the act are the judicial branch and the departments of Children and Families, Developmental Services, Mental Health and Addiction Services, and Public Health. DAS must do so with the goal to buy these drugs at lower prices than if the agencies each purchased them. The DAS commissioner or his designee must report by February 1, 2026, to the Appropriations, General Law, Human Services, and Public Health committees on any savings achieved through bulk purchasing of prescription drugs.

Under the act, a drug purchasing agency may negotiate its own drug prices if operational conditions require or it demonstrates, in writing, to the DAS commissioner that it is able to purchase the drugs at a cheaper price than the state's bulk pricing agreements.

The act allows the drug purchasing agencies, when negotiating with drug manufacturers to supply drugs for state-subsidized health care programs, to incorporate as a guiding price the maximum fair price negotiated by the federal Centers for Medicare and Medicaid Services (CMS) for certain drugs under the federal Inflation Reduction Act (see *Background — Maximum Fair Price*). It requires the agencies to consider the recommendations of the Advisory Council on Pharmaceutical Procurement (see § 21) in these negotiations.

The act also allows the drug purchasing agencies, either when negotiating bulk prices or referencing CMS's maximum fair price, to enter into a compact with officials in other states to increase the state's purchasing power in negotiations.

EFFECTIVE DATE: July 1, 2025

Background — Maximum Fair Price

Federal law requires the CMS secretary to negotiate with manufacturers on the maximum fair price of certain drugs covered under Medicare. The secretary must do so for 10 drugs starting in 2026, 15 more for each of the next two years, and 20 additional per year starting in 2028. For the first two years, this only applies to certain drugs under Medicare Part D; in the third year, it extends to Medicare Part B (42 U.S.C. § 1320f et seq.).

§ 21 — ADVISORY COUNCIL ON PHARMACEUTICAL PROCUREMENT

Creates a council to advise the DAS commissioner and drug purchasing agencies on prescription drug negotiations

The act establishes an Advisory Council on Pharmaceutical Procurement to advise the DAS commissioner and drug purchasing agencies on drug negotiations (see §§ 19 & 20).

EFFECTIVE DATE: October 1, 2025

Council Members, Administration, and Reporting Requirement

Under the act, the governor must (1) appoint the council's five members, who must have expertise in health policy, health care economics, or clinical medicine, and (2) designate one member to serve as the council's chairperson. All initial appointments must be made by October 31, 2025, and the governor must fill any vacancy.

The council's members may not (1) have a direct ownership or investment interest in a pharmaceutical company; (2) be employed by or participate in the management of such a company; or (3) receive or have the right to receive, directly or indirectly, remuneration under a compensation arrangement with such a company.

The council's chairperson must schedule and hold the first meeting by November 30, 2025.

The act requires the council, starting by January 1, 2026, to annually report its findings and recommendations to the DAS commissioner and the General Law, Human Services, and Public Health committees.

§ 22 — GENERIC GLP-1 DRUGS FOR WEIGHT LOSS

Requires and authorizes the DSS commissioner to take certain steps to increase access to generic, lower cost forms of GLP-1 drugs for HUSKY Health members

The act requires the Department of Social Services (DSS) commissioner, by August 7, 2025, to petition the federal HHS secretary to authorize generic, lower cost forms of glucagon-like peptide (GLP-1) prescription drugs (e.g., Ozempic) that are FDA approved to treat obesity or diabetes. (As of the act's passage, there were two generic versions of GLP-1 drugs approved to treat diabetes, but none specifically approved to treat obesity.)

Under the act, if HHS approves the petition, the DSS commissioner may contract with a manufacturer to supply the state with a generic form of these drugs for HUSKY Health members. The commissioner may enter into a consortium with other states in such a contract.

EFFECTIVE DATE: Upon passage

PA 25-69—HB 6434
Insurance and Real Estate Committee

AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR TECHNICAL REVISIONS TO THE INSURANCE-RELATED STATUTES

SUMMARY: This act makes technical changes to insurance-related statutes.
EFFECTIVE DATE: Upon passage

PA 25-86—sHB 6897
Insurance and Real Estate Committee

AN ACT EXTENDING THE SUNSET DATE FOR PERSONAL RISK INSURANCE RATE FILINGS

SUMMARY: This act extends the sunset date for the personal risk insurance (e.g., home, auto, marine, or umbrella) "flex rating" law by five years, from July 1, 2025, to July 1, 2030.

The flex rating law allows property and casualty insurers to file new personal risk insurance rates with the insurance commissioner and begin using them immediately, without prior approval, under certain circumstances.

To qualify under the flex rating law, a personal risk insurance rate cannot (1) increase or decrease by more than 6% statewide or (2) increase by more than 15% in any individual territory. By law, if the insurance commissioner determines rates are inadequate or unfairly discriminatory, he must order the insurer to stop using the flex rating rate change by a specified future date.
EFFECTIVE DATE: June 30, 2025

PA 25-87—sHB 6981
Insurance and Real Estate Committee

AN ACT CONCERNING ELECTRONIC POSTING OF CERTAIN DOCUMENTS BY INSURERS, NONRENEWAL OR CANCELLATION OF PROPERTY AND CASUALTY INSURANCE POLICIES, FEDERAL HOME LOAN BANKS AND THE INSURERS REHABILITATION AND LIQUIDATION ACT, HYPOTHECATION OF ASSETS AND SURPLUS LINES INSURANCE

SUMMARY: This act makes changes to insurance statutes. Primarily, it does the following:

1. allows insurers to (a) electronically post insurance policy documents on their websites instead of mailing them, if certain conditions are met, and (b) send cancellation notices using the U.S. Postal Service's intelligent mail barcode (USPS IMb) tracking system;
2. amends the Insurers Rehabilitation and Liquidation Act to allow certain activities to proceed when a Federal Home Loan Bank is a party to an agreement with an insurer that is under conservation, rehabilitation, liquidation, or administrative supervision by the Connecticut Insurance Department; and
3. no longer requires brokers who seek to place or procure an insurance policy through an unaffiliated wholesale surplus lines broker to first make and document diligent efforts to obtain coverage from a licensed insurer.

EFFECTIVE DATE: October 1, 2025, except that the provisions on (1) USPS IMb are effective July 1, 2025, and (2) the plan sponsor's election of electronic delivery of insurance documents are effective January 1, 2026.

§§ 1 & 2 — ELECTRONIC INSURANCE DOCUMENTS

Electronic Posting of Insurance Documents (§ 1)

The act allows insurers to post certain insurance policies and endorsements on their websites instead of mailing or delivering them to an insured as long as the documents do not include personally identifiable information. This applies to a policy, contract, certificate, plan, or agreement for life insurance, health insurance, credit life insurance, credit health insurance, annuities, personal homeowners insurance, or personal automobile insurance.

Under the act, if an insurer wants to post these documents on its website, it must do the following:

1. get the insured's approval to receive these documents on the insurer's website;

2. post and have the documents accessible for as long as the policy is in force and in a way that lets the insured save and print them using readily available free Internet applications;
3. keep records of an expired policy and any endorsements for five years after their expiration date and make them available upon request;
4. give an insured with each declarations page provided at policy issuance or renewal (a) a description of the policy and any endorsements, (b) a way for the insured to get a paper copy of the documents for free, and (c) the website address where the documents are posted;
5. give the insured, when a policy or endorsement changes, notice about the changes and how to get a paper copy of the documents for free upon request; and
6. notify the insured that he or she may request to opt out of the electronic delivery of documents at any time.

Under the act, if an insured does not agree to electronic delivery or requests to opt out of it, the insurer must mail or deliver a paper copy to the insured instead of posting them on its website.

Health Insurance Plan Sponsor Election for Insureds (§ 2)

The act allows an insurer and certain other health care entities to let a health insurance policy plan sponsor agree to electronic delivery of policy communications on behalf of the policy's covered individuals, as long as certain conditions are met. Specifically, each covered individual must be given, at enrollment or within a reasonable amount of time before electronic delivery, notice about the electronic delivery and an opportunity to choose delivery by mail instead. Each covered individual must also be able to opt out of electronic delivery at any time.

This applies to each insurer, health care center (i.e. HMO), hospital or medical service corporation, fraternal benefit society, or other entity that delivers, issues, renews, amends, or continues a health insurance policy in the state on or after January 1, 2026, that covers (1) basic hospital expenses, (2) basic medical-surgical expenses, (3) major medical expenses, or (4) hospital or medical services.

Regulations (§§ 1 & 2)

The act allows the insurance commissioner to adopt regulations to implement the provisions on electronic insurance documents.

§§ 3-8 — U.S. POSTAL SERVICE INTELLIGENT MAIL BARCODE TRACKING

The act lets property and casualty insurers send policy cancellation and nonrenewal notices by USPS IMb or a similar USPS tracking method. This applies generally to property and casualty policies, including homeowners insurance policies (§ 4), personal and commercial risk policies (§§ 5 & 7), and auto insurance policies (§ 8). Under the act, proof of mailing this way is sufficient proof of notice (§ 3).

For insureds who have effectively designated a third party to receive cancellation or nonrenewal notices, the act also lets a property and casualty insurer require the insureds and third parties to send their notices terminating a third-party designation to the insurer by USPS IMb or similar USPS tracking method (§ 6).

Existing law allows the use of other delivery methods for sending cancellation and nonrenewal notices and third-party designations, including certified mail, mail with return receipt requested, or electronic means.

USPS IMb is a barcode used to sort and track letters within the postal system that identifies the mail's location and estimated delivery times.

§§ 9-13 — FEDERAL HOME LOAN BANKS AND THE INSURERS REHABILITATION AND LIQUIDATION ACT

The act modifies the Insurers Rehabilitation and Liquidation Act (see BACKGROUND). It allows certain activities to proceed regardless of previous prohibitions when a Federal Home Loan Bank (FHL Bank) (see BACKGROUND) is a party to any pledge, security, credit, collateral, loan, advance, reimbursement, or guarantee agreement with an insurance company under conservation, rehabilitation, liquidation, or administrative supervision by the Insurance Department.

Automatic Stays (§ 10)

The act eliminates, for up to 10 business days, the automatic stay that an application or petition for a delinquency proceeding, rehabilitation, or liquidation order typically grants when an FHL Bank is a party. The 10-day period begins on the date of any order starting a delinquency proceeding, whether it is formal, informal, administrative, or judicial.

By law, a stay prohibits anyone other than a receiver from engaging in a wide range of activities that might lessen the value of an insurer's assets or prejudice the rights of policyholders, creditors, or shareholders. These include transferring property, wasting assets, and obtaining judgments against the insurer or its policyholders, among other things. The stay becomes permanent and survives a conservation, rehabilitation, or liquidation order, but the court may modify or grant relief from the stay.

Fraudulent Transfers (§ 11)

Existing law (1) makes a person receiving any property or benefit from an insurer through a fraudulent transfer or obligation personally liable and accountable to the liquidator and (2) allows certain receivers to avoid the transfer or obligation. Under prior law, a transfer or obligation was considered fraudulent if it is made or incurred within one year before the successful filing of a petition for rehabilitation or liquidation without fair consideration or with actual intent to hinder, delay, or defraud creditors. The act removes reference to "actual intent" and instead refers just to "intent."

Under the act, a receiver or any other person generally cannot avoid a transfer or obligation that would be considered fraudulent under existing law if it arises in connection with any agreement to which an FHL Bank is a party. But the act allows the receiver or other person to avoid the transfer or obligation only if it was made or incurred with intent to hinder, delay, or defraud the insurer, receiver, or creditors.

Preferences (§ 12)

To the extent agreements to which an FHL Bank is a party have preferences to creditors, the act requires an insurer's liquidator to carry a preference out. Under existing law, a "preference" is a transfer of the insurer's property to or for the benefit of a creditor, within one year before the filing of a petition for liquidation, that enables the creditor to obtain a greater percentage of debt than another creditor of the same class. Prior law allowed a liquidator to avoid giving a preference in certain circumstances.

Requirements When Exercising Collateral Rights (§ 13)

When an insurer that is an FHL Bank member is subject to a delinquency proceeding, the act sets requirements for how the FHL Bank may exercise its collateral rights.

Specifically, under the act, if the FHL Bank exercises its rights regarding collateral the insurer pledged, the bank must repurchase any outstanding capital stock that exceeds the amount the insurer must hold as a minimum investment. The bank must do this within seven business days after the delinquency proceeding if the bank determines in good faith that the repurchase is (1) permissible under applicable laws and regulations and the bank's capital plan and (2) consistent with its capital stock practices that apply to its entire membership.

After a receiver is appointed for the insurer, the FHL Bank must, within 10 business days after a request from the receiver, give the receiver a process and develop a timeline for the following:

1. releasing the insurer's collateral that exceeds the amount required to support any remaining secured obligations after repaying any loans, according to any agreements between the insurer and bank;
2. releasing any of the insurer's remaining collateral after repaying all the insurer's outstanding secured obligations in full;
3. paying any fees the insurer owes and the operation, maintenance, closure, or disposition of deposits and other accounts the insurer has with the bank; and
4. possibly redeeming or repurchasing the bank's stock or excess stock of any class that the insurer must hold as an FHL Bank member.

Additionally, the FHL Bank must, upon a receiver's request, give it any available options for the insurer to renew or restructure a loan. The options must be subject to market conditions, the terms of the insurer's outstanding loans, the FHL Bank's applicable policies, and the FHL Bank's compliance with federal laws and regulations.

§ 14 — HYPOTHECATION OF ASSETS

By law, domestic insurers, HMOs, and fraternal benefit societies are prohibited from pledging, hypothecating (i.e. using as collateral), or otherwise encumbering their assets to secure their own debt, guaranty, or obligations without the insurance commissioner's prior written consent if the amount to be encumbered, along with all other encumbrances, exceeds the lesser of 5% of admitted assets or 25% of policyholder surplus. However, this does not apply to transactions made in the ordinary course of business.

The act explicitly specifies that "the ordinary course of business" includes participating in the FHL Bank system, so the hypothecation of assets prohibition does not apply in that circumstance.

§ 15 — DILIGENT EFFORTS TO PLACE INSURANCE

The act exempts brokers who seek to procure or place an insurance policy through an unaffiliated wholesale surplus lines broker from a requirement to make and document diligent efforts to obtain the insurance from a licensed insurer.

By law, the insurance commissioner must maintain a list of insurance lines that he believes are generally unavailable from licensed insurers (CGS § 38a-741(a)). Such insurance may be provided by surplus lines insurers, whose policies are not reviewed by the Insurance Department.

BACKGROUND

Insurers Rehabilitation and Liquidation Act

The Insurers Rehabilitation and Liquidation Act generally protects the interests of policyholders, claimants, creditors, and the general public in the event of an insurance company's insolvency. It gives the insurance commissioner broad authority to monitor the financial condition of insurers and, when he believes necessary, to place them under administrative supervision or, with court approval, conservation, rehabilitation, or liquidation (CGS § 38a-903 et seq.).

FHL Banks

There are currently 11 regional FHL Banks across the United States. Created by Congress in 1932, each FHL Bank is a member-owned, federally chartered cooperative that provides funding and liquidity to its members to support housing finance and community development.

PA 25-94—sSB 10
Insurance and Real Estate Committee
Judiciary Committee
Appropriations Committee

AN ACT CONCERNING HEALTH INSURANCE AND PATIENT PROTECTION

TABLE OF CONTENTS:

§§ 1-3 — MENTAL HEALTH PARITY COMPLIANCE

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; authorizes the insurance commissioner to (1) impose civil penalties and late fees on carriers who fail to comply with mental health parity requirements and (2) engage certain independent experts to help with compliance reviews

§§ 4 & 5 — STEP THERAPY RESTRICTIONS

Prohibits health carriers from requiring the use of step therapy for prescription drugs used to treat multiple sclerosis or rheumatoid arthritis; removes the sunset date for the prohibition on the use of step therapy for prescription drugs used to treat schizophrenia, major depressive disorder, or bipolar disorder

§§ 6 & 7 — REDUCING HEALTH INSURANCE RATE REQUESTS

Beginning January 1, 2027, allows the insurance commissioner to reduce a health carrier's individual or small employer group health insurance rate request by up to two percentage points if the carrier's average approved rate increase exceeded the state's health care cost growth benchmark in each of the two most recent years for which benchmark data is available

§§ 8 & 9 — REIMBURSEMENT FOR GENERAL ANESTHESIA

Prohibits certain health insurance policies from imposing unilateral arbitrary limitations on reimbursement for general anesthesia

§ 10 — FACILITY FEE LIMITS

Reinstates a provision that makes it an unfair trade practice for a hospital, health system, or hospital-based facility to violate facility fee limits

SUMMARY: This act makes various changes in laws related to the following topics, which primarily relate to health insurance:

1. mental health parity compliance and enforcement,
2. the use of step therapy protocols for certain prescription drugs,
3. health insurance premium rate requests,
4. coverage for general anesthesia, and
5. facility fee limits.

A section-by-section analysis follows below.

EFFECTIVE DATE: January 1, 2026, except the mental health parity compliance-related provisions (§§ 1-3) are effective October 1, 2025, and the health insurance rate request provisions (§§ 6 & 7) are effective January 1, 2027.

§§ 1-3 — MENTAL HEALTH PARITY COMPLIANCE

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; authorizes the insurance commissioner to (1) impose civil penalties and late fees on carriers who fail to comply with mental health parity requirements and (2) engage certain independent experts to help with compliance reviews

Health Carrier Mental Health Parity Compliance Certification (§ 1)

The act requires a health carrier (e.g., insurer or HMO), beginning by March 1, 2026, to certify annually to the insurance commissioner for the prior calendar year that the carrier reviewed its administrative practices for compliance with state and federal mental health and substance use disorder benefit requirements. The certification must state whether or not the carrier's review found it complied with the requirements. If the carrier was not compliant, the certification must identify each non-compliant practice and action the carrier will take to comply.

By law, health carriers must report annually to the insurance commissioner on their compliance with state and federal mental health and substance use disorder benefit parity requirements (CGS § 38a-477ee). Parity means that a policy's mental health and substance use disorder benefits, including nonquantitative treatment limitations, are applied in a way that is comparable to, and not more stringent than, the way in which the policy covers medical and surgical benefits.

Public Disclosure of Health Carrier's Parity Compliance (§ 2)

The act makes a health carrier's reported compliance or noncompliance with parity requirements public information.

By law, upon receipt of the carriers' annual reports, the insurance commissioner must submit them to the Insurance and Real Estate Committee and certain other officials. Prior law prohibited the commissioner from naming or identifying the carriers in his submission and required him to keep the carriers' identities confidential. The act eliminates this prohibition and requirement and, in doing so, makes the carriers' names and identities public information.

Mental Health Parity Enforcement, Penalties, and Late Fees (§ 3)

Penalties and Expenses. The act authorizes the insurance commissioner to impose civil penalties on a health carrier that fails to comply with the mental health parity compliance certification requirements (see § 1 above), state and federal mental health and substance use disorder benefit reporting requirements, or other state and federal mental health parity laws. Under the act, the penalty may be up to $100 per covered member or beneficiary under the carrier's health insurance policy, capped at a total of $625,000 annually. (Previously, failure to comply could result in a penalty of up to $15,000 under the general penalty law (CGS § 38a-2).)

Before imposing a penalty, the commissioner must allow the carrier a hearing under the Uniform Administrative Procedure Act. The commissioner may also order the carrier to pay the commissioner reasonable expenses for any proceedings held.

The act allows the commissioner to waive a civil penalty if the (1) carrier's violation was due to reasonable cause and not willful neglect or (2) carrier corrected any noncompliance within 30 days after filing a certification noting the noncompliance.

Late Fees. The act also requires the commissioner to charge a $100 per day late fee to any carrier that fails to timely file any related mental health parity data, report, certification, or other required information, capped at a total of $625,000. If a carrier files incomplete information, the commissioner must notify the carrier about what is missing and the date by which the carrier must provide it. The commissioner must charge a $100 per day late fee to a carrier that does not meet the set due date, beginning from that due date, but capped at a total of $625,000.

Account Deposits. Under the act, the insurance commissioner must deposit all penalties and late fees received in the General Fund.

Consultants. The act allows the commissioner to hire a health policy research organization or other independent expert as needed to help review violations of state mental health parity requirements (i.e. nonquantitative treatment limitations) and federal mental health parity laws.

§§ 4 & 5 — STEP THERAPY RESTRICTIONS

Prohibits health carriers from requiring the use of step therapy for prescription drugs used to treat multiple sclerosis or rheumatoid arthritis; removes the sunset date for the prohibition on the use of step therapy for prescription drugs used to treat schizophrenia, major depressive disorder, or bipolar disorder

The act limits a health carrier's use of step therapy. Step therapy is a prescription drug protocol that generally requires patients to try less expensive drugs before higher-cost drugs.

Specifically, the act prohibits certain individual and group health insurance policies or contracts from requiring the use of step therapy for drugs used to treat multiple sclerosis or rheumatoid arthritis, as long as the drug complies with approved Food and Drug Administration indications. Additionally, the act makes permanent a prohibition on the use of step therapy for drugs used to treat schizophrenia, major depressive disorder, or bipolar disorder. Under prior law, this prohibition would have sunset on January 1, 2027.

Existing law, unchanged by the act, also prohibits health carriers from requiring the use of step therapy for drugs used to treat stage IV metastatic cancer. It allows the use of step therapy for any drug prescribed for a non-prohibited condition, but caps how long a carrier can require an insured to use step therapy at 30 days. It also allows a provider to deem step therapy clinically ineffective for the patient (immediately for the prohibited conditions or at the end of the waiting period for other conditions), at which point the carrier must cover the drug prescribed by the provider if it is covered under the insurance policy or contract. The act makes technical corrections.

The act applies to individual and group health insurance policies or contracts that provide coverage for prescription drugs and are delivered, issued, renewed, amended, or continued by an insurer, hospital or medical service corporation, health care center (i.e. HMO), or other entity.

§§ 6 & 7 — REDUCING HEALTH INSURANCE RATE REQUESTS

Beginning January 1, 2027, allows the insurance commissioner to reduce a health carrier's individual or small employer group health insurance rate request by up to two percentage points if the carrier's average approved rate increase exceeded the state's health care cost growth benchmark in each of the two most recent years for which benchmark data is available

Beginning January 1, 2027, the act allows the insurance commissioner to reduce a health carrier's individual or small employer group health insurance rate request by up to two percentage points if the carrier's average approved premium rate increase exceeded the state's health care cost growth benchmark in each of the two most recent plan years for which benchmark data is available. This reduction is in addition to any other rate reduction allowed by law.

Existing law requires health carriers to file premium rates for individual and small employer group health insurance policies with the Insurance Department, which reviews the rate requests to ensure they are not excessive, inadequate, or unfairly discriminatory. "Small employer" groups are those covering up to 50 employees.

By law, the Office of Health Strategy (OHS) develops the health care cost growth benchmark. OHS set Connecticut's benchmark with a growth target of 3.4% for 2021; 3.2% for 2022; and 2.9% for 2023, 2024, and 2025. OHS subsequently

adjusted the 2024 benchmark for inflation, setting it at 4.0%. (The office is in the process of setting the benchmark for the next five years.)

§§ 8 & 9 — REIMBURSEMENT FOR GENERAL ANESTHESIA

Prohibits certain health insurance policies from imposing unilateral arbitrary limitations on reimbursement for general anesthesia

The act prohibits certain individual and group health insurance policies that cover general anesthesia from (1) imposing arbitrary time limits on reimbursement for general anesthesia during a medically necessary procedure or (2) denying, reducing, terminating, or failing to provide reimbursement for general anesthesia solely because its duration exceeded the insurer's predetermined time limit for the care.

The act applies to individual and group health insurance policies delivered, issued, renewed, amended, or continued in Connecticut on or after January 1, 2026, that cover (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; or (4) hospital or medical services, including those provided under an HMO plan. Because of the federal Employee Retirement Income Security Act (ERISA), state insurance benefit mandates do not apply to self-insured benefit plans.

§ 10 — FACILITY FEE LIMITS

Reinstates a provision that makes it an unfair trade practice for a hospital, health system, or hospital-based facility to violate facility fee limits

The act reinstates a provision, repealed in 2023, that makes it an unfair trade practice to violate facility fee limits (see *Background — Connecticut Unfair Trade Practices Act (CUTPA)*). Existing law also allows OHS to impose civil penalties of up to $1,000 for certain violations of these fee limits.

By law, a "facility fee" is any fee a hospital or health system charges or bills for outpatient services provided in a hospital-based facility that is (1) intended to compensate the hospital or health system for its operational expenses and (2) separate and distinct from the provider's professional fee.

Existing law limits when hospitals, health systems, and hospital-based facilities may charge facility fees for outpatient services provided off-site from a hospital campus. The law also prohibits hospitals or health systems from charging facility fees for certain on-campus outpatient procedures that are not performed in the emergency department. Among other limits for off-site outpatient services, existing law generally prohibits hospitals, health systems, and hospital-based facilities from charging facility fees for these services that use a current procedural terminology evaluation and management (CPT E/M) code or CPT assessment and management (CPT A/M) code. These limits do not apply to Medicare and Medicaid patients, patients receiving services under a workers' compensation plan, or freestanding emergency departments.

Background — Connecticut Unfair Trade Practices Act (CUTPA)

By law, CUTPA prohibits businesses from engaging in unfair and deceptive acts or practices. It allows the consumer protection commissioner, under specified procedures, to issue regulations defining an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than $10,000, impose civil penalties of up to $5,000**,** enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to $5,000 for willful violations and up to $25,000 for a restraining order violation.

PA 25-106—SB 1270
Insurance and Real Estate Committee

AN ACT CONCERNING PUBLIC ADJUSTERS

SUMMARY: This act modifies the law regarding the fees a public adjuster charges and collects. Specifically, it requires (1) any fee a public adjuster charges an insured to be based only on the insurance settlement proceeds the insurer paid for a loss and (2) the adjuster to collect the fee after the insurer paid the settlement proceeds. By law, a "public adjuster"

prepares, documents, and submits a first-party property claim to an insurer or negotiates or effects a claim settlement on behalf of an insured for compensation (CGS § 38a-723).

Under prior law, the fee a public adjuster charged an insured had to be based only on the insurance settlement proceeds received from the insurer, and the adjuster had to collect the fee after the insured received the proceeds.

By law, a public adjuster may not charge or collect a fee if, within 30 days after a loss covered by a fire insurance policy, the insurer offers in writing to pay the full policy limits.

EFFECTIVE DATE: October 1, 2025

PA 25-130—sHB 6433
Insurance and Real Estate Committee

AN ACT CONCERNING CAPTIVE INSURANCE

SUMMARY: This act makes various changes in laws related to captive insurers. Generally, a captive insurer is an insurance company formed to insure or reinsure the risks of its owners, parent company, or affiliated company. Existing law allows several different types of captive insurers to be licensed and operate in the state. One type, a sponsored captive insurer, is generally an insurance company that insures its participants through separate participant contracts, funds its liability to each participant through protected cells, and separates each cell's assets from that of other cells and the captive insurer as a whole.

The act allows other types of captive insurers domiciled in Connecticut to convert into a protected cell. It also allows sponsored captive insurers to convey (i.e. sell, transfer, assign, or otherwise convey) a protected cell to a new or existing sponsored captive or one licensed as a special purpose financial insurance company. Lastly, it authorizes the insurance commissioner to separate insolvent protected cells from their sponsored captives and allows these insolvent protected cells to convert into new protected cells or captive insurers.

The act also subjects captive insurers to the same general penalty that applies under existing insurance law for violating any provision for which no other penalty is provided. By law, this general penalty is a fine up to $15,000.

EFFECTIVE DATE: October 1, 2025

CONVERSION TO PROTECTED CELL

Eligibility and Governing Laws

The act allows the following types of captive insurers domiciled in the state to convert into a protected cell with the insurance commissioner's prior approval: agency captive insurers, association captive insurers, industrial insured captive insurers, pure captive insurers, risk retention groups, and special purpose financial insurers. The captive insurer must perform the conversion according to the laws on business corporations, limited liability companies, or any other type of legal entity allowed under state law, as applicable.

Effect of the Conversion

Under the act, the conversion is subject to state captive insurance-related statutes and the captive insurer's operation plan approved by the commissioner, but it does not affect the converted captive insurer's assets, rights, benefits, obligations, or liabilities.

The act deems the captive insurer's conversion into a protected cell to be a continuation of the company's existence with all its assets, rights, benefits, obligations, and liabilities as a protected cell. The conversion occurs without transferring, assigning, impairing, or creating a reversionary interest in the captive insurer's assets, rights, benefits, obligations, or liabilities.

The act specifies that a conversion does not limit any of the rights or protections that the company had under specified captive insurer licensing laws immediately before the conversion.

CONVEYANCE OF PROTECTED CELL

Eligibility and Conditions

The act allows sponsored captives, including those licensed as special purpose financial insurers, to convey a protected

cell, together with all its assets, rights, benefits, obligations, and liabilities, to a new or existing sponsored captive or one licensed as a special purpose financial insurer. The sponsored captive must do so according to its commissioner-approved operation plan.

The sponsored captive must apply to the insurance commissioner and receive his prior written approval for the conveyance. It must also have the affected incorporated protected cell's consent or prior consent from each of its participants (or as otherwise allowed under a participation agreement).

Effect of the Conveyance

The act deems these conveyances to be a continuation of the protected cell's existence, with all its assets, rights, benefits, obligations, and liabilities, as a protected cell of the transferee sponsored captive insurance company.

Under the act, the protected cell's conveyance does not limit any rights or protections applicable to the cell or the sponsored captive immediately before the conveyance.

SEPARATION AND CONVERSION OF INSOLVENT PROTECTED CELL

The act allows the (1) insurance commissioner to separate any insolvent protected cell from its sponsored captive and (2) insolvent protected cell to convert into a captive insurer or a new protected cell of another sponsored captive insurer.

The act deems these conversions to be a continuation of the cell's existence and its assets, rights, benefits, obligations, and liabilities as a new protected cell or captive insurance company, as applicable. Under the act, the conversion occurs without transferring, assigning, impairing, or creating a reversionary interest in the protected cell's assets, rights, benefits, obligations, or liabilities.

PA 25-131—sHB 6435
Insurance and Real Estate Committee

AN ACT CONCERNING THE INSURANCE DEPARTMENT'S AUTOMOBILE PHYSICAL AND PROPERTY DAMAGE ARBITRATION PROCESS

SUMMARY: This act makes certain private passenger motor vehicle insurers, instead of the Insurance Department, responsible for the department's administrative costs associated with statutorily required arbitration hearings to resolve disputes between claimants and insurers over claim amounts (see BACKGROUND).

Specifically, under the act, if the arbitrator's decision is in the claimant's favor, the arbitrator must require the insurance company to reimburse the department for its costs to administer the arbitration hearing as long as the claimant did not reject a pre-arbitration offer of compromise from the insurance company for an amount that is at least the arbitration award's value.

By law, claimants and insurers may apply to the Superior Court for the judicial district in which one of the parties resides or, when the court is not in session, any judge in the district for an order confirming, vacating, modifying, or correcting an arbitrator's award.

EFFECTIVE DATE: October 1, 2025

BACKGROUND

Arbitration Procedure for Motor Vehicle Damage Claims

Under existing law, the Insurance Department's Division of Consumer Affairs must provide an independent arbitration procedure to settle disputes between claimants and private passenger motor vehicle insurers when (1) there are automobile physical damage and automobile property damage liability claims in which liability and coverage are not in dispute and (2) the division's attempts to resolve the dispute at mediation have failed. By law, all companies licensed to write private passenger automobile insurance, including collision, comprehensive, and theft, in this state must participate in the division's arbitration procedure.

PA 25-132—sHB 6436
Insurance and Real Estate Committee

AN ACT CONCERNING REVISIONS TO THE HEALTH INSURANCE STATUTES

SUMMARY: This act makes three unrelated changes to the insurance statutes.

First, the act eliminates a requirement that the insurance commissioner contract with the UConn Center for Public Health and Health Policy (which no longer exists) to conduct reviews of mandated health benefits upon the Insurance and Real Estate Committee's request. Instead, it allows him to contract with any actuary, actuarial firm, quality improvement clearinghouse, health policy research organization, or other independent expert necessary to help him with the reviews. By law, the reviews evaluate the social and financial impacts of the health benefits.

The act delays the annual due date for pharmacy benefit managers (PBMs) to report prescription drug rebate information to the insurance commissioner by one month, from February 1 to March 1. It correspondingly delays the annual due date for the commissioner to report to the Insurance and Real Estate Committee on the PBMs' rebate reports, from March 1 to April 1.

Lastly, the act allows, rather than requires as under prior law, the insurance commissioner to adopt regulations to implement health insurance requirements for medically necessary wheelchair repairs and replacements. By law, an insurer cannot require a new prescription or prior authorization for the medically necessary repair or replacement of a complex rehabilitation technology wheelchair unless the original prescription is more than five years old.

EFFECTIVE DATE: Upon passage, except the mandated health benefit review program provision is effective October 1, 2025.

PA 25-19—sHB 7132
Judiciary Committee

AN ACT CONCERNING NON-SAFETY-RELATED TRAFFIC STOPS, DRIVING WHILE CONSUMING CANNABIS AND EXCESSIVE RECKLESS DRIVING

SUMMARY: This act makes several changes to motor vehicle violation laws. First, the act eases the standard for what constitutes certain license plate, headlight, or windshield equipment violations.

It also sets enhanced penalties under the reckless driving law for violators who drive faster than 100 mph and allows an officer 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 cannabis and smells burnt cannabis.

Additionally, the act extends, from 30 days to 60 days, the grace period after a motor vehicle registration expires during which a violation is considered "failure to renew" and subject to only an infraction penalty and not a potential driver's license suspension (§ 6; see Table on Penalties).

Lastly, it makes technical and conforming changes.
EFFECTIVE DATE: October 1, 2025

VEHICLE EQUIPMENT VIOLATIONS

License Plate Display

By law, vehicles issued two license plates must display them in a conspicuous place on the vehicle's front and rear. The act allows for the rear plate to be displayed in the rear window as long as the plate's numbers and letters are plainly legible.

The act also eases the standard for what is considered obscuring license plates. Prior law required plates to be entirely unobscured and prohibited placing anything on a vehicle or license plate that obscures any information on the plate. The act instead (1) requires that a plate be substantially unobscured, meaning that an obstruction does not significantly block or conceal it in a way that prevents a reasonable person or an electronic device that records data on or photographs a vehicle or its plate from reading the plate, and (2) prohibits placing anything that obscures the plate's numbers and letters, rather than any information on the plate.

It also eliminates the specific infraction penalty for failing to illuminate the rear license plate with a white light that makes it clearly legible from 50 feet away. Vehicles with these violations may still be stopped and issued a warning for defective equipment, which by law requires the vehicle owner to have the vehicle taken to an inspection station and restored to safe operating condition within the next 10 days (CGS § 14-103).

Headlights and Other Required Lights

Existing law requires motor vehicles other than motorcycles to have two working headlights, one on each side of the vehicle's front, when being driven at certain times (e.g., nighttime or when it is raining or foggy). Not doing this is an infraction (see Table on Penalties). But under the act, if the vehicle has one working headlight, the operator must receive a defective equipment warning for a first offense (subsequent offenses remain infractions).

It also requires violations of the equipment laws on the number, placement, and intensity of lights or other light-related technical specifications that would also be a violation of the use of lights while driving statute (CGS § 14-96a) to be enforced under the equipment statutes and not under the use of lights law.

Windshield Obstructions

The law generally prohibits (1) operating a motor vehicle when the condition of its windshield interferes with an unobstructed view of the road and (2) attaching, placing, or hanging a device, sticker, or ornament on or in a vehicle in a way or location that obstructs the driver's view or distracts the driver.

The act specifies that, in these cases, the windshield's condition or obstruction must significantly block or conceal the driver's view of the road, as measured by what a reasonable person could see. By law, these violations are infractions (see Table on Penalties).

ENHANCED RECKLESS DRIVING PENALTIES

By law, driving faster than 85 mph is considered a reckless driving violation. The act sets enhanced penalties under the reckless driving law for violators who drive faster than 100 mph, as shown in the below table.

Reckless Driving Penalties Under the Act

Driving Faster Than 85 mph and up to 100 mph (Existing Law)	
First offense	$100-$300 fine, up to 30 days imprisonment, or both
Subsequent offense	Up to $600 fine, up to 364 days imprisonment, or both
Driving Faster Than 100 mph	
First offense	$200-$600 fine, up to 30 days imprisonment, or both
Subsequent offense	Up to $1,000 fine, up to 364 days imprisonment, or both

Under the act, if a police officer arrests someone for a reckless driving violation of driving faster than 100 mph who was previously convicted of this violation, the officer must impound the driver's vehicle for a 48-hour period. After this period, the vehicle owner may reclaim it upon paying all related towing and storage costs.

The act also specifies that a person cannot be prosecuted for both speeding and reckless driving for the same offense.

As under the existing reckless driving law, the act's prohibition on driving faster than 100 mph applies to (1) public roads; (2) roads of specially chartered municipal associations or districts organized under the laws for special taxing districts, a purpose of which is building and maintaining roads and sidewalks; (3) parking areas for at least 10 cars; (4) private roads with speed limits established by the local traffic authority according to law; and (5) any school property.

CANNABIS USE IN VEHICLES

By law, it is a class C misdemeanor to smoke, otherwise inhale, or ingest cannabis while driving a motor vehicle on certain roads or properties, and a class D misdemeanor to do these things as a motor vehicle passenger (see Table on Penalties). However, prior law prohibited peace officers (e.g., state and local police) from stopping a vehicle solely for these violations. The act allows them to do so if the officer sees the driver actively consuming cannabis and smells burnt cannabis odor.

PA 25-24—sSB 1379
Judiciary Committee

AN ACT CONFIRMING AND ADOPTING VOLUMES 1 TO 13, INCLUSIVE, OF THE GENERAL STATUTES REVISED TO JANUARY 1, 2025

SUMMARY: This act formally adopts, ratifies, confirms, and enacts the General Statutes revised to January 1, 2025.
EFFECTIVE DATE: Upon passage

PA 25-25—sSB 1367
Judiciary Committee

AN ACT PROHIBITING A BAIL BONDSMAN OR AGENT FROM APPREHENDING A PRINCIPAL ON A BOND ON THE PREMISES, GROUNDS OR CAMPUS OF ANY HEALTH CARE FACILITY, SCHOOL, INSTITUTION OF HIGHER EDUCATION OR HOUSE OF WORSHIP

SUMMARY: This act prohibits professional bail bondsmen or surety bail bond or bail enforcement agents from taking or trying to take the principal on a bond into custody on the premises, grounds, or campus of any:

1. state-operated or Department of Public Health (DPH)-licensed health care facility or institution, or office of a DPH-licensed health care provider;
2. school or higher education institution; or

3. house of worship.

Existing law, unchanged by the act, requires these individuals, before taking the person into custody, to notify the applicable law enforcement where the person is believed to be.

The act also expands the scope of the law requiring the court to vacate an order forfeiting a bond and release the professional bondsman, surety bail bond agent, and insurer so it applies when the principal on the bond is at a health care facility, institution, or provider office described above. Previously, a court could generally only do this when the principal was detained or incarcerated outside of Connecticut, there was proof of the detention or incarceration, and the prosecutor declined to extradite.

EFFECTIVE DATE: October 1, 2025

BACKGROUND

Bondsmen and Agents

A professional bondsman is in the business of providing bail in five or more criminal cases in a year, whether for compensation or free (CGS § 29-144). He or she puts up personal assets as bond security. A bail enforcement agent is engaged in the business of taking or attempting to take into custody people on bond who fail to appear in court and for whom a rearrest warrant or a capias was issued (CGS § 29-152e). The Department of Emergency Services and Public Protection licenses these individuals.

A surety bail bond agent is approved by the insurance commissioner and appointed by an insurer by power of attorney to execute or countersign bail bonds for the insurer in connection with judicial proceedings (CGS § 38a-660).

PA 25-27—sSB 1506
Judiciary Committee

AN ACT CONCERNING RACIAL AND ETHNIC IMPACT STATEMENTS

SUMMARY: This act prescribes a new procedure to set the process for legislators to request a racial and ethnic impact statement (REIS) on certain bills and amendments.

Prior law allowed the Government Administration and Elections Committee to make recommendations for a provision in the Joint Rules on the procedure for preparing the statements, their content, and the types of bills and amendments for which they should be prepared.

The act instead requires the legislative Commission on Racial Equity in Public Health to develop the procedures for (1) legislators to make a request and (2) the commission to prepare a REIS. The commission must send a letter with the procedures to the House speaker, Senate president pro tempore, and the House and Senate majority and minority leaders asking for their inclusion in the Joint Rules. The act's new processes and requirements apply beginning with the 2027 legislative session. (The Joint Rules for the 2025-2026 legislative term do not include a provision on these statements. By resetting the date by which they may begin to be requested, the act precludes the legislature from amending the rules to include a process for them that would apply to the 2026 legislative session.)

By law, any legislator may request these statements. For bills favorably reported during the regular session, the request must be made within 10 days after the originating committee's reporting deadline. For amendments, the act decreases the request window by requiring requests to be made at least 15 days before the end of session, instead of at least 10 days before as under prior law.

The act (1) allows the commission to ask any public or quasi-public agency for records or information so it can prepare a REIS and (2) requires the agencies to comply within certain deadlines.

Under the act, an agency that receives this request must submit the records or information within the next five days and in the manner the commission asks. But the act requires the commission to give an agency a reasonable extension to fulfill the request if the agency, within two days after receiving the request, explains why it needs more time to comply. It allows the commission to copy any records or information it obtains so that it can prepare a REIS.

Lastly, the act requires any prepared REIS to be posted on the General Assembly's website.

EFFECTIVE DATE: October 1, 2025

PA 25-29—sHB 7259
Judiciary Committee

AN ACT CONCERNING REVISIONS TO VARIOUS STATUTES CONCERNING CRIMINAL JUSTICE

TABLE OF CONTENTS:

§ 1 — NONQUALIFYING DNA SAMPLES

Requires (1) DESPP to disclose information from nonqualifying samples in the DNA data bank to the chief state's attorney before expunging the samples and (2) if it is exculpatory, the chief state's attorney to disclose it to the person charged with or convicted of the crime or the person's attorney

§ 2 — SEXUAL ASSAULT EVIDENCE COLLECTION

Establishes identifying designations for sexual assault evidence kits based on whether the victim wants to be identified and report the assault at the time of evidence collection

§ 3 — PENALTY FOR FAILURE TO APPEAR

Decreases, from a class A to a class D misdemeanor, the penalty for a first offense of willfully failing to appear for a misdemeanor offense or motor vehicle violation for which imprisonment may be imposed

§§ 4 & 6 — CIVIL IMMIGRATION DETAINERS

Expands who is considered a "law enforcement officer" under the civil immigration detainer law to include, among others, juvenile probation officers, prosecutors, and BOPP employees; broadens the circumstances under which a federal immigration authority can interview a person in state or local law enforcement custody or a person may be arrested or detained under a civil immigration detainer to apply to people convicted of 13 additional crimes; creates a civil cause of action for an aggrieved person against a municipality for violating this detainer law

§ 5 — SENTENCE REDUCTION FOR EXTRADITION CONFINEMENT

Requires that someone who was imprisoned in another state for extradition to face criminal charges in this state receive a sentence reduction based on their imprisonment in the other state; specifies that a sentence reduction for pre-sentence confinement applies to alleged violations, including probation or conditional discharge violations

§§ 7 & 8 — USE OF ELECTRONIC DEFENSE WEAPONS

Excludes an electronic defense weapon used by a peace officer from being considered deadly force or a deadly weapon

§ 9 — USE OF CHOKEHOLDS BY LAW ENFORCEMENT

Expands the circumstances under which law enforcement may use a chokehold or similar restraint methods to include the defense of a third person from the use or imminent use of deadly physical force

§ 10 — LIQUOR CONTROL ACT PENALTIES

Increases the penalty for Liquor Control Act violations without a specified penalty, making them a class C misdemeanor for a first offense and a class B misdemeanor for subsequent ones

§ 11 — ONLINE GAMING AND RETAIL SPORTS WAGERING ACCOUNTS

Makes it a class C misdemeanor to knowingly allow an underage person to (1) open or use an account with an online gaming operator or (2) wager or try to wager on Internet games or with a sports wagering retailer

SUMMARY This act makes various changes to criminal justice laws, as described in the following section-by-section analysis.
EFFECTIVE DATE: October 1, 2025

§ 1 — NONQUALIFYING DNA SAMPLES

Requires (1) DESPP to disclose information from nonqualifying samples in the DNA data bank to the chief state's attorney before expunging the samples and (2) if it is exculpatory, the chief state's attorney to disclose it to the person charged with or convicted of the crime or the person's attorney

The law tasks the Department of Emergency Services and Public Protection (DESPP) with receiving biological samples, analyzing and filing the results of the samples' DNA identification characteristic profiles, and making information available from the DNA data bank to law enforcement as part of an official criminal investigation.

The act requires DESPP to disclose information derived from a nonqualifying sample in the DNA data bank to the chief state's attorney's conviction integrity unit before expunging the sample from the data bank or purging the derived information and destroying the sample. This must be done to enable the Division of Criminal Justice (DCJ) to meet its constitutional obligations on exculpatory evidence. (By law, a prosecuting authority must disclose exculpatory DNA analysis information or material to the accused.)

If the information is exculpatory to anyone charged with or convicted of a crime, the act requires that it be disclosed to the person or the person's attorney. It prohibits this information from being otherwise used for an investigation or prosecution.

Under the act, a "nonqualifying sample" is a sample (1) entered into the data bank in good faith but without authority or (2) in which the sample itself and any information derived from it should have previously been purged or expunged from the data bank.

§ 2 — SEXUAL ASSAULT EVIDENCE COLLECTION

Establishes identifying designations for sexual assault evidence kits based on whether the victim wants to be identified and report the assault at the time of evidence collection

Under existing law, when a sexual assault victim arrives at a health care facility that collects sexual assault evidence, the facility must follow a specific protocol, contact a sexual assault counselor, and if the victim consents, collect sexual assault evidence.

The act sets a process for creating, with the victim's consent, a label for designating sexual assault evidence collection kits, based on whether the victim wants to be identified and wants to report the assault to law enforcement at the time of evidence collection. The act assigns the potential designations as follows:

1. "anonymous" for kits that do not include the victim's name and are not reported to a law enforcement agency at the time of collection,
2. "identified" for kits that include the victim's name but are not reported to law enforcement at that time, and
3. "reported" for kits that include the victim's name and are reported to law enforcement at that time.

After collecting and designating the evidence, the act requires the health care facility to contact a law enforcement agency to receive it, which must then transfer it to DESPP's Division of Scientific Services for analysis. The act eliminates the option under prior law for law enforcement agencies to transfer this evidence to the FBI laboratory, instead requiring in all cases that it be sent to DESPP. As is already the case, kits of someone who wants to remain anonymous must be held for at least five years after they were collected; the other kit types must be analyzed within 60 days after their collection.

Once the division completes its analysis, the act allows it to return the submitted evidence, or any part of it, to the law enforcement agency in a way that preserves its integrity. If it does this, the agency must hold the evidence until the end of any criminal proceedings as the division already must do if it has the evidence.

Existing law, unchanged by the act, specifies that failing to comply with this law does not affect the admissibility of the evidence in a lawsuit, action, or proceeding, if it would be otherwise admissible.

§ 3 — PENALTY FOR FAILURE TO APPEAR

Decreases, from a class A to a class D misdemeanor, the penalty for a first offense of willfully failing to appear for a misdemeanor offense or motor vehicle violation for which imprisonment may be imposed

The act decreases the penalty for a first offense of willfully failing to appear at a court hearing related to a misdemeanor offense or motor vehicle violation. By law, the penalty applies to people who are (1) charged with and on bail (or otherwise released) for a misdemeanor or motor vehicle violation for which imprisonment may be imposed or (2) on probation for the offense or violation. The court hearing must be called either according to the bail bond's terms (or the terms of the promise

to appear) or concerning a probation violation, as applicable.

Under prior law, failing to appear for this hearing was a class A misdemeanor. The act reduces the penalty to a class D misdemeanor for a first offense, but subsequent offenses remain class A offenses (see Table on Penalties).

§§ 4 & 6 — CIVIL IMMIGRATION DETAINERS

Expands who is considered a "law enforcement officer" under the civil immigration detainer law to include, among others, juvenile probation officers, prosecutors, and BOPP employees; broadens the circumstances under which a federal immigration authority can interview a person in state or local law enforcement custody or a person may be arrested or detained under a civil immigration detainer to apply to people convicted of 13 additional crimes; creates a civil cause of action for an aggrieved person against a municipality for violating this detainer law

Law Enforcement Officers

The act expands who is considered a "law enforcement officer" under the state's civil immigration detainer law to include the persons listed below (see *Background*). In doing so, it prohibits them from conducting certain acts outlined in existing law, such as using state time and resources to communicate with a federal immigration authority or arrest or detain someone based on an administrative warrant.

Under the act, the following persons are now considered law enforcement officers:

1. juvenile probation officers;
2. state's attorneys, assistant state's attorneys, supervising state's attorneys, and special deputy assistant state's attorneys; and
3. officers, employees, or other persons otherwise paid by or acting as an agent of DCJ or the Board of Pardons and Paroles (BOPP).

Exemption From Protection Due to Crime Convictions

Among other things, the state's civil immigration detainer law generally prohibits law enforcement officers; bail commissioners or intake, assessment, or referral specialists; 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 the federal Terrorist Screening Database or similar database. The act expands the exemption to include individuals convicted of any of the following 13 crimes, regardless of the felony classification involved, thus allowing them to be arrested, detained, or made available for interview by a federal immigration authority:

1. injury or risk of injury to, impairing morals of, or selling children under age 16 (CGS § 53-21);
2. 2nd degree manslaughter with a firearm (CGS § 53a-56a);
3. 1st degree strangulation or suffocation (CGS § 53a-64aa);
4. 2nd or 3rd degree sexual assault or 3rd degree sexual assault with a firearm (CGS §§ 53a-71, 53a-72a, & 53a-72b);
5. enticing a minor (CGS § 53a-90a);
6. 2nd degree burglary with a firearm (CGS § 102a);
7. 2nd or 3rd degree possessing child sexual abuse material (CGS §§ 53a-196e & 53a-196f);
8. commercial sexual exploitation of a minor (CGS § 53a-196i);
9. 1st degree violation of conditions of release (CGS § 53a-222); or
10. criminal violation of a protective order (CGS § 53a-223).

Violations by Municipalities

The act allows an aggrieved person to take civil action against a municipality for a violation of the civil immigration detainer law by an officer, employee, or other person paid by or acting as an agent of the municipal police department or of the school district's school police or security department. The action may be for an injunction or declaratory relief, including a determination of past violations.

Under the act, the action must be (1) brought in the Superior Court of the judicial district in which the municipality is located and (2) privileged for trial assignment.

The act allows an aggrieved person who prevails at court and receives an order for injunctive relief to receive court costs and reasonable attorney's fees, but only those associated with the action (or part of it) for injunctive relief.

Background — Civil Immigration Detainer

A "civil immigration detainer" is a request from a federal immigration authority to a local or state law enforcement agency to:

1. detain someone suspected of violating a federal immigration law or who has been issued a final order of removal;
2. facilitate the (a) arrest of someone by a federal immigration authority or (b) transfer of someone to the custody of a federal immigration authority;
3. provide notice of the release date and time of someone in custody; or
4. notify a law enforcement officer, through a form used by the federal Department of Homeland Security or any successor agency, about the authority's intent to take someone into custody.

§ 5 — SENTENCE REDUCTION FOR EXTRADITION CONFINEMENT

Requires that someone who was imprisoned in another state for extradition to face criminal charges in this state receive a sentence reduction based on their imprisonment in the other state; specifies that a sentence reduction for pre-sentence confinement applies to alleged violations, including probation or conditional discharge violations

The act requires that an individual who was confined in another state's correctional institution, police station, county jail, courthouse lockup, or other form of imprisonment due to an extradition demand to face Connecticut criminal charges, and who is subsequently imprisoned for the extradited offense, receive a sentence reduction for their time of imprisonment in the other state. The reduction applies to demands made by this state beginning October 1, 2025, and equals the number of days the person was imprisoned in the other state solely for the extradition proceedings.

Under existing law, anyone who was confined in a community correctional center or a correctional institution for a committed offense under a mittimus (an order to arrest and bring a person before the court) or because the person is unable to obtain bail or is denied bail must, if subsequently imprisoned, have the sentence reduced by the number of days they spent in pre-sentence confinement. The act specifies that this applies to confinement for an allegedly committed violation, including a probation or conditional discharge violation, rather than for a committed offense. It also applies the reduction to each charged offense.

§§ 7 & 8 — USE OF ELECTRONIC DEFENSE WEAPONS

Excludes an electronic defense weapon used by a peace officer from being considered deadly force or a deadly weapon

By law, DCJ must investigate whenever a peace officer (e.g., state or local police, state or judicial marshals, and certain inspectors or investigators), while performing his or her duties, uses physical force that causes someone's death or uses deadly force on another person. The inspector general must determine if the use of force was justifiable.

The act specifies that peace officer use of an electronic defense weapon, like a stun gun or taser, is not considered deadly force for these investigations. It correspondingly excludes electronic defense weapons from being considered a "deadly weapon" when a peace officer uses them.

§ 9 — USE OF CHOKEHOLDS BY LAW ENFORCEMENT

Expands the circumstances under which law enforcement may use a chokehold or similar restraint methods to include the defense of a third person from the use or imminent use of deadly physical force

Existing law limits when a law enforcement officer may use a chokehold or similar methods of restraint (i.e. those that are applied to the neck area, impede the ability to breathe, or restrict blood circulation to the brain). It does so by allowing them only when the officer reasonably believes they are necessary to defend himself or herself from the use or imminent use of deadly physical force. The act allows an officer to also use these methods when he or she reasonably believes they are needed to defend a third person from the deadly physical force.

By law, unchanged by the act, the covered law enforcement officers include (1) peace officers (e.g., state or local police, state or judicial marshals, and certain inspectors or investigators) and (2) authorized officials of the Department of Correction or BOPP.

§ 10 — LIQUOR CONTROL ACT PENALTIES

Increases the penalty for Liquor Control Act violations without a specified penalty, making them a class C misdemeanor for a first offense and a class B misdemeanor for subsequent ones

The act increases the penalty for Liquor Control Act violations with no specified penalty from various penalties (e.g., permit revocation and suspension) and a fine of up to $1,000, to a class C misdemeanor for a first offense and a class B misdemeanor for subsequent offenses (see Table on Penalties).

Correspondingly, the act likewise increases the penalties for the following violations:

1. opening, or allowing to be open, new access into the permit premises from any part of a building that is not part of the permitted area (CGS § 30-51);
2. unauthorized sale, distribution, or dispensing of alcoholic liquor (CGS § 30-74);
3. unauthorized alcohol purchases by a manufacturer or wholesaler permittee (CGS § 30-76);
4. unauthorized disposing of alcohol without a permit (CGS § 30-77);
5. selling or delivering alcohol to a minor, intoxicated individual, or habitual drunkard (CGS § 30-86);
6. inducing a minor to obtain alcohol from a liquor permittee (CGS § 30-87);
7. as a permittee, allowing certain individuals (e.g., minors) to loiter on the permit premises (CGS § 30-90);
8. as a jailer, prison keeper, or other officer, providing alcohol to prisoners (CGS § 30-98);
9. as an unlicensed entity, furnishing alcohol to bottle club members or their guests (CGS § 30-100); and
10. as a pharmacist, selling alcohol to be drunk on the premises (CGS § 30-101).

§ 11 — ONLINE GAMING AND RETAIL SPORTS WAGERING ACCOUNTS

Makes it a class C misdemeanor to knowingly allow an underage person to (1) open or use an account with an online gaming operator or (2) wager or try to wager on Internet games or with a sports wagering retailer

The act makes it a class C misdemeanor (see Table on Penalties) to knowingly allow someone who is under the legal age for participating in online gaming and retail sports wagering to (1) open, maintain, or use an account with an online gaming operator or (2) make or try to make a wager on Internet games or with a sports wagering retailer.

By law, "Internet games" are (1) online casino gaming; (2) online sports wagering; (3) fantasy contests; (4) keno through the Internet, an online service, or a mobile application; and (5) the sale of lottery draw game tickets through an Internet, online service, or a mobile application. A "sports wagering retailer" is a person or business entity that contracts with the Connecticut Lottery Corporation (CLC) to facilitate retail sports wagering operated by CLC through an electronic wagering platform. And an "online gaming operator" is a person or business entity that operates an electronic wagering platform and contracts directly with a master wagering licensee to provide Internet games or retail sports wagering.

PA 25-32—SB 1328
Judiciary Committee

AN ACT PROHIBITING THE PRIVATE OWNERSHIP, OPERATION OR MANAGEMENT OF STATE CORRECTIONAL FACILITIES

SUMMARY: This act generally prohibits private ownership, operation, or management of a state correctional facility, community correctional center, or community reintegration center.

Relatedly, it exclusively delegates to the Department of Correction (DOC) commissioner and DOC employees the duty to keep custody of and supervise any person detained at a state correctional facility or a community correctional or reintegration center.

The act exempts from these requirements (1) the same facility types described above that the federal government owns, operates, or manages and (2) community-based service programs that offer housing, transportation, employment, and counseling services.

EFFECTIVE DATE: October 1, 2025

PA 25-35—sHB 6971
Judiciary Committee

AN ACT ADOPTING THE CONNECTICUT UNIFORM MEDIATION ACT

SUMMARY: This act adopts the Connecticut Uniform Mediation Act. The act sets mediation-related rules, principally on communications confidentiality. It generally applies to both voluntary mediations and those required by law or a court. But it does not apply in certain contexts, such as mediations by a judge or judicial branch employee or involving various collective bargaining-related issues.

Among other things, the act:

1. generally makes mediation communications privileged and not subject to discovery or admissible in a proceeding (such as a court or legislative hearing);
2. allows the parties to waive the privilege;
3. sets out certain exceptions to the privilege, such as if the communication was a threat to physically hurt someone;
4. limits the information that mediators can disclose to courts or similar authorities when the privilege applies;
5. requires someone, before agreeing to mediate a dispute, to make a reasonable inquiry about potential conflicts of interests and disclose these matters to the parties; and
6. specifically allows a mediation party to bring an attorney or other person to join them and participate in the mediation.

Under the act, a "mediation" is a process in which a mediator facilitates communication and negotiation between parties to help them reach a voluntary agreement about their dispute. A "mediation party" is a person who participates in a mediation and whose agreement is needed to resolve the dispute.

Existing law generally makes communications privileged in mediations that are not ordered by a court (see BACKGROUND). The act does not repeal this law, and the act does not apply to mediations under this law that began before October 1, 2025.

EFFECTIVE DATE: October 1, 2025

CONNECTICUT UNIFORM MEDIATION ACT

Scope (§§ 3 & 12)

General Applicability. Except as provided below, the act applies to mediations when:

1. a statute or court or administrative agency rule requires the parties to mediate,
2. a court or an administrative agency or arbitrator refers the parties to mediation,
3. the parties and mediator agree to mediate in a record showing an expectation that mediation communications will be privileged against disclosure, or
4. the mediation is done by an individual holding himself or herself out as a mediator or an entity holding itself out as providing mediation.

Exceptions. But the act does not apply to mediations that:

1. relate to creating, negotiating, administering, or ending a collective bargaining relationship;
2. relate to pending disputes under a collective bargaining agreement or that are part of a process created by the agreement (unless it arose from a dispute filed with an administrative agency or a court);
3. a Superior Court judge or any judicial branch employee conducts if the employee performs mediations as part of his or her employment;
4. arise from proceedings governed by the laws on the organization of state agencies (chapter 48 of the General Statutes), state employee collective bargaining (chapter 68), municipal employees (chapter 113), or teachers and superintendents (chapter 166);
5. began before October 1, 2025, and are (a) subject to the law on privileged communications in certain mediations (CGS § 52-235d, see BACKGROUND) or (b) administered under the law on judicial branch mediations in divorces and related privileged communications (CGS § 46b-53a); or
6. are done through a primary or secondary school or a youth correctional institution, if all the parties are students or institution residents, as applicable.

In addition, the act specifies that despite its other provisions, a voluntary agreement to mediate in a contested probate court matter is governed by the procedures and administrative requirements in probate court rules.

Under the act, a "proceeding" is a (1) judicial, administrative, arbitral, or other adjudicative process, including related pre- and post-hearing motions, conferences, and discovery or (2) legislative hearing or similar process.

Alternative of Non-Privileged Mediation. The act allows the parties to agree that the mediation, or a part of it, will not be a privileged mediation (in which case, §§ 4-6 below do not apply). The parties can agree to this (in a signed record) before the mediation begins, or the proceeding's records can reflect the agreement. But the privilege continues to apply to a person's communications made before he or she had actual notice of the agreement.

Privilege Against Disclosure, Admissibility, or Discovery (§ 4)

Under the act, a mediation communication is privileged and not subject to discovery or admissible in evidence in a proceeding unless it is waived or precluded (see § 5 below) or an exception applies (see § 6 below). A "mediation communication" is a statement made during a mediation or made to consider, conduct, participate in, initiate, continue, or reconvene a mediation, or to retain a mediator. It can be oral or in a record, and can be verbal or nonverbal.

Specifically, the following privileges apply in a proceeding:

1. a mediation party may refuse to disclose a mediation communication and may prevent anyone else from disclosing it;
2. a mediator may refuse to disclose a mediation communication, and may prevent anyone else from disclosing one of the mediator's communications; and
3. a nonparty participant may refuse to disclose one of his or her communications, and may prevent anyone else from disclosing it.

Under the act, evidence or information that is otherwise admissible or subject to discovery does not become inadmissible or protected from discovery solely because it was disclosed or used in a mediation.

Waiver and Preclusion of Privilege (§ 5)

Under the act, all parties to the mediation may waive the privilege by expressly doing so in a record or orally during a proceeding. If it is the mediator's or a nonparty participant's privilege, that person must also expressly waive the privilege for the waiver to apply.

Someone who discloses or makes a representation about a mediation communication that prejudices another person in a proceeding cannot assert the act's privilege, but only to the extent needed to allow the other person to respond to the disclosure or representation.

The act also prevents someone from asserting a privilege under it if the person intentionally uses a mediation to (1) plan, attempt, or commit a crime or (2) hide an ongoing crime or criminal activity.

Exceptions to Privilege (§ 6)

The act's privilege does not apply to a mediation communication that is:

1. in an agreement signed by all parties in a record;
2. publicly available under the Freedom of Information Act (FOIA), or made during a mediation session open to the public or required by law to be open;
3. a threat or stated plan to inflict bodily injury or commit a violent crime; or
4. intentionally used to plan, attempt, or commit a crime or to hide an ongoing crime or criminal activity.

It also does not apply to a mediation communication sought or offered to prove or disprove the following:

1. a filed claim or complaint against the mediator for professional misconduct or malpractice;
2. a filed claim or complaint of professional misconduct or malpractice against a mediation party, nonparty participant, or party representative based on conduct during a mediation (but a mediator cannot be forced to provide evidence about the communication); or
3. abuse, neglect, abandonment, or exploitation in a proceeding in which a child or adult protective services agency is a party, unless a court referred the proceeding to mediation and the agency participates.

There is also no privilege if a court, administrative agency, or arbitrator, after an in camera hearing (in chambers and not public), finds that the party seeking discovery or the proponent of the evidence showed that the (1) evidence is not otherwise available, (2) need for it substantially outweighs the interest in protecting confidentiality, and (3) communication is sought or offered in certain types of proceedings. Specifically, this applies to a court proceeding involving a felony or misdemeanor. It also applies to a proceeding to prove a claim to rescind or reform or a defense to avoid liability on a contract arising from the mediation (e.g., a settlement agreement), but a mediator cannot be forced to provide evidence about the communication.

Under the act, if a mediation communication is not privileged under these provisions, only the part necessary for the exception to apply may be admitted. Also, admitting evidence under these provisions does not make the evidence (or any other mediation communication) discoverable or admissible for any other purpose.

Prohibited Mediator Reports (§ 7)

The act prohibits communications by mediators in certain circumstances. Generally, it prohibits a mediator from making a report, assessment, evaluation, recommendation, finding, or other communication about a mediation to a court, administrative agency, or other authority that may rule on the underlying dispute. It correspondingly bars courts, administrative agencies, or arbitrators from considering these prohibited communications.

However, the act allows mediators to disclose the following:

1. whether the mediation occurred or has ended, whether it reached a settlement, and attendance at the mediation;
2. a communication allowed under the act's privilege exceptions (see § 6); or
3. a communication showing that someone was abused, neglected, abandoned, or exploited, if the disclosure is to a public agency responsible for protecting people against this mistreatment.

Confidentiality (§ 8)

Under the act, unless mediation communications are subject to FOIA, they are confidential to the extent the parties agree or other state laws or rules provide.

Mediator's Disclosure of Conflicts of Interest and Background (§ 9)

Conflicts Check and Disclosure. Under the act, before accepting a mediation, an individual asked to serve as a mediator must make a reasonable inquiry to determine whether there are any known facts that a reasonable individual would consider likely to affect the mediator's impartiality. This includes (1) a financial or personal interest in the outcome and (2) an existing or past relationship with a party or foreseeable participant in the mediation.

If the individual determines that there are any such facts, he or she must disclose them to the parties as soon as is practical before accepting a mediation. After accepting the role, if a mediator learns of any such facts, he or she must also disclose them as soon as practicable.

The act requires a mediator to be impartial, unless the parties agree otherwise after the mediator tells them about the known facts likely affecting impartiality.

The act prohibits anyone who violates these provisions from asserting a privilege under it (see § 4), but these provisions on conflict checks and impartiality do not apply to judges acting as mediators (they remain bound by standards of impartiality in the Code of Judicial Conduct).

Under the act, a mediation is deemed to have begun when the referral or agreement to mediate is made.

Mediator's Qualifications. The act does not require a mediator to have special qualifications by background or profession. But if a party asks, a prospective mediator (except a judge) must disclose his or her qualifications to mediate a dispute.

Participation in Mediation (§ 10)

The act allows an attorney, or someone else a party designates, to accompany the party to the mediation and participate in it. But it does not permit non-attorney participants accompanying a party to practice law without a license, and they must not try to give legal advice to participants.

The act also specifies that parties may rescind a pre-mediation participation waiver (in other words, a waiver of the right to be accompanied by a lawyer or someone else).

International Commercial Mediation (§ 11)

Generally, under the act, the United Nations Commission on International Trade Law's 2002 Model Law on International Commercial Conciliation governs international commercial mediations. But the parties can instead agree that the act applies.

Also, the act generally makes its provisions on the communication privilege, waiver, exceptions, and related matters (§§ 4-6), and applicable definitions (§ 2), apply to an international commercial mediation, and nothing in the model law's article 10 (on admissibility of evidence in other proceedings) takes away from that. But the parties can agree otherwise as

to all or part of the mediation (see *Alternative of Non-Privileged Mediation* above).

Relationship to E-SIGN Act (§ 13)

The act's provisions generally modify, limit, or supersede the federal Electronic Signatures in Global and National Commerce (E-SIGN) Act, which regulates the use of electronic records and signatures in interstate and foreign commerce. But the act does not (1) modify, limit, or supersede E-SIGN's provisions on consumer disclosures or (2) authorize electronic delivery of specified notices not subject to E-SIGN (e.g., court orders or notices).

Uniform Construction and Severability (§§ 14 & 15)

The act directs that, in applying and construing this uniform act, consideration be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

Additionally, the act's provisions are severable (that is, if a court invalidates a provision or its application, the other provisions or applications are unaffected).

Application to Referrals or Existing Agreements (§ 16)

The act governs mediations under referrals or agreements to mediate made on or after October 1, 2025 (the act's effective date). Starting October 1, 2026, it governs agreements to mediate whenever made.

BACKGROUND

Existing Law on Privileged Communications in Certain Mediations

Existing law generally prevents the voluntary disclosure, or disclosure through discovery or compulsory process, of oral or written communications received or obtained by any participant during a mediation that was not ordered by a court. Disclosure is allowed when the parties agree to it, it furthers settlement discussions, or certain conditions are met.

Disclosures in violation of these provisions are inadmissible in any proceeding, but communications that are otherwise discoverable are not protected merely because they were presented during a mediation (CGS § 52-235d).

PA 25-39—HB 7136
Judiciary Committee

AN ACT CONCERNING THE REVISOR'S TECHNICAL REVISIONS TO THE GENERAL STATUTES

SUMMARY: This act corrects certain statutory references and makes various other technical changes throughout the General Statutes.
EFFECTIVE DATE: October 1, 2025

PA 25-43—sHB 7042
Judiciary Committee

AN ACT CONCERNING IMPLEMENTATION OF THE FIREARM INDUSTRY RESPONSIBILITY ACT, FIREARMS PERMITS AND ELIGIBILITY CERTIFICATES AND SELF-DEFENSE

SUMMARY: This act creates a cause of action 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 act, a firearm industry member that violates any of these provisions can be sued by a municipality, the state, or anyone harmed by the violation. The act specifies the available court relief for prevailing plaintiffs in these civil lawsuits (see BACKGROUND), such as compensatory damages, punitive damages, or costs and attorney's fees.

Separately, the act shortens the lookback period, from 20 to 8 years, for certain in-state misdemeanor convictions to

disqualify someone from being issued certain firearm-related credentials, such as a handgun permit. The act also adds certain misdemeanor convictions (e.g., those involving violence or possession of certain drugs) that occur in other jurisdictions to the list of offenses that disqualify a person from being issued these credentials.

Additionally, the act specifies that the misdemeanor crime of unlawfully discharging a firearm (see BACKGROUND) does not include intentionally discharging a firearm for lawful self-defense or to lawfully defend another person.

Existing law allows the Department of Energy and Environmental Protection commissioner to adopt regulations and issue orders in the interest of public safety to prevent unreasonable conduct and abuses by hunters and to provide reasonable control for their actions and behaviors. For example, these regulations and orders may prohibit discharging firearms within specified distances of buildings and, when within this distance, discharging them towards people, buildings, and livestock. The act specifically bars the regulations or orders from prohibiting or being construed to prohibit intentionally discharging a firearm for lawful self-defense or to lawfully defend another person.

EFFECTIVE DATE: October 1, 2025, and the provisions on firearm industry members apply to civil actions filed on or after that date.

§§ 1-3 — REQUIREMENTS AND RESTRICTIONS FOR FIREARM INDUSTRY MEMBERS

The act establishes specified requirements and restrictions for firearm industry members. Under the act, a "firearm industry member" is a person, entity, or association (e.g., corporation or trade association) engaged in the manufacture, distribution, importation, marketing, or sale (wholesale or retail) of "firearm industry products." These products are firearms, ammunition or firearm magazines, unfinished frames or lower receivers (generally used to make "ghost guns"), or rates of firearm enhancement (e.g., "bump stocks") that are or were (1) sold, made, or distributed in the state or (2) possessed in the state and the firearm industry member knew that the product would be sold, made, distributed, or possessed in the state.

Reasonable Controls

The act requires firearm industry members to establish, implement, and enforce "reasonable controls." Under the act, these are procedures, acts, and practices that are designed, implemented, and enforced (collectively, "designed" below) to do the following.

Prevention of Certain Sales. The controls must be designed to prevent the sale or distribution in the state of firearm industry products to:

1. straw purchasers (generally, people who engage in conduct, or attempt to do so, that violates the (a) state prohibition on false statements or information related to firearm purchases, sales, or transfers or (b) federal prohibition on buying firearms for or on behalf of someone to whom firearm sales are barred by federal law or who meets certain other criteria);
2. firearm traffickers (people who engage, conspire, or attempt to engage in conduct that is illegal firearm trafficking under state or federal law);
3. people prohibited from possessing firearms under state or federal law; or
4. people whom the industry member reasonably believes are at substantial risk of (a) using a firearm industry product to harm themselves or others or (b) possessing or using these products unlawfully.

The controls also must be designed to prevent the sale or distribution in Connecticut of firearm industry products that are designed in a way that is reasonably foreseeable to promote the product's conversion from a legal into an illegal product.

Compliance With Act and Other Laws. The controls must be designed to ensure compliance with state laws on the following firearm-related credentials: (1) local permits for retail firearm sales, (2) handgun permits, (3) handgun or long gun eligibility certificates, and (4) ammunition certificates.

The controls must also be designed to ensure compliance with the act's requirements and restrictions.

Restrictions

The act prohibits firearm industry members from:

1. providing a firearm industry product to another industry member when they have reasonable cause to believe that the other member is violating the act;
2. purposely and knowingly directing their advertising, marketing, or promotions of firearm industry products in Connecticut in a way that they know would promote unlawful sales, unlawful use, or unreasonable risk to public safety; or
3. knowingly violating state or federal laws on the manufacture, distribution, importation, marketing, or sale

(wholesale or retail) of industry products.

Civil Lawsuits

Under the act, if firearm industry members act, or fail to act, in violation of these provisions, they are subject to liability in a lawsuit. The case may be brought by any of the following:

1. someone who was harmed in the state due to a firearm industry member's violation of the act's requirements or restrictions,
2. a municipality's corporation counsel or other chief legal officer (in the municipality's name), or
3. the attorney general (in the state's name).

The plaintiff must file the case in the judicial district where the act, omission, or harm allegedly happened. If someone other than the attorney general brings the case, he or she must notify the attorney general within 30 days after filing it.

Under the act, if a court determines that a firearm industry member violated the act's requirements or restrictions, it may award any or all of the following:

1. injunctive relief sufficient to prevent the industry member or other defendants from further violations,
2. compensatory damages,
3. punitive damages,
4. restitution,
5. costs and reasonable attorney's fees, and
6. any other appropriate relief needed to enforce the law on firearm-related credentialing (and other provisions within Chapter 529 of the General Statutes) and remedy the harm.

§§ 4-6 — MISDEMEANORS AS DISQUALIFIERS

In-State Convictions

Under existing law, if individuals have convictions for certain in-state misdemeanors, they are prohibited from obtaining a handgun permit, handgun eligibility certificate, or long gun eligibility certificate. These convictions also disqualify people from obtaining an ammunition certificate (for which the eligibility criteria, by law, is generally tied to the criteria for long gun eligibility certificates).

The act limits the ineligibility to convictions during the prior eight years, rather than the prior 20 years as under prior law.

These misdemeanors are as follows:

1. criminally negligent homicide (excluding deaths caused by motor vehicles) (CGS § 53a-58);
2. third-degree assault (CGS § 53a-61);
3. third-degree assault of an elderly, blind, disabled, or pregnant person or person with intellectual disability (CGS § 53a-61a);
4. second-degree threatening (CGS § 53a-62) (in some cases, this crime is a felony, also barring eligibility for these credentials);
5. first-degree reckless endangerment (CGS § 53a-63);
6. second-degree unlawful restraint (CGS § 53a-96);
7. first-degree riot (CGS § 53a-175);
8. second-degree riot (CGS § 53a-176);
9. inciting to riot (CGS § 53a-178); and
10. second-degree stalking (CGS § 53a-181d).

By law, convictions for the following misdemeanors are also generally disqualifying: (1) illegal drug possession (CGS § 21a-279) on or after October 1, 2015, or (2) any law that has been designated a family violence crime (no matter when the conviction occurred).

Out-of-State Convictions

The act also adds certain misdemeanor convictions that occur in other jurisdictions to the list of offenses that disqualify a person from being issued any of these four firearm credentials. These other jurisdictions are (1) other states; (2) a federal, tribal, or military court; or (3) any foreign jurisdiction. More specifically, the act prohibits issuing these firearm credentials to those who had a misdemeanor conviction in these jurisdictions in the prior eight years that a reasonable reviewer would believe constituted:

1. violence against another person causing physical injury;
2. extreme indifference to human life that created a risk of serious physical injury, or criminal negligence that caused the death of another person (other than by a motor vehicle);
3. physical threats or a course of conduct causing someone else to reasonably fear for their safety;
4. engaging in or inciting a riot; or
5. possession of controlled or hallucinogenic substances, excluding less than four ounces of cannabis, less than one-half ounce of psilocybin, or nicotine.

BACKGROUND

Related Federal Law and State Supreme Court Case

Federal law (the Protection of Lawful Commerce in Arms Act or PLCAA) generally protects licensed gun manufacturers, sellers, or trade associations from civil liability in federal or state court resulting from the criminal or unlawful misuse of firearms or ammunition by third parties. The law includes six exceptions, including cases in which a manufacturer or seller knowingly violated a state or federal statute applicable to the sale or marketing of the product, and the violation was a proximate cause of the harm for which relief is sought (15 U.S.C. §§ 7901-7903). This exception is sometimes referred to as the "predicate exception."

In a case involving the alleged unlawful marketing of a firearm, the Connecticut Supreme Court held that the plaintiffs (estate administrators for certain victims of the Sandy Hook shooting) could proceed with their Connecticut Unfair Trade Practices Act (CUTPA) claim under the PLCAA's predicate exception (*Soto* v. *Bushmaster Firearms Int'l, LLC*, 331 Conn. 53 (2019)). The defendants later sought review in the U.S. Supreme Court, but the Court declined to hear the appeal. (The case eventually resulted in a settlement.)

Unlawfully Discharging a Firearm

By law, a person unlawfully discharges a firearm when he or she intentionally, negligently, or carelessly discharges a firearm in a way likely to cause bodily injury or death to individuals or domestic animals, or the wanton destruction of property. Violators are guilty of a class C misdemeanor (see Table on Penalties).

PA 25-48—SB 1501
Judiciary Committee

AN ACT CONCERNING PROBATE COURT OPERATIONS

SUMMARY: This act makes various changes to probate court-related statutes. It:

1. extends to legal guardians an existing process allowing a parent whose child was born outside of a health care institution, but who cannot provide the required information for the birth certificate, to seek a probate court order during the child's first year for the town registrar of vital statistics to prepare the certificate (§ 1);
2. extends, from 7 to 15 business days, the time within which the Council on Probate Judicial Conduct must notify the complaining party and respondent (e.g., probate judge) about the completion of its investigation and whether the council found probable cause of misconduct by the judge (§ 2);
3. specifies that the general 30-day deadline for the probate court to transcribe the recordings for certain appeals to the Superior Court refers to the period after the probate court received a copy of the complaint (§ 4);
4. expands the circumstances in which the required notice to certain relatives about an involuntary conservatorship application must be made by certified mail (§ 5);
5. eliminates the requirement that probate court adoption applications and related investigation reports be filed in duplicate with one copy sent to the Department of Children and Families (DCF) commissioner (in practice, the probate court sends these documents to DCF through the court's eFiling system) (§ 6);
6. requires the probate court administrator to convene a working group to study issues facing conservators in the probate court system (§ 7); and
7. makes minor and technical changes to probate court statutes.

The act also allows tort claims against a decedent's estate in Superior Court to proceed, to the extent of any existing insurance coverage, despite certain existing requirements on the presentation or rejection of these claims not being met (§ 8).

EFFECTIVE DATE: Upon passage, except the working group provisions are effective July 1, 2025, and the tort claim provisions are effective October 1, 2025.

§ 5 — INVOLUNTARY CONSERVATORSHIP NOTICES

By law, for all involuntary conservatorship cases, in addition to required notice to the respondent and spouse (by personal service, or specified alternate ways if that cannot be done), the court must also order notice, as it directs, to the respondent's other relatives, as follows: the children; if none, the parents; if none, the siblings or their representatives; or if none, the next of kin.

Prior law required this notice to be sent by certified mail if the (1) Department of Social Services (DSS) brought the conservatorship application for an elderly person who is being abused, neglected, exploited, or abandoned and lacks the capacity to consent to protective services and (2) respondent is unmarried or the spouse cannot be located. The act instead requires the notice to these relatives to be sent by certified mail if (1) DSS brought the application as described above or (2) the spouse is out of state, his or her address is unknown, or personal service or service at the spouse's usual residence cannot reasonably be done in the state.

§ 7 — CONSERVATOR WORKING GROUP

The act requires the probate court administrator to convene a working group to study and make recommendations on issues facing conservators in the probate court system, including payment delays, fee waiver requirements, and compensation levels. The group must include probate court judges, the DSS commissioner or her designee, nursing home representatives, and attorneys with expertise serving as conservators.

The probate court administrator must report to the Judiciary Committee on the study's results by January 15, 2026. The report may include legislative recommendations on probate court procedures and the topics in the study.

§ 8 — TORT CLAIMS AGAINST ESTATES IN SUPERIOR COURT

Under existing law, anyone who has brought a claim against a decedent's estate cannot sue on that claim unless the estate's fiduciary (e.g., the administrator) has rejected it. Generally, the person must bring the lawsuit within 120 days after the rejection (CGS § 45a-363).

The act overrides these provisions (and other laws on decedents' estates in Chapter 802b of the General Statutes) and prohibits tort claims against an estate in Superior Court from being dismissed for lack of subject matter jurisdiction, to the extent the claim is within existing insurance coverage. (In other words, it prohibits the case from being dismissed for lack of jurisdiction even if the person has not complied with the above requirement.)

The act specifies that it does not allow for recovery (1) beyond the tort's insurance limits or (2) from the fiduciary, the decedent's estate, or any estate creditor or beneficiary. (Thus, it appears to allow recovery in these circumstances only from the insurer.) The recovery is limited to the insurance policy in effect when the tort occurred unless the creditor otherwise complied with existing law's requirements.

PA 25-57—sHB 7251
Judiciary Committee

AN ACT CONCERNING THE RESOLUTION OF CLAIMS FOR WRONGFUL INCARCERATION BY THE CLAIMS COMMISSIONER

SUMMARY: This act establishes a process by which a wrongful incarceration claimant and the attorney general may agree or stipulate to facts and a compensation award that is presented to the claims commissioner. The act requires the commissioner to then determine if the facts show that the claimant is eligible for compensation.

And, under the act, if the claims commissioner finds in the affirmative, he must approve the agreement or stipulation and order immediate payment of the amount in it. The act exempts these agreed or stipulated to compensation awards that the commissioner approves from being submitted to the General Assembly for review if the required expenditure from the General Fund is $1.5 million or less. Under prior law, the General Assembly reviewed all wrongful incarceration awards exceeding $35,000.

By law, a claimant must prove his or her eligibility for a claim. The act eliminates a requirement that a claimant present evidence about his or her age, income, vocational training, and education level at the time of conviction and permits, rather

than requires, the claimant to present the following: evidence of familial relationship loss; reputation damage; the severity of the crime for which the claimant was convicted, and whether a death sentence was involved; whether he or she had to register as a sex offender and for how long the person complied; and any other damages related to the arrest, prosecution, conviction, and incarceration. By law, wrongful incarceration awards are based on a set formula, and the commissioner may change an award by 25% based on an assessment of relevant favors, which includes this presented evidence.

Lastly, the act allows the attorney general, when representing the state's interests in a wrongful incarceration action, to ask for assistance from any employee of the chief state's attorney's office to determine facts relating to the:

1. claimant's criminal prosecution;
2. conviction that resulted in the claimant's imprisonment;
3. subsequent vacating or reversal of the conviction; and
4. complaint or information dismissal based on innocence, malfeasance, or serious misconduct grounds.

EFFECTIVE DATE: July 1, 2025

PA 25-72—sHB 6918
Judiciary Committee

AN ACT PROHIBITING FIRST COUSIN MARRIAGE

SUMMARY: This act makes first cousins ineligible to marry each other. It does so by prohibiting them from knowingly entering such a marriage on or after October 1, 2025.

The law already prohibits anyone from marrying his or her parent, grandparent, child, grandchild, sibling, parent's sibling, sibling's child, stepparent, or stepchild; and makes these marriages void.
EFFECTIVE DATE: October 1, 2025

ELIGIBILITY TO MARRY

By law, a person is eligible to marry, if he or she is at least age 18 and is not:

1. already married, or in a relationship that provides substantially the same rights, benefits, and responsibilities as a marriage, in Connecticut or another state or jurisdiction (unless the parties to the marriage are the same individuals in the relationship);
2. under the supervision or control of a conservator, unless the conservator's signed and acknowledged written consent is filed with the registrar of vital statistics; and
3. prohibited from entering a marriage because the other party is his or her parent, grandparent, child, grandchild, sibling, parent's sibling, sibling's child, stepparent, or stepchild.

The act expands this list of disqualifiers by making it unlawful for first cousins to knowingly marry each other.

PA 25-74—HB 6982
Judiciary Committee

AN ACT CONCERNING LIABILITY FOR INJURIES INHERENT IN CAMPING WHILE AT A PRIVATE CAMPGROUND

SUMMARY: This act limits the liability of certain private campground owners and operators. It does so by requiring that each "camper" (i.e. anyone who uses a private campground for camping or recreational vehicle camping) assume the risk for any injury to their person from the hazards inherent in camping.

However, the act specifies that it does not prevent suit or limit the liability of a private campground owner or operator who, while operating the campground, does any of the following:

1. commits an act or omission that constitutes negligence;
2. intentionally causes the injury of another person;
3. acts with a disregard for the injured person's safety;
4. fails to use a degree of care that an ordinarily careful, prudent person would use in similar circumstances; or
5. fails to conspicuously post warning signs about a condition known to be dangerous at the campground.

The act also requires any written contract between a camper and a private campground owner (or a private campground owner's employee or officer) to contain, in clearly readable print, a warning notice stating that each camper assumes the

risk for any injury to their person from the hazards inherent in camping.

Under the act, "camping" is all aspects of visiting, staying at, using, and leaving a private campground, including using any lodging while at a private campground. A "private campground" is any parcel or tract of land, including buildings and other structures on it, owned or operated by a private property owner where five or more campsites are made available for use as temporary living quarters for recreational camping, travel, or seasonal use. It includes recreational vehicle parks operated by a private property owner.

EFFECTIVE DATE: October 1, 2025

PA 25-77—sHB 7134
Judiciary Committee

AN ACT CONCERNING ENHANCED PROTECTIONS AVAILABLE UNDER THE STATE'S ANTI-SLAPP STATUTE

SUMMARY: This act broadens the applicability of the state's law allowing a party in a civil action to file a special motion to dismiss a complaint, counterclaim, or cross claim that is based on certain free speech, petition, or association rights (known as the anti-SLAPP statute).

The act does this by expanding the "right to free speech" under the law to include written communication made without malice about (1) the alleged commission of a crime or (2) a discriminatory practice under the state's human rights and opportunities laws (CGS § 46a-51). Existing law, unchanged by the act, exempts from the procedure things like government enforcement actions or certain claims for bodily injury or wrongful death.

Under this law, a party filing the special motion to dismiss must generally do so within 30 days after the return of the complaint or the filing of the counterclaim or cross claim. The court must then stay discovery, unless there is a specified or limited need for it, and have an expedited hearing on the special motion.

The law generally requires the hearing to be held within 60 days after the special motion is filed. A hearing may occur later if the parties agree to it, the court is unable to schedule a hearing within the 60-day period, or the court orders specified and limited discovery. The act also allows the hearing to occur outside of this window if the written communication that is the subject of the complaint or claim concerns a pending criminal proceeding or complaint before the Commission on Human Rights and Opportunities (CHRO) (or the Superior Court if CHRO released the complaint from its jurisdiction). In this case, the hearing must occur within 60 days after the proceeding ends.

Under the law, the court must then rule on the motion as soon as practical. It must grant a motion if the moving party makes an initial showing by a preponderance of the evidence that the opposing party's complaint, counterclaim, or cross claim is based on the moving party's communication or actions and the opposing party does not show that there is probable cause of prevailing on the merits of the complaint or claim. The court must award costs and attorney's fees to the (1) moving party if it grants the motion and (2) opposing party if it denies the motion and finds it frivolous and used to cause unnecessary delay.

EFFECTIVE DATE: October 1, 2025, and applicable to civil actions filed on or after that date.

PA 25-78—SHB 7139
Judiciary Committee

AN ACT CONCERNING THE DUTIES OF STATE MARSHALS AND THE ACTIVITIES UNDERTAKEN BY THE STATE MARSHAL COMMISSION AND THE STATE MARSHALS ADVISORY BOARD

TABLE OF CONTENTS:

§§ 1 & 9 — PERSONAL LIABILITY INSURANCE AND REQUIRED BOND

Increases a state marshal's required amount of personal liability insurance and bond; starting January 1, 2026, requires renewed personal liability insurance policies to have annual coverage that extends from October 1 to September 30

§ 2 — COLLECTION PROCEDURES

Changes the deadlines by which a state marshal must pay money he or she collected to the person authorized to receive it

§ 3 — MAXIMUM NUMBER OF STATE MARSHAL APPOINTMENTS BY COUNTY

Reduces the maximum number of state marshals that may be appointed in seven counties, resulting in a total statewide reduction of 83 marshals

§ 4 — STATE MARSHAL POSITION AND COMPENSATION

Removes the requirement that state marshals be considered independent contractors; specifies that they have a duty to provide legal execution and service of process, not just the authority to do so; subjects their fee to maximum established rates, in addition to any minimum established rate as under existing law

§ 5 — STATE MARSHAL COMMISSION DUTIES

Makes changes to the State Marshal Commission's duties regarding filling vacancies, issuing administrative bulletins, and adopting rules and regulations on professional standards, fitness for duty, and timely payments

§ 6 — STATE MARSHALS ADVISORY BOARD

Changes the member selection process for the State Marshals Advisory Board and specifies its charge

§ 7 — PROHIBITED ACTIONS

Prohibits state marshals from allowing another person to serve process in their place or knowingly making false or illegal return of process; makes violations of these prohibitions, and the existing prohibition on knowingly billing or receiving fees for work they did not do, sufficient for convening a removal hearing

§ 8 — AUDIT AND REVIEW OF RECORDS

Authorizes the State Marshal Commission to order financial institutions to turn over a deceased or disabled state marshal's trust account to a successor marshal; authorizes the commission to prioritize audits when there is probable cause in a written complaint

§ 10 — DISCLOSURE OF PERSONAL INFORMATION BY DMV

Generally allows the DMV commissioner to electronically disclose personal information from a motor vehicle record to state marshals and charge a fee for doing so

§ 11 — SERVICE OF PROCESS ON LIMITED LIABILITY COMPANIES

Expands who may be served process in actions against an LLC or registered foreign LLC

§ 12 — SERVICE OF PROCESS ON DOC CORRECTIONAL OFFICER OR EMPLOYEE

Allows a writ of summons in a civil action against a DOC correctional officer or employee to be served on a person the DOC commissioner designates at the facility where the officer or employee works

§ 13 — ELECTRONIC FORMAT TO TRANSMIT PROCESS TO STATE MARSHALS

Generally allows attorneys and public agencies to transmit process to a state marshal electronically, subject to specific conditions; establishes requirements for the format, content, and fees for these transmissions; gives state marshals immunity from civil liability for damage, errors, or omissions related to electronically transmitted process

§ 14 — SERVICE OF PROCESS FOR RESTRAINING ORDERS

Allows civil restraining order applicants to transmit hearing notices and other required documents electronically to a proper officer for service; subjects them to certain provisions of the act's new electronic transmittal of process

§ 15 — STATUTE OF LIMITATIONS AND SERVICE OF PROCESS

Limits the existing grace period for service of process delivered within a required statute of limitation to process printed on paper

§ 16 — SERVICE OF APPEAL OF AGENCY DECISION

Requires service of appeals of final agency decisions under the UAPA to be made by a state marshal, eliminating the option of service by U.S. mail or personal service by proper officers or indifferent persons

§ 17 — SERVICE OF PROCESS ON MUNICIPALITIES

Expands the list of people who may be served process in civil actions against a municipality or municipal employees

§§ 18-20 — CIVIL PROCESS RELATED TO EVICTIONS AND FORECLOSURES

Makes changes related to the service of an eviction notice and notice to the town in executing evictions and foreclosure ejectments; requires Judicial Department-prescribed execution forms to include notice that a person who fails to leave the property after being told to do so when a state marshal returns to execute the order may be subject to 1st degree criminal trespass

§§ 21 & 22 — MILEAGE REIMBURSEMENT RATE

Requires the mileage reimbursement rate for process servers to be adjusted within 30 days after a revision to the federal GSA mileage reimbursement rate

§ 23 — PROCESS DIRECTED TO A STATE MARSHAL

Makes corresponding changes in the law on how process must be directed to a state marshal to reflect who can use the act's new electronic format

§§ 24 & 25 — SUBPOENAS FOR WITNESSES AND COMMENCEMENT OF CIVIL PROCESS

Changes the signature requirements for witness subpoenas and writs of summons in civil actions; authorizes the chief court administrator to prescribe alternative signature requirements for subpoenas and writs involving court employees

§ 26 — REPEALER

Repeals an obsolete provision that allowed high sheriffs to apply for state marshal appointments

SUMMARY: This act makes various changes in statutes affecting state marshals and service of process. It also makes minor, technical, and conforming changes. A section-by-section analysis appears below.
EFFECTIVE DATE: October 1, 2025

§§ 1 & 9 — PERSONAL LIABILITY INSURANCE AND REQUIRED BOND

Increases a state marshal's required amount of personal liability insurance and bond; starting January 1, 2026, requires renewed personal liability insurance policies to have annual coverage that extends from October 1 to September 30

Personal Liability Insurance (§ 1)

The act increases the amount of personal liability insurance each state marshal must carry from (1) $100,000 to $250,000, for damages to one person or their property, and (2) $300,000 to $500,000, for damages caused to more than one person or more than one person's property. Starting January 1, 2026, the act also requires these personal liability insurance policy renewals to have a renewal date and coverage term that runs from October 1 to September 30.

By law, state marshals must carry this insurance for damages caused by negligent acts, errors, or omissions (e.g., for false arrest or imprisonment) committed while making or attempting an arrest or against an arrested person for which they become legally obligated for damages (but only if the conduct occurred while performing official duties).

Bond Amount (§ 9)

The act increases, from $10,000 to $100,000, the bond amount that each state marshal must give the State Marshal Commission before starting their duties. By law, the state pays the premium for the bond.

The law, unchanged by the act, also requires a state marshal to execute a $100,000 bond before he or she can collect

tax warrants for the state or a municipality.

§ 2 — COLLECTION PROCEDURES

Changes the deadlines by which a state marshal must pay money he or she collected to the person authorized to receive it

Prior law required a state marshal who collects money on behalf of someone to pay the amount to the person authorized to receive it within 30 calendar days or when the amount collected reached $1,000. The act instead generally requires a state marshal to do so within 30 calendar days, regardless of the amount collected.

The act also establishes a new time frame and requirements for money collected through a personal check instead of the default 30 days noted above. In these cases, the state marshal must expeditiously deposit the check into the marshal's noninterest-bearing trustee account and pay the amount within 45 days after the personal check was collected.

As under existing law, the state marshal and the person for whom he or she is collecting money may agree to a different payment deadline.

By law, a state marshal who does not comply with these requirements or an agreement, as applicable, is liable to the person for interest at a rate of 5% per month from the date the money was received.

§ 3 — MAXIMUM NUMBER OF STATE MARSHAL APPOINTMENTS BY COUNTY

Reduces the maximum number of state marshals that may be appointed in seven counties, resulting in a total statewide reduction of 83 marshals

The act reduces the maximum number of state marshals that may be appointed in seven counties as shown in the table below. In doing so, it reduces the statewide cap on the number of state marshal appointments by 83, from 318 to 235.

Number of State Marshal Appointments by County

County	*Prior Law*	*Act*
Hartford	72	62
New Haven	62	55
New London	38	20
Fairfield	55	No change
Windham	18	7
Litchfield	30	13
Middlesex	21	13
Tolland	22	10
Total	**318**	**235**

§ 4 — STATE MARSHAL POSITION AND COMPENSATION

Removes the requirement that state marshals be considered independent contractors; specifies that they have a duty to provide legal execution and service of process, not just the authority to do so; subjects their fee to maximum established rates, in addition to any minimum established rate as under existing law

The act removes the requirement that state marshals be considered independent contractors. By law, state marshals are compensated on a fee-for-service basis determined by agreements with attorneys, courts, or public agencies requiring execution or service of process, subject to any minimum rate set by the state. The act additionally subjects their fees to any maximum rate set by the state. It also specifies that a state marshal has the duty, and not only the authority, to provide legal execution and service of process in the state's counties.

§ 5 — STATE MARSHAL COMMISSION DUTIES

Makes changes to the State Marshal Commission's duties regarding filling vacancies, issuing administrative bulletins, and adopting rules and regulations on professional standards, fitness for duty, and timely payments

Professional Standards and Fitness for Duty

By law, the State Marshal Commission, in consultation with the State Marshals Advisory Board, must adopt regulations establishing professional standards for marshals, including training requirements and minimum fees for the execution and service of process. The act additionally requires these regulations to include (1) residency requirements and (2) fitness for duty and annual certification requirements for state marshals over age 72.

The act requires that state marshals pay any costs associated with any fitness for duty certification adopted by the commission under the regulations.

Filling Vacancies

The law requires the commission to fill any vacancy for a state marshal position with an applicant who is an elector in the county where the vacancy occurs. The act further requires that the applicant's permanent place of abode, domicile, and residence also be in that county.

By law, applicants must follow the commission's application and investigation requirements set under regulations the commission must adopt. The act additionally requires them to follow the commission's examination and bonding requirements and requires the commission to adopt related regulations.

State Marshal Commission Rules

The law requires the commission to adopt rules necessary for conducting its internal affairs in consultation with the Judicial Department, including rules on providing timely, consistent, and reliable access to a state marshal for restraining order applicants. The act requires the commission to also adopt these rules for civil protection order applicants. Additionally, it requires the commission to adopt rules that provide for the Judicial Department's timely payment to state marshals, based on the existing law that governs timely payments by state agencies. Under this law, a payment is considered timely generally if it is mailed or delivered on the date specified in the contract, or, if no date is specified, within 45 days after receipt of a properly completed claim or receipt of goods and services, whichever is later. Late payments must include interest (CGS § 4a-71).

Administrative Bulletins

The act also requires the commission, at least quarterly, to issue administrative bulletins to state marshals on topics concerning service of process and legal execution. The bulletins must at least cover:

1. changes to state law affecting the state marshals' duties,
2. topics that refresh state marshals' knowledge in subject matter areas affecting their duties,
3. topics concerning state marshals' safety and professionalism when interacting with the public, and
4. topics relating to the nature of complaints filed against state marshals with the State Marshal Commission.

§ 6 — STATE MARSHALS ADVISORY BOARD

Changes the member selection process for the State Marshals Advisory Board and specifies its charge

The act changes how members are selected for the State Marshals Advisory Board. It also specifies that the board is established to advise and make recommendations to the State Marshal Commission and to consider matters referred to it from the commission.

Under prior law, between November 9 and November 14, the state marshals in each county were required to annually elect a specified number of marshals in the county to serve on the board. The act expands the annual selection window to between November 1 and November 20 each year and eliminates provisions that specifically addressed the prior selection process. It instead requires the board to adopt rules as it deems necessary to conduct its elections and internal affairs, including procedures for selecting a chairperson and other necessary officers from the board's members.

Additionally, the act requires the board to hold an annual meeting in December to select two state marshals to appoint

as ex-officio members of the State Marshal Commission for a one-year term. The board must also fill any vacancies in these appointments for the remainder of the term.

§ 7 — PROHIBITED ACTIONS

Prohibits state marshals from allowing another person to serve process in their place or knowingly making false or illegal return of process; makes violations of these prohibitions, and the existing prohibition on knowingly billing or receiving fees for work they did not do, sufficient for convening a removal hearing

The law prohibits state marshals from knowingly billing or receiving fees for work that they did not do. The act also prohibits them from (1) allowing another person to serve process in their place or (2) knowingly making a false or illegal return of process.

The act makes any violation of these three provisions without good cause sufficient to convene the commission for a hearing on the state marshal's removal.

§ 8 — AUDIT AND REVIEW OF RECORDS

Authorizes the State Marshal Commission to order financial institutions to turn over a deceased or disabled state marshal's trust account to a successor marshal; authorizes the commission to prioritize audits when there is probable cause in a written complaint

Periodic Audits

By law, the State Marshal Commission must periodically review and audit state marshal records and accounts. When doing so, the act requires the commission to prioritize an audit when it finds there is probable cause relating to a written complaint against a state marshal about money collected under an execution or warrant.

As under existing law, information obtained by the commission from these audits is confidential and not subject to disclosure under the Freedom of Information Act.

Death or Disability of a State Marshal

By law, the commission must appoint a qualified person to oversee and audit the records and accounts of a state marshal who dies or is disabled and give an accounting to the commission. The act requires the commission to make these appointments within 30 days after a marshal's death or disability.

Additionally, the act authorizes the commission, through a letter signed by its chairperson or a designee, to direct any financial institution with access to, or custody of, the accounts a deceased or disabled state marshal used to collect money under state tax collection and civil action laws to turn over the accounts to a successor state marshal the commission appoints. If any person or financial institution refuses to comply with the order, the commission must certify the facts relating to the noncompliance to the attorney general, which must apply to the Superior Court for an order compelling compliance.

§ 10 — DISCLOSURE OF PERSONAL INFORMATION BY DMV

Generally allows the DMV commissioner to electronically disclose personal information from a motor vehicle record to state marshals and charge a fee for doing so

Existing law allows the Department of Motor Vehicles (DMV) commissioner to disclose personal information from motor vehicle records, such as licenses and registrations, to state marshals who sign a DMV-approved form, under penalty of false statement, that the information will be used in performing their duties. The act explicitly allows the information to be (1) requested and provided electronically, instead of by fax or other means specified by the DMV commissioner as prior law required, and (2) sent to marshals through DMV's existing electronic system for record transmissions. It also explicitly allows the commissioner to:

1. disclose operator photos and records produced by providing an operator's license number, number plate, or vehicle identification number, and
2. charge state marshals a reasonable annual fee for accessing the records and using the electronic system.

Existing law already allows the DMV commissioner to charge a fee for disclosing personal information from a motor vehicle record. The act expressly allows him to do so when the information is shared electronically.

§ 11 — SERVICE OF PROCESS ON LIMITED LIABILITY COMPANIES

Expands who may be served process in actions against an LLC or registered foreign LLC

The act expands who may be served process in actions against a limited liability company (LLC) or registered foreign LLC to include company managers and members at their usual Connecticut residence. As under existing law, process may also be served on the company's registered agent or at the agent's usual Connecticut residence. The act specifies that the latter applies only if the agent is a natural person.

If the LLC or registered foreign LLC ceases to have a registered agent, or if the agent cannot be served with reasonable diligence, the law allows service to be made to the LLC's principal office. The act also authorizes service to the LLC's mailing address and requires this address to be included in its most recent annual report filed with the secretary of the state.

Lastly, if process cannot be served as described above, the law allows service to the person in charge of any regular place of business or activity of the LLC (as long as the person served is not a plaintiff in the action). The act additionally specifies that service to the LLC's manager is sufficient under this provision.

§ 12 — SERVICE OF PROCESS ON DOC CORRECTIONAL OFFICER OR EMPLOYEE

Allows a writ of summons in a civil action against a DOC correctional officer or employee to be served on a person the DOC commissioner designates at the facility where the officer or employee works

The act generally allows a writ of summons in a civil action naming a Department of Correction (DOC) correctional officer or employee to be served on a person the DOC commissioner designates at the facility where the correctional officer or employee is assigned. The designated person must act as the agent of the person named in the writ. Under the act, service on the commissioner's designated agent is deemed to be service on the correctional officer or employee.

The act's provisions do not apply when service can be made as the law requires for actions against the state (e.g., with the attorney general or his office in Hartford). When service cannot be made as required for actions against the state, the act specifies that its provisions must not be construed as the only means of serving a DOC correctional officer or employee.

§ 13 — ELECTRONIC FORMAT TO TRANSMIT PROCESS TO STATE MARSHALS

Generally allows attorneys and public agencies to transmit process to a state marshal electronically, subject to specific conditions; establishes requirements for the format, content, and fees for these transmissions; gives state marshals immunity from civil liability for damage, errors, or omissions related to electronically transmitted process

Directing Process in Electronic Format Allowed in "Special Occasions"

The act establishes conditions under which attorneys ("attorneys-at-law") and state and municipal agencies ("public agencies") may transmit process to a state marshal electronically, instead of printed on paper with sufficient copies for service of process. Specifically, it allows attorneys and public agencies to electronically transmit process to a state marshal (including any writ, summons, complaint, subpoena, attachment, execution, application, order, notice, motion, or petition) when it determines it to be necessary, convenient, or desirable to use the act's electronic format to do so (i.e. in "special occasions"), subject to specific requirements. Under the act, electronically transmitting process is subject to a fee as set by the act.

Applicable Attorneys and Public Agencies

Under the act, an "attorney-at-law" is an attorney admitted to practice law in Connecticut or other jurisdictions (another state, district, U.S. territory or possession, foreign country, or a U.S. federal or tribal court). It includes someone duly authorized by the attorney to transmit documents to a state marshal under the act's provisions. A "public agency" includes any:

1. state or town agency;
2. executive, administrative, or legislative office of the state and its political subdivisions;
3. department, institution, bureau, board, commission, authority, or official of the state, city, town, borough,

municipal corporation, school district, regional district, or other district or political subdivisions (including any of their committees);
4. judicial office or official and any of their committees and bodies, but only with respect to their administrative functions;
5. person to the extent they are deemed to be the functional equivalent of a public agency under law;
6. municipally designated agency that prepares and implements economic development plans (such as an economic development commission or redevelopment agency);
7. state quasi-public agency; and
8. executive, legislative, or judicial agency, department, board, commission, authority, institution, or instrumentality of another state or of a county, municipality, or other political subdivision of another state.

Conditions for Using Electronic Format

Under the act, the electronically transmitted process must clearly and accurately provide an image of the original process, including the issuing authority's signature. The attorney or public agency must also do the following:
1. get the state marshal's permission before electronically transmitting the process;
2. transmit the process to only one state marshal for service;
3. transmit one electronic file per process, in a letter-sized document, in a portable document format (see below) that contains all pages of the document to be served and is collated in the proper order for which the attorney or public agency is directing the state marshal to serve, so that the state marshal can print one electronic file per process without the need to collate, assemble, or print multiple electronic documents in a particular matter before making service;
4. electronically transmit to the state marshal a letter, email, or written instruction for service for each process to be served that briefly describes the necessary information required for the state marshal to make legal service (see *Information Required in the Electronic Submission* below);
5. in matters involving service of civil protection orders and restraining orders or where personal service is requested, electronically transmit to the state marshal information about the profile of the person to be served, when known and available; and
6. keep the original process that was electronically transmitted to the state marshal and, when applicable, file it, unchanged, with the court, agency, board, or tribunal (or, if the state marshal amends the process at the time of service as described below, file the amended process).

Under the act, a state marshal may, at the issuing authority's direction, change a process to fix minor, technical, clerical, typographical, or scrivener's errors or make conforming changes, including adjusting a party's name, alias, agent, or addresses; the court; or the return date of the process.

Under the act, a "portable document format" is an electronic file format that facilitates document exchange; is designed to be independent of the software, hardware, and operating systems used to create the document; and preserves the source document's fonts, formatting, pagination, and graphics, allowing it to be viewed as it was intended to appear regardless of the device or platform.

Information Required in the Electronic Submission

The act requires the information electronically transmitted to the state marshal to include the person's (1) photo or physical description and age or date of birth; (2) telephone numbers; (3) known places they spend time; (4) employer, work location, and working hours; and (5) vehicles, including make, model, and plate numbers. It must also include any safety concerns about the person when making service. The attorney or public agency must provide this information by using the respondent profile form, which is accessible electronically on the judicial branch's website.

Electronically Transmitted Process Deemed Original Document

Under the act, process that an attorney or public agency electronically transmits to a state marshal for service under the act is deemed to be an original document in the hands of a state marshal for service where any provision of the general statutes requires a state marshal to serve a true and attested copy of any process.

State Marshal's Requirements

The act specifies that state marshals are not required to accept process in an electronic format, unless otherwise required

by law. They may voluntarily elect to receive electronically transmitted process at an attorney's or public agency's request, subject to the act's provisions and prescribed fees (see below). If they opt to do so, they must maintain and monitor an email address for this purpose.

Under the act, when printing the documents for service under these provisions, a state marshal must print them on letter-sized paper. When making service, the state marshal is not required to send printed documents or a printed return of service back to the attorney or public agency. The state marshal must, however, electronically transmit the return of service to the attorney or public agency. If the marshal amended the process at the time of service, they must also return the amended process.

Cap on Number of Pages and Processes Transmitted

The act generally prohibits attorneys and public agencies from electronically transmitting process to a state marshal if the number of (1) pages to be printed in any one matter for all parties to be served exceeds 50 pages in total or (2) processes for separate matters to be transmitted exceeds five within one week. But the act allows a state marshal and an attorney or public agency to agree to a different number of processes or pages to be accepted by electronic transmission.

Service and the Statute of Limitations

Existing law allows a grace period from the statute of limitations if process is personally delivered to a state marshal before the statute of limitations expires and the state marshal serves the process within 30 days of receiving it. The act specifies that electronic transmission is not considered personal delivery to a state marshal for purposes of this grace period.

The act also prohibits electronic transmission of process for any matter in which a statute of limitations is tolling within 60 days. Process for these matters must only be delivered to a state marshal for service as original process, printed on paper, and personally signed in ink by the issuing authority, along with sufficient copies for the state marshal to effectuate service.

Receipt and Rejection of Process by a State Marshal

Under the act, a state marshal receives an electronically transmitted process by replying to the attorney or public agency that transmitted it. Within two business days after receiving the process, the state marshal may reject it for service if the:

1. electronic file and accompanying instructions for service do not meet the act's requirements,
2. process is not signed or is out of order,
3. process is not received in a clear and legible format or cannot be accessed electronically,
4. lawful deadline for service of the process cannot reasonably be met, or
5. number of pages or processes to be printed exceeds the act's limits (see above).

A state marshal must notify the attorney or public agency by email about the rejection.

State Marshal's Fees

Fee Amounts. Under the act, state marshals must receive $50 per electronically transmitted process for receiving and handling (regardless of the number of people to be served) and $1 per page for printing. These fees are not a taxable cost of the action and must be listed on the state marshal's return of service separate from other fees. A state marshal receiving and printing an electronically transmitted process must charge these fees and may not adjust or waive them. Additionally, the fees are not subject to any minimum rate set by the state.

These fees must not be considered a fee for copies of writs and complaints under the laws on court damages, costs, and fees, and must be in addition to any fee imposed under those laws payable to the officer serving process.

Exemptions. The fees for receiving, handling, and printing electronically transmitted process do not apply and cannot be charged for the following:

1. transmitting and printing executions for evictions and post-judgment procedures,
2. property tax warrants,
3. execution of ejectments on foreclosure judgments,
4. process for which service of process fees have been waived for an indigent party,
5. capias mittimus orders (civil arrest warrants issued by a court for violating a court order or failing to appear in court), or
6. civil protection and restraining orders.

Immunity From Liability

Under the act, a state marshal is not liable for damage, errors, or omissions related to the electronic transmission, receipt, printing, or filing of electronically transmitted process, including the following:

1. missing pages in the transmission, failure to receive the electronic transmission due to electronic or technical malfunctions, or other similar errors, or
2. erroneous service of process due to the attorney's or public agency's failure to comply with the act's requirements for transmitting and filing the process.

§ 14 — SERVICE OF PROCESS FOR RESTRAINING ORDERS

Allows civil restraining order applicants to transmit hearing notices and other required documents electronically to a proper officer for service; subjects them to certain provisions of the act's new electronic transmittal of process

The law (1) allows any family or household member who is the victim of domestic violence by another family or household member to apply to the Superior Court for a civil restraining order and (2) requires respondents to be given notice of the hearing on the application and other required documents. Existing law requires the proper officer responsible for serving process to accept these documents in an electronic format if they are presented to him or her in that way.

The act correspondingly allows applicants to transmit the documents electronically to a proper officer for service, subject to certain provisions that apply to attorneys and public agencies electronically transmitting process under the act (see § 13 above). Specifically, it applies the provisions that:

1. require the electronic transmissions to be in a specified format and include specific instructions and information;
2. prohibit the electronic transmission of the same process to more than one officer for service;
3. deem electronically transmitted process to be an original document in the hands of a state marshal for service;
4. establish how electronically transmitted process must be received by the state marshal, and the timing and conditions under which it can be rejected; and
5. give state marshals immunity from liability in receiving and performing the process.

The act requires restraining order applicants to also include the respondent profile form on the judicial branch's website.

Additionally, the act prohibits an officer serving process from charging any kind of fee directly to a restraining order applicant. Under existing law, unchanged by the act, the judicial branch is responsible for paying these fees.

§ 15 — STATUTE OF LIMITATIONS AND SERVICE OF PROCESS

Limits the existing grace period for service of process delivered within a required statute of limitation to process printed on paper

By law, a cause or right of action is not lost because the statute of limitation has passed if the process to be served is personally delivered to a state marshal, constable, or other proper officer within the required statute of limitation and the process is served within 30 days of delivery. The act specifies that under this provision the "process to be served" is the original process printed on paper and personally signed in ink by the issuing authority, along with sufficient copies for service. In doing so, it excludes from this provision any process that is directed in electronic format under the act in a cause or right of action as described above.

§ 16 — SERVICE OF APPEAL OF AGENCY DECISION

Requires service of appeals of final agency decisions under the UAPA to be made by a state marshal, eliminating the option of service by U.S. mail or personal service by proper officers or indifferent persons

The Uniform Administrative Procedure Act (UAPA) allows a person to appeal decisions of administrative agencies to Superior Court and prescribes procedures for doing so. Under these procedures, prior law required the appealing party to serve copies of the appeal by (1) mail or (2) personal service by a proper officer or indifferent person (i.e. someone who is not a proper officer and is not involved in the case) in the same way complaints are served in ordinary civil actions. The act instead requires service of the appeal to be made by a state marshal in the same way complaints are served in ordinary civil actions. In doing so, it eliminates the option of service by mail or personal service by proper officers or indifferent persons. It also makes a conforming change.

§ 17 — SERVICE OF PROCESS ON MUNICIPALITIES

Expands the list of people who may be served process in civil actions against a municipality or municipal employees

As shown in the table below, the act expands the list of people who may be served process in civil actions against municipalities or their employees. It primarily does so by adding the assistant and deputy clerks, among others, as applicable.

Process Served on Municipalities or Their Employees

Entity or Person	*Persons Who May Receive Process Under Existing Law*	*Additional Persons Who May Receive Process Under the Act*
Town	• Clerk • Assistant clerk • Manager • One of its Selectmen	• Deputy clerk
City	• Clerk • Assistant clerk • Mayor • Manager	• Deputy clerk
Borough	• Manager • Clerk • Assistant clerk • Warden • One of its Burgesses	• Deputy clerk
School district	• Clerk • One of its committees	• Assistant or deputy clerk • Superintendent • Assistant or deputy superintendent
Town, city, or borough board, commission, department, or agency	• Clerk	• Assistant or deputy clerk
Municipal or quasi-municipal corporation	• Clerk • Chief presiding officer • Managing agent	• Assistant or deputy clerk
Town, city, or borough employee for actions arising from the employee's duties or employment	• Clerk	• Assistant or deputy clerk

§§ 18-20 — CIVIL PROCESS RELATED TO EVICTIONS AND FORECLOSURES

Makes changes related to the service of an eviction notice and notice to the town in executing evictions and foreclosure ejectments; requires Judicial Department-prescribed execution forms to include notice that a person who fails to leave the property after being told to do so when a state marshal returns to execute the order may be subject to 1st degree criminal trespass

Notice to Quit Possession (§ 18)

By law, when an owner or lessor, or their legal representative or attorney, wants to obtain possession or occupancy of their property, they must notify each lessee or occupant to quit possession or occupancy of the property at least three days before the rental agreement or lease terminates, if any, or before the time in the notice to quit.

Prior law required that a copy of this notice be delivered by a proper officer or an indifferent person to each lessee or occupant, or left where they live or, for commercial property, at the commercial establishment.

The act instead requires the copy of the notice being served to be an attested copy and only allows a proper officer (and not an indifferent person) to serve the notice. For commercial establishments, it allows service by either (1) leaving a copy of the notice for each lessee or occupant at a commercial establishment (instead of just leaving it at the establishment) or (2) using the same method as complaints served in ordinary civil actions using state law's rules of civil process.

Eviction of Tenants and Occupants of Residential Property (§ 19)

By law, if judgment is entered for the landlord in an eviction process (and after any stay has expired), he or she must ask the court for an order to evict the tenant. The landlord gives the order of execution to a state marshal for proper service and if the tenant does not leave by the date in the notice, the marshal can physically remove the tenant's possessions to a town-designated storage facility (CGS § 47a-42a).

Eviction Notice to Chief Town Executive. Under prior law, the marshal had to give the town's chief executive 24 hours' notice about the eviction. But, before doing so, the marshal had to use reasonable efforts to locate and notify the defendant about the eviction date and time. The act instead requires the marshal to first give the town's chief executive notice about the eviction. After doing so, the marshal must use reasonable efforts, at least 24 hours before the eviction date and time, to locate and notify the defendant about the eviction.

Eviction Execution Form. By law, the Judicial Department must prescribe the eviction execution form, which must be in clear and simple language and in a readable format and must contain a specified conspicuous notice in large boldface type. By law, the execution form must include:

1. notice that a person who claims to have a right to continue to occupy the premises should immediately contact an attorney and
2. clear instructions on how and where the defendant may reclaim any possessions and personal effects removed and stored according to this law, including a telephone number that may be called to arrange their release.

The act requires the form to also state that anyone who remains at the property after the time of the eviction (as listed on the execution) when a state marshal returns for the eviction removal, and fails to vacate when told to do so, may be subject to arrest for 1st degree criminal trespass. (By law, 1st degree criminal trespass is a class A misdemeanor (see Table on Penalties).)

Execution of Ejectment in Foreclosures (§ 20)

Generally, in a foreclosure action, the plaintiff may demand possession of the property. The court may issue an execution of ejectment, commanding an officer to eject the person or persons in possession of the property at least five business days after the service date of the execution. The officer must eject the person or persons in possession and may move their possessions and personal effects to the storage place designated by the town's chief executive officer (CGS § 49-22(a)).

Ejectment Notice to the Town's Chief Executive. Prior law required the marshal, before any removal, to give the town's chief executive 24 hours' notice about the ejectment. But at least five business days before doing so, the state marshal had to use reasonable efforts to locate and notify the person or persons about the ejectment (date, time, and possibility that the tenant's possessions may be sold at public auction if they are not reclaimed). The act instead requires the marshal, at least five days before the ejectment, to use reasonable efforts to locate and notify the person or persons about the ejectment. But the marshal must give the town's chief executive notice about the ejectment before the removal.

Ejectment Form. By law, the notice about the ejectment must have clear instructions on how and where the person or persons may reclaim any possessions and personal effects removed and stored under this law, including a telephone number they may call to arrange the release of their possessions and personal effects.

The act further requires the judicial branch to prescribe a form for the ejectment notice, in clear and simple language and in readable format, containing, in addition to other notices on the ejectment order, a conspicuous notice, in large boldface type, of the instructions provided under the law and a notice that any person bound by the ejectment order may be subject to arrest for 1st degree criminal trespass if they (1) remain at the property after the time of the removal listed on the ejectment order when a state marshal returns for the ejectment and (2) fail to vacate when told to do so.

§§ 21 & 22 — MILEAGE REIMBURSEMENT RATE

Requires the mileage reimbursement rate for process servers to be adjusted within 30 days after a revision to the federal GSA mileage reimbursement rate

Under existing law, each person who serves process must be reimbursed for mileage the rate set by the Department of Administrative Services for state employee mileage reimbursements. The act requires this rate to be adjusted within 30 days after any revision to the federal General Services Administration (GSA) mileage reimbursement rate.

The law, unchanged by the act, establishes how the miles must be computed for reimbursement in various circumstances. The act also makes conforming changes on service of process made under applications for civil protection orders.

§ 23 — PROCESS DIRECTED TO A STATE MARSHAL

Makes corresponding changes in the law on how process must be directed to a state marshal to reflect who can use the act's new electronic format

The act establishes (1) how process must be delivered to a state marshal depending on who is directing the process and (2) who can use the act's new electronic format.

By an Attorney-at-Law or Public Agency

Under the act, an "attorney-at-law" (attorney) or "public agency" (as described in § 13 above) must deliver process to a state marshal by either (1) providing the original process printed on paper and personally signed in ink by the issuing authority, along with sufficient copies to effectuate service, or (2) transmitting the process to a state marshal electronically according to the act's new process described above (see § 13 above).

By Parties Other Than an Attorney-at-Law or Public Agency

Under the act, process directed to a state marshal by all other parties, including self-represented parties, which are returnable to a Connecticut court, agency, board, or tribunal, generally must be delivered to the state marshal by providing the original process printed on paper and personally signed in ink by the issuing authority, along with sufficient copies. If the process to be served is on file with the Judicial Department before delivery to a state marshal, the original process delivered to the state marshal may be a printed copy of the process as filed with the Judicial Department. Process cannot be transmitted electronically in these cases.

Process From a Court or Public Agency Outside of Connecticut

Under the act, process directed to a state marshal originating from a court or public agency outside of the state, which is established under a law other than Connecticut law, may be transmitted to a state marshal electronically under the act's new format (see § 13 above).

State Marshal's Charge for Producing Copies

If sufficient copies of the documents to be served have not been given to a state marshal to effectuate service, the act allows the state marshal to charge a fee to produce the copies needed. The state marshal must charge the fees established under the new electronic format (see § 13), subject to the exclusions, as if the process were transmitted electronically.

§§ 24 & 25 — SUBPOENAS FOR WITNESSES AND COMMENCEMENT OF CIVIL PROCESS

Changes the signature requirements for witness subpoenas and writs of summons in civil actions; authorizes the chief court administrator to prescribe alternative signature requirements for subpoenas and writs involving court employees

Witness Subpoenas (§ 24)

Prior law required witness subpoenas to be signed by the court clerk or a Superior Court commissioner. The act instead

specifies that these subpoenas (1) must be personally signed by a commissioner of the Superior Court in ink by hand or (2) may be signed by the clerk of the court or an authorized court employee by hand.

The act further authorizes the chief court administrator to prescribe an alternative way to sign subpoenas for witnesses involving judicial branch employees. Under the law, unchanged by the act, subpoenas for witnesses must be served by an officer, indifferent person or, in any criminal case in which a defendant is represented by a public defender or Division of Public Defender Services assigned counsel, by an investigator of the Division of Public Defender Services.

Writ of Summons or Attachment (§ 25)

By law, civil actions begin by serving legal process consisting of a writ of summons or attachment describing the (1) parties, (2) court to which it is returnable, (3) return day, (4) date and place for filing an appearance, and (5) information required by the Office of the Chief Court Administrator. It must be accompanied by the plaintiff's complaint and may be delivered in any judicial district.

Prior law required that the writ be signed by a Superior Court commissioner or a judge or clerk of the court to which it is returnable. The act instead requires a Superior Court commissioner to personally sign it in ink by hand and allows it to also be signed by a judge, court clerk, or authorized court employee by hand. It eliminates the requirement that the judge or clerk signing the writ be from the court to which it is returnable. The act further allows the chief court administrator to prescribe an alternative way to sign writs involving judicial branch employees.

§ 26 — REPEALER

Repeals an obsolete provision that allowed high sheriffs to apply for state marshal appointments

The act repeals an obsolete provision that allowed high sheriffs to apply for appointment as a state marshal.

PA 25-80—SB 1284
Judiciary Committee

AN ACT CONCERNING THE ILLEGAL USE OF CERTAIN VEHICLES AND STREET TAKEOVERS

SUMMARY: This act makes several changes in laws related to street takeovers and the illegal use of motor vehicles, including all-terrain vehicles (ATVs). Principally, it:

1. authorizes municipalities to adopt ordinances that penalize street takeovers (§ 3);
2. allows municipalities to destroy ATVs, dirt bikes, and mini-motorcycles that are seized and forfeited for violating a municipal ordinance 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 (§§ 1 & 2);
3. limits, to 90 days, protections from forfeiture for ATVs, dirt bikes, and mini-motorcycles by requiring their owner or lienholder to pick them up within that timeframe (§§ 1 & 2);
4. sets a minimum $2,000 fine for a subsequent offense of (a) evading responsibility in an accident causing property damage or (b) driving a vehicle for an illegal race, contest, demonstration, or street takeover (§ 5);
5. changes the license penalties for violating a state law against illegal street racing and street takeovers, including setting a two-year license suspension for a third or subsequent violation (§ 4); and
6. requires violations of municipal ordinances regulating ATVs, snowmobiles, dirt bikes, mini-motorcycles, and street takeovers to be processed through the Centralized Infractions Bureau (see BACKGROUND), unless the municipality has established by ordinance a payment and hearing procedure for the violation that complies with state law (§ 6).

EFFECTIVE DATE: October 1, 2025, except as noted below.

§§ 1 & 2 — FORFEITURE OF ATVS, DIRT BIKES, AND MINI-MOTORCYCLES FOR MUNICIPAL ORDINANCE VIOLATIONS

By law, municipalities may adopt ordinances on the operation and use of (1) ATVs, including hours and zones of use, and (2) dirt bikes and mini-motorcycles on public property, including hours of use. Subject to any bona fide lien, lease, or security interest in a vehicle, a municipal ordinance may allow the seizure and forfeiture of an ATV for a violation, and under prior law, municipalities with a population of at least 20,000 could do the same for dirt bikes or mini-motorcycles.

The act extends this latter provision to municipalities of any size, allowing all municipalities to adopt ordinances allowing for the seizure and forfeiture of dirt bikes or mini-motorcycles for violations.

Prior law protected an owner or lienholder's interest when forfeiture was due to someone else's act or omission if the owner or lienholder did not know, and could not have reasonably known, that the ATV, dirt bike, or mini-motorcycle was used or intended to be used in violation of a municipal ordinance. The act creates an exception by allowing the vehicle's forfeiture if the owner or lienholder does not collect it within 90 days after the later of when the municipality (1) posts notice on its website that the vehicle is subject to forfeiture if not collected within 90 days and (2) mails this notice to the owner or lienholder.

Prior law also required any ATV, dirt bike, or mini-motorcycle that was ordered to be forfeited under an ordinance to be sold at public auction. The act adds an alternative to this, allowing the municipality to instead destroy the vehicle.

By law, an "all-terrain vehicle" is a self-propelled vehicle designed to travel over unimproved terrain that (1) has been determined by the Department of Motor Vehicles (DMV) commissioner to be unsuitable for operation on public roads and (2) is ineligible for registration (CGS § 14-379).

A "dirt bike" is a two-wheeled motorized recreational vehicle (excluding ATVs and motor-driven cycles (e.g., mopeds)) designed to travel over unimproved terrain but not public highways (including public streets and roads).

A "mini-motorcycle" is a vehicle that (1) has no more than three wheels in contact with the ground; (2) has a manufactured seat height of less than 26 inches, measured at the lowest point on top of the seat cushion without the rider; and (3) is propelled by an engine with a piston displacement of less than 50 cubic centimeters (CGS § 14-289j).

EFFECTIVE DATE: July 1, 2025

§ 3 — MUNICIPAL ORDINANCES PROHIBITING STREET TAKEOVERS

The act allows any municipality to adopt an ordinance prohibiting anyone from organizing, participating in, or gathering with intent to observe and actually observing a "street takeover" (that is, taking over part of a public road or off-street parking lot open to the public by blocking or impeding regular traffic flow to cause disorder or create a nuisance to other road or lot users).

The ordinance may set fines for violating it at no more than:

1. $1,000 for the first violation;
2. $1,500 for the second violation; and
3. $2,000 for subsequent violations.

Additionally, the ordinance may allow the impounding of any vehicle used for violating it until any of the following are paid: (1) a fine imposed under it; (2) related charges (e.g., towing fees); and (3) overdue property taxes on the vehicle. The ordinance may make the vehicle forfeited to the municipality if, six months after the vehicle's impoundment, the owner or lienholder has not paid these fines and related charges.

§ 4 — LICENSE PENALTIES FOR ILLEGAL STREET RACING AND STREET TAKEOVERS

The act changes the license penalties for violating a state law that prohibits driving a motor vehicle on a public road or off-street parking lot open to the public for any race, contest, or demonstration of speed or skill or street takeover (see above). This law also prohibits (1) possessing a motor vehicle under circumstances showing an intent to use it for an illegal race, contest, or demonstration or street takeover; (2) acting as a starter, timekeeper, or judge at one; (3) betting on the outcome; or (4) knowingly inciting or recruiting anyone to participate in one beforehand in any way, including through electronic or social media.

Under prior law (except as provided below for drivers under age 18 or youthful offenders), whenever someone was convicted or forfeited a bond taken, or received a suspended judgment or sentence, for violating the above law, the DMV commissioner, without a hearing, had to suspend the person's driver's license or privilege to operate a motor vehicle in Connecticut for 30 to 90 days and, for a subsequent violation, for at least 90 days. The act instead requires a 45-day suspension for a first or second violation and a two-year suspension for a third or subsequent violation.

By law, if the person is under age 18 or has been adjudged as a youthful offender for the violation, the required suspension period is six months for a first violation and one year for a subsequent violation.

§ 5 — MINIMUM FINE FOR CERTAIN SUBSEQUENT OFFENSES

Under existing law, it is a class D felony for a subsequent offense of (1) evading responsibility in an accident causing property damage (see BACKGROUND) or (2) driving a vehicle for an illegal race, contest, demonstration, or street takeover. A class D felony is generally punishable by a prison term of up to five years, a fine of up to $5,000, or both. The

act requires a minimum $2,000 fine for these offenses.

By law, for either of these, a first offense is a class A misdemeanor (see Table on Penalties). Also, for driving a vehicle in an illegal race, contest, demonstration, or street takeover, a court may (1) order the vehicle to be impounded for up to 30 days if it is registered to the offender (who is responsible for the impoundment fees or costs) or (2) if the vehicle is registered to someone else, fine the offender up to $2,000 for a first offense and up to $3,000 for any subsequent offense.

BACKGROUND

Centralized Infractions Bureau

The Superior Court's Centralized Infractions Bureau processes payments or not guilty pleas for committing infractions or certain violations. Generally, anyone who is alleged to have committed an infraction or certain violations may either plead not guilty or pay by mail the set fine and any other fee or cost the law prescribes.

Evading Responsibility

By law, a motor vehicle driver who is knowingly involved in an accident that causes property damage must (1) immediately stop and render any needed assistance and (2) generally give his or her name, address, and license and registration numbers to the owner of the damaged property or to any officer or witness to the accident. If the driver is unable to give this information to any of these people, he or she must immediately report the damage to a police officer, constable, or motor vehicle inspector or at the nearest police precinct or station (CGS § 14-224(b)(3)). (Similar provisions apply to drivers in accidents causing personal injuries.)

PA 25-91—sHB 7255
Judiciary Committee
Appropriations Committee

AN ACT CONCERNING JUDICIAL BRANCH OPERATIONS AND PROCEDURES AND THE DUTIES OF JUDICIAL BRANCH PERSONNEL

TABLE OF CONTENTS:

§ 1 — OFFICE OF INFORMATION PRIVACY

Establishes OIP within the judicial branch and authorizes it to take steps, upon request, to direct a public agency to remove a protected individual's (e.g., a judge) personal information from the agency's website or not publish the information

§§ 2, 6, 7, 10, 19 & 20 — DCF AND CSSD INFORMATION SHARING

Allows DCF and CSSD to share information about juveniles who have been in the agencies' custody

§ 3 — BOARD OF FIREARMS PERMIT EXAMINERS

Reduces the Board of Firearms Permit Examiners' membership from nine to eight by removing the retired Superior Court judge appointee

§ 4 — UCC FALSE RECORDS

Makes permissive the Superior Court's hearing on certain petitions to invalidate false records filed under the UCC for secured transactions

§ 5 — FAMILY RELATIONS PERSONNEL

Makes a conforming change for consistency with other statutory references

§§ 8 & 9 — APPEAL OF SUMMARY PROCESS JUDGEMENT

Clarifies that the Superior Court orders the amount a tenant must pay the court for rent that accrues during an appeal of an eviction judgment and removes an obsolete reference to a bond requirement

§§ 11-13 & 17 — REFERENCES TO STA-FED, ADR, INC.

Eliminates obsolete references to a nonprofit organization that used to oversee alternative dispute resolutions

§ 14 — MOTION TO FILE A LATE APPEAL

Allows the state Supreme Court to review the Appellate Court's decision to deny a motion to file a late appeal

§§ 15 & 16 — COURT VENUE AND SERVICE OF PROCESS

Makes changes related to the judicial districts of Hartford, Litchfield, and New Britain for establishing court venue and where civil process must be returned

§ 18 — CRIMINAL PROTECTIVE ORDER FOR ELECTRONIC STALKING

Expands the availability of criminal protective orders to cover electronic stalking victims by allowing a court to issue the order against someone arrested for that crime

§§ 21 & 22 — OFFICE OF VICTIM SERVICES

Allows crime victims to make a statement to the prosecutor and the court on any plea agreement; allows victim notifications to be sent electronically to those who request it

§ 23 — REMOTE ACKNOWLEDGEMENT OF RECORDS

Adds executing an agreement as to the division of an estate to the list of records that cannot be remotely acknowledged

§ 24 — TASK FORCE ON HABEAS CORPUS PROCEEDINGS

Establishes a 13-member task force to review the habeas corpus procedures of the federal government and other states; requires it to report findings and recommendations to the Judiciary Committee by January 1, 2027

§ 25 — COERCED DEBT

Changes the lookback period for debt to be eligible to be waived as coerced debt, by requiring that it be less than, rather than more than, 10 years old

§ 26 — MONEY JUDGMENT ENFORCEMENT

Adds provisions for an action to enforce a money judgment by foreclosure of a real property lien

§§ 27 & 28 — PROBATION PERIOD FOR ANIMAL CRUELTY CONVICTION

Establishes a five-year probation period for someone convicted of animal cruelty

§§ 29 & 30 — COMMERCIAL WAIVERS AND CIVIL PROCESS FOR PREJUDGMENT REMEDIES

Adds provisions concerning return of process for a prejudgment remedy in actions about commercial transactions

§§ 31-33 — CONSULTANT SERVICE CONTRACTS FOR JUDICIAL BRANCH CAPITAL PROJECTS

Allows the chief court administrator to contract for consultant services for certain capital projects if the estimated cost for the services is $300,000 or less

§ 34 — JUDICIAL CONSTRUCTION CONTRACT SUPERVISION

Increases, from $1.25 million to $3 million, the cost cap for construction contracts for projects that the chief court administrator may supervise; allows the chief court administrator to execute associated consultant services contracts of up to $300,000

SUMMARY: This act makes various unrelated changes to court procedures and operations laws. It also makes associated minor, technical, and conforming changes. A section-by-section analysis appears below.
EFFECTIVE DATE: Upon passage, unless stated otherwise below.

§ 1 — OFFICE OF INFORMATION PRIVACY

Establishes OIP within the judicial branch and authorizes it to take steps, upon request, to direct a public agency to remove a protected individual's (e.g., a judge) personal information from the agency's website or not publish the information

Established Purpose

The act establishes the Office of Information Privacy (OIP) within the judicial branch and authorizes it to direct a public agency, upon the request of a "protected individual," to remove any specific personal information from the agency's website, including a social media or social network, or to not publish it.

Protected Individuals. The act designates the following persons as "protected individuals":

1. state justices, judges, and senior judges;
2. state referees;
3. family support magistrates and family support referees; and
4. the spouse, children, and dependents who live in the same household as someone listed above.

Personal Information. Under the act, "personal information" is a protected individual's:

1. primary residence home address or personal email address;
2. mobile or primary residence telephone number;
3. Social Security or federal tax identification number;
4. driver's license number, license plate number, or unique vehicle identifier; or
5. birth or marital record or child's name.

It does not include publicly displayed information that the protected individual has not asked to be removed, or information that is relevant to and displayed as part of a news story, commentary, editorial, or other speech on a matter of public concern.

Public Agency. "Public agencies" subject to OIP's authority under the act are the same agencies to which the state's freedom of information law applies. Specifically, they are:

1. any executive, administrative, or legislative office of the state or any of its political subdivisions, and any agency, department, institution, bureau, board, commission, authority, or official of the state or of any city, town, borough, municipal corporation, school district, regional district, or other district or other political subdivision of the state, including a committee of, or created by it, and any judicial office (e.g., the Division of Public Defender Services), official, or body or committee of it, but only for its or their administrative functions;
2. any person deemed to be the functional equivalent of a public agency according to law; or
3. the following agencies designated by a municipality under the Economic Development and Manufacturing Assistance Act: (a) an economic development commission, redevelopment agency, sewer authority or commission, public works commission, water authority or commission, port authority or commission, harbor authority or commission, or parking authority or commission; (b) a nonprofit development corporation; or (c) any other agency designated and authorized to undertake a project and approved by the economic and community development commissioner.

OIP's Powers and Duties

The act establishes OIP's powers and duties and specifies the steps that the office must take to perform its duties as follows, based on the information's publication status.

Published Personal Information. Under the act, if the personal information has been published, OIP may:

1. certify that the requestor is a protected individual;
2. work with the protected individual to identify the specific personal information that they want removed, including the exact website address where the content appears, if available, and, if the information is a land record, the volume and page number where it is recorded and each succeeding page number in a document that has information that must be redacted; and
3. give the public agency the specific personal information to be removed, including the applicable available website address or land record information described above, and direct it to remove the information as soon as practicable.

Unpublished Personal Information. If the personal information is not yet published, OIP may:

1. certify that the requestor is a protected individual;
2. work with the protected individual to identify the specific personal information that he or she does not want to be published, including the volume and page number and each succeeding page number in a document that has personal information that needs to be redacted, if the information is recorded in a land record; and
3. give the public agency the specific personal information that the individual does not want to be published, including the applicable volume and page number and each succeeding page number if the information is recorded in a land record.

Loss of Protected Status. The act requires OIP to inform the public agency when a previously certified protected individual no longer has that status and therefore is ineligible to (1) have personal information removed from the Internet, social media, or a social network or (2) ask that an agency not publish personal information in these ways.

Public Agency's Response to Request

Upon receiving OIP's request, the act requires the public agency to promptly acknowledge its receipt by email and (1) take steps reasonably necessary to ensure that any specific personal information identified by the protected individual is not published or (2) if the information is already published, remove it as quickly as practicable.

Freedom of Information Act (FOIA)

The act specifies that it does not require removing or redacting personal information in records that must be published under FOIA, such as agendas, minutes, videos, or transcripts of public meetings.

Civil Liability Protection

The act immunizes public agency employees acting in good faith from civil liability for damages or injuries due to failing to remove a protected person's personal information as requested. To meet the good faith requirement, the employee must have (1) reasonably believed that his or her actions complied with applicable laws on protecting personal information and (2) not engaged in gross negligence, willful misconduct, or intentional wrongdoing.

EFFECTIVE DATE: January 1, 2026

§§ 2, 6, 7, 10, 19 & 20 — DCF AND CSSD INFORMATION SHARING

Allows DCF and CSSD to share information about juveniles who have been in the agencies' custody

DCF Confidential Records (§ 2)

By law, records maintained by the Department of Children and Families (DCF) are generally confidential and must not be disclosed unless the department receives written consent from the person or certain laws provide for it. However, the law has exceptions that allow disclosure to certain entities for limited purposes without the consent (CGS § 17a-28(g)).

Under prior law, the judicial branch's Court Support Services Division (CSSD) had limited access to DCF's information to (1) make certain determinations (e.g., whether the child or youth had been committed to DCF's custody as a delinquent) and (2) share common case records to track juvenile offender recidivism.

The act instead allows DCF to disclose information on a child, youth, or any other person to CSSD so the division may determine supervision and treatment needs and track juvenile recidivism. It also removes the limitations on the purposes for which the information may be disclosed.

Confidential Records in Juvenile Matters (§ 6)

By law, all records in juvenile matters, with certain exceptions (e.g., delinquency proceedings) are confidential and are generally not open to inspection or disclosure to any third party unless ordered by the Superior Court (CGS § 46b-124(b)). But the law allows the judicial branch to make records in delinquency proceedings available to certain people and government entities, such as DCF and the Department of Correction (DOC).

DCF. Under prior law, if the child was under DCF's oversight, CSSD could generally disclose information to DCF to identify that the child was, among other things, committed by a court into DCF's custody due to being uncared for, abused, or neglected. The act instead allows disclosure to identify if the child is receiving DCF services generally. Under the act

and existing law, this disclosure of delinquency proceeding records is limited to when DCF is providing services to the child.

DOC. Under existing law, records of delinquency proceedings of a person convicted of a crime in adult court may be disclosed to DOC and Board of Pardons and Paroles employees and members who need them to do risk assessments to determine suitability for release from incarceration. The act expands access by allowing (1) record disclosure of people charged with a crime, not only for those convicted, and (2) disclosure for risk assessments to determine release from DOC custody, instead of incarceration.

EFFECTIVE DATE: July 1, 2025

Custody Order Central Computer System (§ 7)

Under prior law, information on a child who was the subject of a custody order or other process entered into the judicial branch's central computer system could have been disclosed to DCF if it was limited to a child the court committed into DCF's custody because he or she was uncared for, abused, or neglected. The act instead allows this disclosure if the child is receiving services from DCF.

EFFECTIVE DATE: July 1, 2025

Automated Registry of Protective Orders (§ 10)

By law, information in the judicial branch's automated registry of protective orders is not subject to disclosure, except that the chief court administrator may grant access to the information to the personnel of certain agencies, including the Department of Emergency Services and Public Protection and the Board of Pardons and Paroles. The act also allows her to grant access to this information to DCF personnel.

CSSD Information, Files, and Reports (§ 19)

By law, CSSD must establish written procedures for the release of information from its reports and files.

Existing law allows access to (1) nonidentifying information by certain persons for research related to the administration of criminal justice, (2) all information probation officers give to CSSD for compiling presentence reports, and (3) all information provided to CSSD on convicted persons in DOC's custody. The act additionally allows access to information on any person in DCF's custody if the person's conditions of release require cooperating with the department.

Youthful Offender Confidential Records and Information (§ 20)

Generally, under the law, when a juvenile matter is transferred to adult criminal court, certain juvenile offenders may qualify for youthful offender status, which provides more confidentiality of his or her records (CGS § 54-76*l*).

Under prior law, the records could be disclosed to DCF if the child was under the oversight of its administrative unit and the disclosure was limited to information identifying the child as residing in a justice facility or incarcerated. The act allows disclosure to DCF without these conditions.

§ 3 — BOARD OF FIREARMS PERMIT EXAMINERS

Reduces the Board of Firearms Permit Examiners' membership from nine to eight by removing the retired Superior Court judge appointee

The act reduces the Board of Firearms Permit Examiners' membership from nine to eight. It does so by removing the retired Superior Court judge, who the chief court administrator appointed under prior law. Under existing law, the governor appoints the remaining eight members, two of which are members of the public and the other six are selected among nominees from specified agencies and organizations.

By law, the board hears appeals from people aggrieved by decisions of gun permit-issuing authorities.

EFFECTIVE DATE: July 1, 2025

§ 4 — UCC FALSE RECORDS

Makes permissive the Superior Court's hearing on certain petitions to invalidate false records filed under the UCC for secured transactions

By law, when a record is falsely filed or amended under the Uniform Commercial Code (UCC) for secured transactions, a person identified in the record may petition the court to invalidate it. The court must review the petition and determine whether cause exists to doubt the record's validity.

Under prior law, if the court determined that cause existed, it had to hold a hearing to determine whether to invalidate the record or grant any other appropriate relief. The act instead makes this hearing permissive, so the court is not required to hold it. But if it does, the hearing must be held within 60 days after the cause determination, as under prior law.

Relatedly, the act specifies that the court's finding may be made solely on a review of the documentation attached to the petition and the responses, if any, of the person named as a secured party in the financing statement record and without hearing any oral testimony if the secured party offers none.

EFFECTIVE DATE: July 1, 2025

§ 5 — FAMILY RELATIONS PERSONNEL

Makes a conforming change for consistency with other statutory references

The act makes a conforming change in the family relations statutes, by changing a reference to family relations "officers" with "personnel" for consistency with other references.

§§ 8 & 9 — APPEAL OF SUMMARY PROCESS JUDGEMENT

Clarifies that the Superior Court orders the amount a tenant must pay the court for rent that accrues during an appeal of an eviction judgment and removes an obsolete reference to a bond requirement

By law, in a summary process (eviction) proceeding where the court has issued a judgment, the defendant-tenant may appeal. When this occurs, the court may order, after a hearing, an amount that the defendant-tenant must deposit with the court as a reasonable fair rent value to use and occupy the premises while the appeal is pending.

The act clarifies that it is the Superior Court that (1) determines how much the defendant must pay or (2) sets a bond in other appeals (§ 9). It also removes an obsolete reference to a bond requirement eliminated by PA 24-108 (§ 8).

§§ 11-13 & 17 — REFERENCES TO STA-FED, ADR, INC.

Eliminates obsolete references to a nonprofit organization that used to oversee alternative dispute resolutions

The act eliminates obsolete references to the organization, STA-FED ADR, Inc., that used to oversee alternative dispute resolutions in Connecticut.

PA 93-108 established STA-FED ADR, Inc., as a nonprofit, private corporation to oversee an alternative dispute resolution program that used state and federal senior judges and judge referees to resolve civil disputes referred by the state and federal court systems. This organization no longer exists.

§ 14 — MOTION TO FILE A LATE APPEAL

Allows the state Supreme Court to review the Appellate Court's decision to deny a motion to file a late appeal

Under existing law, there is no right to further review after the state Appellate Court's final determination of an appeal, except that the Connecticut Supreme Court may certify cases for its review either upon petition by an aggrieved party or by the appellate panel that heard the matter.

The act also allows the Supreme Court to review the Appellate Court's decision to deny a motion to file a late appeal.

EFFECTIVE DATE: July 1, 2025

§§ 15 & 16 — COURT VENUE AND SERVICE OF PROCESS

Makes changes related to the judicial districts of Hartford, Litchfield, and New Britain for establishing court venue and where civil process must be returned

Venue (§ 15)

For establishing venue, which is where a case will be heard, the Superior Court is divided into judicial districts.

The act removes five towns (Avon, Canton, Farmington, Granby, and Simsbury) from the Hartford judicial district and one town (Burlington) from the New Britain district, and it adds all six of them to the Litchfield judicial district.

EFFECTIVE DATE: October 1, 2025

Service of Process (§ 16)

The act changes some of the options for where civil process must be returned. Generally, when the action involves the towns of Avon or Simsbury, it switches the plaintiff's option to choose between the Hartford or New Britain judicial districts to choosing between the Hartford or Litchfield judicial districts.

Specifically, under the act, this pertains to a civil action:

1. in which either party lives in Avon or Simsbury;
2. that involves land, and the land and either party is located in Avon or Simsbury;
3. in which the plaintiff is a domestic business organization and has an office or a place of business in Avon or Simsbury; or
4. that involves a housing matter, and the premises is located in Avon or Simsbury.

The act also eliminates prior law's option for the plaintiff to choose between the Hartford or New Britain judicial districts for an action involving the towns of Canton or Farmington. Instead, under the act, for civil actions involving these towns, process must be returned to the judicial district where the town is located, which is the Litchfield judicial district under the act.

EFFECTIVE DATE: October 1, 2025

§ 18 — CRIMINAL PROTECTIVE ORDER FOR ELECTRONIC STALKING

Expands the availability of criminal protective orders to cover electronic stalking victims by allowing a court to issue the order against someone arrested for that crime

By law, upon arrest for certain crimes, the court may issue a criminal protective order against the offender. Under existing law, this applies to the following: 1st, 2nd, 3rd, and 4th degree sexual assault; 3rd degree sexual assault with a firearm; 1st degree aggravated sexual assault; aggravated sexual assault of a minor; and certain violations of injury or risk of injury to, or impairing morals of children. A person who is arrested for 1st, 2nd, and 3rd degree stalking may also be the subject of a criminal protective order, as may someone arrested for harassment if the victim has reasonable fear for his or her physical safety. The act also allows the court to issue a criminal protective order against someone arrested for the crime of electronic stalking, which is a class D felony (see Table on Penalties).

By law, a criminal protective order may include provisions needed to protect the victim from threats, harassment, injury, or intimidation by the defendant, including enjoining the defendant from (1) imposing any restraint on the victim's self or liberty; (2) threatening, harassing, assaulting, molesting, or sexually assaulting the victim; or (3) entering the victim's home. It may also protect the victim's animal (CGS § 54-1k(b)).

EFFECTIVE DATE: October 1, 2025

§§ 21 & 22 — OFFICE OF VICTIM SERVICES

Allows crime victims to make a statement to the prosecutor and the court on any plea agreement; allows victim notifications to be sent electronically to those who request it

Victim Statement (§ 21)

By law, the Office of Victim Services (OVS) must give crime victims a list with specified information within 10 days after receiving their application for victim compensation.

Under prior law, among other things, this list had to inform victims about their right to present a statement of losses, injuries, and wishes to the prosecutor and the court before the court accepts a plea of guilty or nolo contendere made under a plea agreement in which the defendant pleads to a lesser offense than the original charge.

The act expands the circumstances under which a victim may present the statement by requiring the list to inform victims that it may be presented on any plea agreement, not just those involving a pleading to a lesser offense.

Victim Notification (§ 22)

By law, OVS must notify the crime victim or any other person who requests notification (i.e. the registrant), when certain things happen related to the person incarcerated for the crime. Specifically, the notice must be made when the incarcerated person (1) applies for release or sentence reduction or review; (2) files (a) an application with the court to be exempt from registering for committing an offense against a minor or a nonviolent sexual offense or (b) a court petition to have registration information restricted or the restriction removed; or (3) is scheduled for release.

Prior law required that this notice be sent by mail. The act instead allows the registrant to choose whether to receive it by first class mail or electronically. It requires victims to give OVS their email address if they request electronic notification.
EFFECTIVE DATE: October 1, 2025

§ 23 — REMOTE ACKNOWLEDGEMENT OF RECORDS

Adds executing an agreement as to the division of an estate to the list of records that cannot be remotely acknowledged

By law, no record can be acknowledged remotely in the following circumstances: making and executing a will, codicil, trust, or trust instrument; executing certain health care instructions; executing a designation of a standby guardian; executing a living will; executing a power of attorney; executing a self-proving affidavit for an appointment of a health care representative or for a living will; executing a mutual distribution agreement; executing a disclaimer; or in a real estate closing.

The act adds executing an agreement as to the division of an estate to this list. It also makes a technical change by replacing "document" with "record" for term consistency.

§ 24 — TASK FORCE ON HABEAS CORPUS PROCEEDINGS

Establishes a 13-member task force to review the habeas corpus procedures of the federal government and other states; requires it to report findings and recommendations to the Judiciary Committee by January 1, 2027

Purpose and Required Recommendations

The act establishes a 13-member task force to review the habeas corpus procedures the federal government and other states use. The task force must also make recommendations to the General Assembly that include best practices that could be implemented in Connecticut to:

1. ensure a timely review and adjudication of habeas corpus claims,
2. establish standards for the presentation of repeated claims associated with the same incident,
3. prioritize credible claims and limit filings of repetitive or meritless ones, and
4. achieve balance between providing public counsel in habeas corpus claims and the cost to litigate repetitive or meritless claims.

Members and Appointments

Under the act, the six legislative leaders and the four Judiciary Committee leaders must each appoint one member to the task force, which must be done within 30 days after the act passes. The appointing authorities must fill any vacancies.

The chief court administrator, chief public defender, and chief state's attorney, or their designees, must also serve as members.

The act requires the House speaker and the Senate president pro tempore to select the chairpersons from among the taskforce members and the chairpersons must schedule and hold the first meeting within 60 days after the act passes.

Administrative Staff

The chief court administrator must designate judicial branch employees to serve as the task force's administrative staff.

Reporting

Under the act, the task force must report its findings and recommendations to the Judiciary Committee by January 1, 2027. It terminates the later of when it submits the report or January 1, 2027.

§ 25 — COERCED DEBT

Changes the lookback period for debt to be eligible to be waived as coerced debt, by requiring that it be less than, rather than more than, 10 years old

By law, coerced debt is any debt incurred in the name of a debtor who is a victim of domestic violence when the debt was incurred in response to any duress, intimidation, threat of force, force, or undue influence used to specifically coerce the debtor into incurring the debt. The law prohibits anyone from knowingly causing another person to incur coerced debt and subjects a violator to civil liability.

Under prior law, "debt" was an unsecured credit card debt, or any portion of one, incurred on or after January 1, 2025, for personal, family, or household use that was (1) not subject to a final judgment in an action for dissolution of marriage or collection matter that occurred before the time when a debtor asks that the claimant waive the debt or (2) incurred more than 10 years before the request.

The act changes the 10-year lookback period for when the debt was incurred for purposes of waiving coerced debt. Specifically, under the act, it must have been incurred less than 10 years, rather than more than 10 years, before the waiver request date.

§ 26 — MONEY JUDGMENT ENFORCEMENT

Adds provisions for an action to enforce a money judgment by foreclosure of a real property lien

By law, a money judgment may generally be enforced against any property of the judgment debtor unless state or federal law exempts it from being used to satisfy the judgment.

The act adds provisions for an action to enforce a money judgment by foreclosure of a real property lien. Specifically, the amount of the judgment lien to attach to the property must be calculated by taking the property's fair market value, less any priority liens and the amount of any applicable exempt property under certain state laws. The chief court administrator must also ensure that any judicial branch-prescribed form for these foreclosure actions, including the foreclosure worksheet, includes the property not subject to debt collection under the same state laws.

EFFECTIVE DATE: July 1, 2025

§§ 27 & 28 — PROBATION PERIOD FOR ANIMAL CRUELTY CONVICTION

Establishes a five-year probation period for someone convicted of animal cruelty

The probation period for offenders convicted of certain crimes is set in law. The act adds conviction of animal cruelty to the list of crimes for which the law provides a probation period and sets the period at five years (§ 27). It makes a related conforming change (§ 28).

EFFECTIVE DATE: October 1, 2025

§§ 29 & 30 — COMMERCIAL WAIVERS AND CIVIL PROCESS FOR PREJUDGMENT REMEDIES

Adds provisions concerning return of process for a prejudgment remedy in actions about commercial transactions

Commercial Waivers (§ 29)

The act provides that in actions about commercial transactions when a defendant waives the right to notice and a hearing on a prejudgment remedy, the plaintiff's attorney must issue the writ for the prejudgment remedy without a court

order if, in addition to meeting requirements in existing law, the lawyer serves process of the complaint to be returned to the court:

1. within 12 days, inclusive, after the earlier of (a) service of process upon the defendant preventing the dissipation of property or (b) service of process upon any third person holding property of the defendant and
2. at least six days before the return date.

EFFECTIVE DATE: October 1, 2025

Process in Civil Actions (§ 30)

Under existing law, process in civil actions returnable to the state Supreme Court must be returned to its clerk at least 20 days before the return day and, if returnable to Superior Court (except in evictions and petitions for parentage and support), to the clerk of the court at least six days before the return day.

The act also exempts from the above process return time frames the commencement of a civil action containing the issuance of a prejudgment remedy when, in a commercial transaction, the defendant waives notice and hearing as provided above.

EFFECTIVE DATE: October 1, 2025

§§ 31-33 — CONSULTANT SERVICE CONTRACTS FOR JUDICIAL BRANCH CAPITAL PROJECTS

Allows the chief court administrator to contract for consultant services for certain capital projects if the estimated cost for the services is $300,000 or less

The act allows the chief court administrator, or her designee, to:

1. compile a list of architects, professional engineers, and construction administrators to provide consultant services for a particular program involving various projects for constructing new buildings or renovating existing ones operated or controlled by the judicial branch and
2. enter into a contract with any of the professionals on the list for the consultant services when the service's estimated cost is $300,000 or less.

The act also allows the administrative services commissioner to compile a list of these professionals for the judicial branch and enter into a consultant service contract with them.

EFFECTIVE DATE: July 1, 2025

§ 34 — JUDICIAL CONSTRUCTION CONTRACT SUPERVISION

Increases, from $1.25 million to $3 million, the cost cap for construction contracts for projects that the chief court administrator may supervise; allows the chief court administrator to execute associated consultant services contracts of up to $300,000

By law, the chief court administrator must, among other things, supervise the care and control of all property where the Judicial Department is the primary occupant. This supervision includes planning, executing certain contracts, overseeing, and supervising work involving the construction, repair, or alteration of a building or premises under the chief court administrator's supervision, for construction contracts that, under prior law, were $1.25 million or less.

The act increases the construction contract supervision cap to $3 million. Also, as stated above, it allows the chief court administrator to execute associated consultant service contracts estimated at $300,000 or less, where under prior law she was unable to execute these contracts at any amount.

Under existing law, unchanged by the act, this oversight does not apply to the probate courts, Division of Criminal Justice, and Public Defender Services Commission, except where they share facilities in state-maintained courts.

EFFECTIVE DATE: July 1, 2025

PA 25-98—HB 7220
Judiciary Committee

AN ACT CONCERNING THE COSTS TO OBTAIN TRANSCRIPTS FOR PROCEEDINGS CONDUCTED BEFORE AGENCIES

SUMMARY: This act (1) requires that a recording or stenographic record of proceedings before an agency be transcribed if a party to the proceeding requests it and (2) assigns the cost of any copy or transcript of the recording or record against the requesting party. Under the act, a transcript consists of an agency proceeding's official written record, or a part of it, a stenographer produces, including things like testimony and counsel arguments. Agencies are generally state boards, commissions, departments, or officers authorized by law to make regulations or determine contested cases (CGS § 4-166).

The act allows a stenographer to charge a party a one-time $2.40 rate for each transcript page the party requests and stenographer transcribes. It specifies what constitutes a transcript page (i.e. 27 double-spaced lines on 8.5 by 11-inch paper, with 60 spaces per line), which can be on paper or stored in an electronic form.

Under the act, an agency that requests a transcript is responsible for its costs. It cannot charge or otherwise seek reimbursement for it from another party to the proceeding.

EFFECTIVE DATE: July 1, 2025

PA 25-114—HB 7041
Judiciary Committee

AN ACT CONCERNING THE COMPOSITION OF THE JUDICIAL SELECTION COMMISSION AND DECISIONS RENDERED BY SAID COMMISSION

SUMMARY: This act changes the composition of the 12-member Judicial Selection Commission, beginning with appointments made on or after July 1, 2025. Under prior law, the commission consisted of six attorneys and six non-attorneys. Under the act, it is comprised of eight attorneys, who each have engaged in the practice of law in Connecticut for at least 10 years, and four non-attorneys.

The act also makes the following three changes to the commission's operations:

1. increases, from two to three years, the time a commission member who is an attorney has to wait after ending his or her commission tenure before being considered for a judicial nomination;
2. requires the commission, at the request of a candidate or judge, to include in a decision denying a recommendation for judicial nomination a brief summary of the reasons for the denial; and
3. requires the commission, in its annual report to the Judiciary Committee, to include statistics on the areas of professional experience for individuals on the list of qualified candidates and for those who were interviewed, recommended, and denied recommendation.

Lastly, it makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2025

JUDICIAL SELECTION COMMISSION MEMBERSHIP

The act's revised requirements for commission members apply to appointments made on or after July 1, 2025. The table below shows the appointments under prior law and the act, including the applicable appointing authorities and specified qualifications.

Commission Appointees

Appointing Authority	*Until June 30, 2025, Under Prior Law*	*Appointments on or After July 1, 2025, Under the Act*
Governor	Six members: One from each congressional district and one at-large as follows: Three attorneys and three non-attorneys	Six members: One from each congressional district and one at-large as follows: Three attorneys who have engaged in the practice of law in Connecticut for at least 10 years and three non-attorneys
Senate majority leader	One non-attorney	One non-attorney
Senate president pro tempore	One attorney	For each, one attorney who has engaged in the practice of law in Connecticut for at least 10 years
Senate minority leader	One non-attorney	
House speaker	One non-attorney	
House majority leader	One attorney	
House minority leader	One attorney	

As under existing law, no more than six of the members may belong to the same political party, and none may otherwise be an elected or appointed state official or hold statewide office in a political party. Members must serve (1) a three-year term and (2) until a successor is appointed and qualified, but no later than 90 days after their term ends. They must select a chairperson from among the governor's appointees, which prior law also required.

JUDICIAL APPOINTMENT CANDIDACY

By law, the commission maintains a list of qualified candidates, including judges seeking appointment to a different court, for the governor's consideration for nomination as a judge in the state's Superior, Appellate, and Supreme courts. Candidates are placed on the list after an evaluation of their qualifications.

Under prior law, a commission member who was an attorney could not be considered for a recommendation to the governor during the member's tenure or for two years following. The act increases this period to three years after the end of the member's commission tenure.

Additionally, if the commission issues a decision informing a candidate that he or she will not be considered for nomination as a judge or informing an incumbent judge that he or she will not be considered for appointment to a different court, the act allows the candidate or judge to request a brief summary of the reasons supporting the decision. The commission must determine the form and manner of the summary.

PA 25-118—sSB 1330
Judiciary Committee

AN ACT CONCERNING AN ACCIDENTAL FAILURE TO FILE AN ACTION

SUMMARY: The state's "accidental failure of suit" law generally authorizes a new lawsuit to be filed within one year after a case was dismissed for certain reasons unrelated to the merits, even though the statute of limitations expired. For this law to apply, the original case must have been commenced within the statute of limitations.

This act provides that, for purposes of this law, a defendant's receipt of the summons and complaint in the underlying case qualifies as the case's commencement, but is not the only event that does so (see BACKGROUND). It specifically applies not just to receipt by defendants but also by their agents or representatives, including the defendant's purported insurer allegedly obligated to defend the case.

The act specifies that its provisions, and the existing provisions of the accidental failure of suit law, do not:

1. designate an insurer as an agent for service of process on the purported insured's behalf,
2. affect the requirements of formal service under law or court rules,
3. obligate the insurer to serve any complaint or other legal action on the purported insured,
4. remove the plaintiff's obligation to properly serve process on the purported insured within the accidental failure

of suit law's time frames, or

5. affect whether the served insurer owes a duty to defend or to provide indemnity coverage to the purported insured.

The act further specifies that the served insurer's actions or omissions cannot be deemed an admission or relevant as to whether the insurer owes this duty.

Lastly, the act specifies that its provisions (and existing law's provisions) apply only to the question of whether a case was timely brought for purposes of this savings provision under law.

EFFECTIVE DATE: October 1, 2025

BACKGROUND

Accidental Failure of Suit Law

This law (sometimes also called the "savings" statute) applies to cases dismissed due to lack of jurisdiction, problems with service, the death of a party, or a matter of form. The one-year period is reduced to six months if the dismissed case was against an executor or administrator of a defendant who has died.

Related Case

A recent state Supreme Court case considered whether a plaintiff had started his original lawsuit within the time allowed by law under the accidental failure of suit statute. In the underlying case (involving a motor vehicle accident), a state marshal left a copy of the summons and complaint at the defendant's former property and the plaintiff's attorney notified the defendant's automobile insurer. But neither the defendant nor her power of attorney had received a copy of the summons and complaint when the statute of limitations expired. (The power of attorney received a copy a few days after that.)

After the trial court dismissed the case for improper service, the plaintiff refiled the case under the accidental failure of suit law. On appeal, the state Supreme Court ruled that a case is "commenced" for purposes of the accidental failure of suit law when a defendant has actual or effective notice of the action by receiving the summons and complaint within the time permitted by law, even if the process was improperly served (*Laiuppa* v. *Moritz*, 350 Conn. 457 (2024)).

PA 25-136—sHB 7064
Judiciary Committee

AN ACT CONCERNING REVISIONS TO THE VALIDATING ACT

SUMMARY: Existing law validates recorded real property documents with certain defects or omissions. This act extends the statutory validation to documents recorded before January 2, 1997. (Prior to this date, the defects or omissions were validated by special acts, biennially adopted beginning in 1989.)

The validation generally applies to deeds, mortgages, leases, powers of attorney (POAs), releases, assignments, or other instruments to convey, lease, mortgage, or affect a real property interest with the following:

1. conveyancing defects, such as having a defective acknowledgement or being improperly attested;
2. insubstantial defects, such as having certain incorrect or omitted dates, missing a statement of consideration or grantee address, or referencing a noncompliant map or plan;
3. for a document executed under a POA, defects such as failing to reference a recorded POA or having no recorded POA; or
4. fiduciary conveyance defects, such as failing to post a required bond or give notice of a probate court hearing for an order of sale.

However, validation does not apply, under existing law and the act, for (1) conveyancing and POA defects if there is an action challenging the document's validity and a *lis pendens* (litigation pending) notice was recorded on the land records within two years (or 15 years for an unrecorded POA) after the document's recording and (2) fiduciary conveyance defects if the fiduciary has not accounted for the proceeds or there is pending action challenging the document's validity and a *lis pendens* notice was recorded within two years after the document's recording to indicate that litigation about the property is pending. It similarly does not apply in situations involving an unrecorded POA and a document that fails to evidence, rather than state as under prior law, the consideration reflecting fair market value.

EFFECTIVE DATE: July 1, 2025

PA 25-139—sHB 7236
Judiciary Committee

AN ACT CONCERNING HUMAN TRAFFICKING AND SEXUAL ASSAULT VICTIMS

SUMMARY: This act makes various changes in laws related to sexual assault and human trafficking victims.

First, the act changes the composition of the Trafficking in Persons Council by (1) increasing its membership, from 36 to 37, by adding the Department of Transportation (DOT) commissioner or his designee and (2) removing the specified qualifications for one of the governor's four appointees (§ 1).

The act also makes sexual assault victim status and trafficking in persons victim status protected classes under the Commission on Human Rights and Opportunities (CHRO) antidiscrimination laws and defines these terms for this purpose (see below). Specifically, the act prohibits various forms of discrimination based on someone's status as a sexual assault or human trafficking victim, such as in employment, public accommodations, housing sales or rentals, granting credit, and several other areas. In several cases, the act classifies discrimination on this basis as a "discriminatory practice" under the CHRO laws. By doing so, it allows CHRO or individuals aggrieved by these violations to file a complaint with CHRO alleging discrimination (§§ 2-15).

The act also creates an affirmative defense for certain offenders charged with a misdemeanor (1) who were minors (under age 18) when they committed the offense and (2) whose participation in the offense was a result of having been a human trafficking victim (§ 16).

Lastly, it allows the mandatory human trafficking awareness course to be provided in any format, rather than only by video. By law, the Department of Children and Families (DCF), in consultation with the Department of Emergency Services and Public Protection (DESPP), must develop and provide this training program for specified professionals, such as law enforcement officers, judges, public defenders, and certain professionals who have contact with students (§ 17).

EFFECTIVE DATE: October 1, 2025, except the provisions increasing the council's membership and revising DCF's training program are effective upon passage.

§ 1 — TRAFFICKING IN PERSONS COUNCIL

The act changes the composition of the Trafficking in Persons Council in two ways. First, it increases the membership, from 36 to 37, by adding the DOT commissioner or his designee. Second, it changes the required qualifications for one of the governor's four appointees from an adult trafficking victim to a fourth member of the public without specific qualifications.

Existing law, unchanged by the act, specifies that the governor's appointees who are members of the public must include one representative of each of the following groups: (1) victims of commercial exploitation of children, (2) sex trafficking victims who are children, and (3) a coalition of children's advocacy centers and multidisciplinary teams dedicated to serving child abuse victims and their families.

By law, among other things, the Trafficking in Persons Council coordinates human trafficking data collection and consults with government and nongovernment organizations in developing recommendations to strengthen state and local efforts to prevent trafficking, protect and help victims, and prosecute traffickers.

§§ 2-15 — SEXUAL ASSAULT AND HUMAN TRAFFICKING VICTIMS AS PROTECTED CLASS UNDER ANTIDISCRIMINATION LAWS

The act prohibits various forms of discrimination based on someone's status as a sexual assault or human trafficking victim, such as in employment, public accommodations, housing sales or rentals, granting credit, and several other areas. In several cases, it classifies discrimination on this basis as a "discriminatory practice" under the CHRO laws. By doing so, the act allows CHRO or individuals aggrieved by these violations to file a complaint with CHRO alleging discrimination.

Sexual Assault Victim Defined (§ 2)

Under the act, a "victim of sexual assault" under the CHRO laws is a victim of 1st, 2nd, 3rd, or 4th degree sexual assault; 3rd degree sexual assault with a firearm; aggravated sexual assault; aggravated sexual assault of a minor; sexual assault in a spousal or cohabiting relationship; or 1st or 2nd degree rape.

Human Trafficking Victim Defined (§ 2)

The act applies a general definition for the term "victim of trafficking in persons" under the CHRO laws.

Under the act, a human trafficking victim is a person who is a victim of the crime of "trafficking in persons," a class A felony (see Table on Penalties). By law, a person commits trafficking in persons when he or she:

1. knowingly compels or induces another person to use fraud, coercion, or force (or threat of force) to compel or induce the person to (a) engage in conduct involving sexual contact with one or more third persons or (b) provide labor or services that the other person has a legal right to refrain from providing;
2. knowingly compels or induces a minor (under age 18) to engage in conduct with one or more third persons involving sexual contact for which the third person may be charged with a crime; or
3. otherwise knowingly commits a sex trafficking act (CGS § 53a-192a).

General Anti-Discriminatory Provision and Deprivation of Rights (§ 4)

Under existing law, it is a discriminatory practice to deprive someone of any rights, privileges, or immunities secured or protected by Connecticut or federal laws or constitutions, or cause such a deprivation, because of religion, national origin, alienage, color, race, sex, gender identity or expression, sexual orientation, blindness, mental or physical disability, age, veteran status, or status as a domestic violence victim. The act adds sexual assault or human trafficking victim status to this list, thus authorizing CHRO to investigate claims of discrimination based on this status.

Under existing law, it is a crime to place a noose or simulation of one on public property, or on private property without the owner's written consent, with the intent to harass someone because of any protected class listed above. The act adds sexual assault or human trafficking victim status to the list of protected classes.

By law, a violation of these provisions is generally a class A misdemeanor but, if the violation results in more than $1,000 in property damage, then it is a class D felony (see Table on Penalties). In either case, there is a minimum $1,000 fine unless the court states on the record its reasons for reducing it. The law also allows the court to order restitution for a victim.

Employment Discrimination (§ 6)

Unless there is a bona fide occupational qualification or need, the act prohibits an employer or its agent from (1) refusing to hire or employ someone; (2) barring or discharging someone from employment; or (3) discriminating against someone in pay or in employment terms, conditions, or privileges because the person is a sexual assault or human trafficking victim. This prohibition applies to all employers, public or private, and all employees except those employed by their parents, spouse, or children.

The act also prohibits the following kinds of employment discrimination based on sexual assault or human trafficking victim status:

1. employers refusing to give a reasonable leave of absence to an employee whom the employer knows is a sexual assault or human trafficking victim (see below);
2. employment agencies failing or refusing to classify properly or refer for employment or otherwise discriminating against someone except in the case of a bona fide occupational qualification or need;
3. labor organizations excluding someone from full membership rights, expelling a member, or discriminating in any way against a member, employer, or employee unless the action is due to a bona fide occupational qualification;
4. employers, employment agencies, labor organizations, or anyone else taking adverse action against someone because he or she opposed a discriminatory employment practice, brought a complaint, or testified or assisted someone else in a complaint proceeding;
5. any person aiding, abetting, inciting, compelling, or coercing someone to commit a discriminatory employment practice or attempting to do so; and
6. employers, employment agencies, labor organizations, or anyone else advertising employment opportunities in a way that restricts employment and therefore discriminates except when involving a bona fide occupational qualification or need.

Reasonable Leave of Absence. As is the case for an employee who is a domestic violence victim under the law, under the act, it is a discriminatory practice for an employer or the employer's agent to deny the employee a reasonable leave of absence to do the following:

1. seek attention for injuries caused by sexual assault or human trafficking, including for a child who is a sexual assault or human trafficking victim, so long as the employee did not commit sexual assault or human trafficking against the child;

2. get services, including safety planning, from a sexual assault or human trafficking agency or rape crisis center;
3. get psychological counseling, including for a child, so long as the employee did not commit sexual assault or human trafficking against the child;
4. take other actions to increase safety from future incidents, including temporary or permanent relocation; or
5. get legal services, help with the offense's prosecution, or otherwise participate in related legal proceedings.

As is required for a domestic violence victim under existing law, the act requires an employee who is a sexual assault or human trafficking victim who misses work under the circumstances described above to give a certification to the employer, if requested, within a reasonable time after the absence. The act generally requires similar types of certifications for sexual assault and human trafficking victims as existing law requires for domestic violence victims, which must be one of the following:

1. a police report indicating that the employee or the employee's child was a sexual assault or human trafficking victim;
2. a court order protecting or separating the employee or employee's child from the perpetrator;
3. other evidence from the court or prosecutor that the employee appeared in court; or
4. documentation from a medical professional or a sexual assault counselor, or other health care provider, that the employee or employee's child was receiving services, counseling, or treatment for physical or mental injuries or abuse caused by sexual assault or human trafficking.

Under the act, if an employee has a physical or mental disability resulting from a sexual assault or human trafficking incident, then the employee must be treated the same as employees with other disabilities, as is the case for domestic violence victims under existing law.

The act also requires employers, to the extent allowed by law, to keep confidential any information about an employee's status as a sexual assault or human trafficking victim, as is required by law for domestic violence victims.

Public Accommodations (§ 7)

The act prohibits anyone from denying someone, based on his or her status as a sexual assault or human trafficking victim, full and equal accommodations in any public establishment (i.e. one that caters to or offers its services, facilities, or goods to the general public, including any commercial property or building lot on which a commercial building will be built or offered for sale or rent), subject to lawful conditions and limitations that apply alike to everyone. It further prohibits discriminating, segregating, or separating people based on their status as a sexual assault or human trafficking victim. A violation is a class D misdemeanor (see Table on Penalties).

Housing (§ 3)

The law provides protection against discriminatory housing practices to the protected classes under the CHRO statutes. The act extends these protections to sexual assault and human trafficking victims. Specifically, the act prohibits anyone from doing the following based on a person's status as a sexual assault or human trafficking victim:

1. refusing to sell or rent after the person makes a bona fide offer, refusing to negotiate for the sale or rental of a dwelling, or otherwise denying or making a dwelling unavailable;
2. discriminating against the person in the terms, conditions, or privileges of a dwelling's sale or rental, or in providing connected services or facilities, such as providing appraisals;
3. making, printing, or publishing (or causing such to occur) any notice, statement, or advertisement with a dwelling's sale or rental that indicates any preference, limitation, or discrimination;
4. representing that a dwelling is not available for inspection, sale, or rental when it is;
5. generally restricting or attempting to restrict the choices of any buyer or renter to buy or rent a dwelling;
6. inducing or attempting to induce, for profit, the person to sell or rent any dwelling by representations about the entry or prospective entry into the neighborhood;
7. discriminating against the person in making available a residential real estate transaction, or in the terms or conditions of the transaction; or
8. denying the person access to, or membership or participation in, any multiple-listing service, real estate brokers' organization, or other service, organization, or facility relating to the business of selling or renting homes or discriminating in the terms or conditions of them.

Under existing law and the act, the above provisions do not apply to the rental of (1) a room in an owner-occupied single-family home or (2) part of an owner-occupied two-family home. A violation of any of them is a class D misdemeanor (see Table on Penalties).

Credit (§ 8)

The act prohibits a creditor from discriminating against an adult in a credit transaction based on the person's status as a sexual assault or human trafficking victim.

Other Areas Subject to CHRO's Jurisdiction (§§ 5 & 9-15)

The act authorizes CHRO to investigate discrimination claims based on someone's status as a sexual assault or human trafficking victim under other laws over which CHRO has jurisdiction. Specifically, the act does the following:

1. prohibits any professional or trade association, board, or other similar organization whose profession, trade, or occupation requires a state license from denying someone membership because of his or her status as a sexual assault or human trafficking victim (violators are subject to a $100 to $500 fine) (§ 5);
2. requires state officials and supervisory personnel to recruit, appoint, assign, train, evaluate, and promote state personnel based on merit and qualifications, without regard for their status as a sexual assault or human trafficking victim unless it prevents performance of the work involved (§ 9);
3. requires state agencies to deliver services without discrimination based on a person's status as a sexual assault or human trafficking victim (§ 10);
4. requires any state agency that provides employment referrals or placement services to public or private employers to reject any job request that indicates an intention to exclude anyone based on his or her status as a sexual assault or human trafficking victim (§ 11);
5. prohibits state departments, boards, or agencies from granting, denying, or revoking a person's license or charter because he or she is a sexual assault or human trafficking victim (§ 12);
6. requires all educational, counseling, and vocational guidance programs and all apprenticeship and on-the-job training programs of state agencies, or in which they participate, to be open to all qualified people, without regard for a person's status as a sexual assault or human trafficking victim (§ 13);
7. prohibits (a) a person's status as a sexual assault or human trafficking victim from being a limiting factor in state-administered programs involving the distribution of funds to qualified applicants for benefits authorized by law and (b) the state from giving financial assistance to public agencies, private institutions, or other organizations that discriminate on this basis (§ 14); and
8. generally requires state agency, municipal public works, and quasi-public agency project contracts to have a provision requiring the contractors to agree, with regard to someone's status as a victim of sexual assault or human trafficking, to (a) not discriminate or permit discrimination and (b) take affirmative action to ensure that applicants with job-related qualifications are employed and that employees are treated without regard to that status (§ 15).

§ 16 — AFFIRMATIVE DEFENSE FOR MINOR VICTIMS IN MISDEMEANOR CASES

In misdemeanor cases in Superior or Juvenile courts, the act makes it an affirmative defense that (1) the defendant was a minor (under age 18) at the time he or she committed the offense and (2) his or her participation in the offense was a result of having been a human trafficking victim (as defined above).

Under the existing law that makes trafficking in persons a class A felony, it is an affirmative defense in any human trafficking prosecution or delinquency proceeding that the defendant was a minor and his or her participation in the offense was a result of having been a victim of another person's human trafficking conduct.

§ 17 — HUMAN TRAFFICKING AWARENESS COURSE

The law requires the DCF commissioner, in consultation with the DESPP commissioner, to develop an initial and refresher training program to accurately and promptly identify and report suspected human trafficking.

Under prior law, the training program had to include a video presentation, developed and approved by the commissioners, that offers awareness of human trafficking issues and guidance to specific personnel. The act allows this presentation to be in any format, not just video.

Existing law, unchanged by the act, requires the following professionals to complete the training every three years: law enforcement personnel; Superior Court judges; prosecutors; public defenders and other criminal defense attorneys; hospital emergency room staff, urgent care facility staff, and emergency medical services personnel who have patient contact; and employees of local and regional school boards or public higher education constituent units who have contact with students.

PA 25-145—sHB 6970
Judiciary Committee

AN ACT CONCERNING ADOPTION OF AMENDMENTS TO THE UNIFORM COMMERCIAL CODE

TABLE OF CONTENTS:

NEW ARTICLE 12: CONTROLLABLE ELECTRONIC RECORDS (§§ 86-101)

Establishes rules for transactions involving a class of digital assets called "controllable electronic records," including purchaser rights, how to get control of the asset, and discharge requirements

ARTICLE 9: SECURED TRANSACTIONS (§§ 36-85)

Makes changes to conform the UCC's rules for security interests with the new Article 12, including how to use digital assets as collateral for loans (e.g., obtain control, perfect the interest, determine priority); specifies that chattel paper is the underlying right to payment and not the record evidencing it; differentiates between electronic and tangible money; adds a new way to get control of a deposit account

ARTICLE 7: DOCUMENTS OF TITLE (§§ 29 & 30)

Broadens and clarifies what qualifies as "control" for electronic documents of title to, among other things, account for distributed ledger technology, which uses multiple authoritative copies of an electronic record

ARTICLE 8: INVESTMENT SECURITIES (§§ 31-35)

Subjects controllable accounts, controllable electronic records, and controllable payment intangibles to Article 8 under specified circumstances; clarifies provisions in existing law on control and determining the applicable law

ARTICLES 2 & 2A: SALE OR LEASE HYBRID TRANSACTIONS (§§ 5-13)

Clarifies the scope of Articles 2 and 2A when transactions combine the sale or lease of goods with things like services (i.e. "bundled" or "hybrid" transactions)

ARTICLE 3: NEGOTIABLE INSTRUMENTS (§§ 14-17)

Specifies that a negotiable instrument may (1) include a law or forum selection clause and (2) be transmitted to a bank for deposit as an electronic check; specifies that destroying a check after remotely depositing it does not discharge the obligation

ARTICLE 4A: FUNDS TRANSFERS (§§ 18-26)

Specifies what is considered a security procedure when verifying a payment order (e.g., to detect error in the content of messages or to detect payment orders that are mistakenly transmitted)

ARTICLE 1: GENERALLY APPLICABLE TERMINOLOGY (§ 1)

Changes several definitions that apply throughout the UCC to, among other things, incorporate new or emerging technologies and resolve ambiguities

TRANSITIONAL RULES (§§ 93-101)

Establishes rules for transactions entered into before the act's effective date; includes a rule that generally makes its provisions prospective in application and preserves the validity of existing transactions and the rights, duties, and interests flowing from them; generally applies Articles 9 and 12 to existing transactions

SUMMARY: This act makes numerous changes to the Uniform Commercial Code (UCC), a set of rules governing commercial transactions (e.g., the sale of goods, leases, bank deposits and collections, and secured transactions). Many of the act's provisions reflect emerging technologies.

The act adds a new article on digital assets, which it terms "controllable electronic records" (CERs; Article 12).

Examples of CERs include cryptocurrency, nonfungible tokens (NFTs), and other digital assets with embedded payment rights. The new Article 12, and corresponding changes to other articles, set rules for transactions involving these assets related to negotiability, transfer and payment rights, and secured lending.

The act's other changes include such things as:

1. establishing rules for hybrid transactions under the UCC's provisions for the sale or lease of goods;
2. specifying that negotiable instruments may have (a) law or forum selection clauses or (b) their image and information transmitted to a bank for deposit as an electronic check;
3. specifically allowing for symbols, sounds, and biometrics to constitute a security procedure for funds transfers;
4. specifying that generally, for purposes of jurisdiction, choice of law, and recognition of interbranch letters of credit under UCC Article 5, a bank branch is located at the address shown in its document, and if there are multiple addresses, its location is the address from which the document was issued (by law for letters of credit, all bank branches are separate judicial entities and a bank's location is the location of the relevant branch);
5. redefining terms that apply to transactions on paper with definitions that also cover electronic documents, such as by broadening what is considered "signed" to ensure that electronic records have the same legal effect as tangible ones, and substituting "record" for "writing" where applicable in the UCC, to include both information inscribed on a tangible medium and that which is electronic or in another format; and
6. making numerous minor, technical, and conforming changes throughout the UCC and to other statutory provisions that refer to it.

Except as described below, the act applies its expanded provisions (e.g., those in Articles 9 and 12) to transactions and liens, even if created or entered into before January 1, 2026. But it does not affect an action, case, or proceeding that began before that date. It sets transition rules to allow secured parties to continue the enforceability of their interests when the act's changes take effect and establish the priority of conflicting claims.

Additionally, in general, UCC rules are default rules, meaning that parties to a transaction can contractually agree to different terms, but absent an agreement, the UCC's rules apply.

EFFECTIVE DATE: January 1, 2026

NEW ARTICLE 12: CONTROLLABLE ELECTRONIC RECORDS (§§ 86-101)

Establishes rules for transactions involving a class of digital assets called "controllable electronic records," including purchaser rights, how to get control of the asset, and discharge requirements

Controllable Electronic Records (CERs)

The act's new Article 12 governs CERs, which are records stored in an electronic medium that are subject to methods of control specified by the act (see below). They do not include controllable accounts, controllable payment intangibles, deposit accounts, electronic copies of a record evidencing chattel paper, electronic documents of title, electronic money, investment property, or transferable records as defined under certain federal or Connecticut laws.

Acquisition and Purchase Rights

The act gives a purchaser of a CER, controllable account, or controllable payment intangible all of the rights the transferor had or had power to transfer. A purchaser of a limited interest only obtains the extent of that interest. The act specifies that unless stated, law other than the new Article 12 determines if a person acquires a right, and the right's extent, in a CER, account, or payment intangible.

However, it gives a purchaser that gets control of a CER, controllable account, or controllable payment intangible for value, in good faith, and without notice of a property right claim (a "qualifying purchaser"), its rights free of a claim of a property right. Under the act, a financing statement filing under Article 9 is not notice of a property right claim.

The act requires a qualifying purchaser to take a right to payment or performance, or other property interest evidenced by the CER (but not the controllable account or payment intangible) subject to a claim of that right or interest, unless a law outside of Article 12 provides otherwise.

It prohibits an action against a qualifying purchaser that is based on both its purchase of the CER, account, or payment intangible and a claim of a property right in another CER, account, or payment intangible, regardless of the theory involved (e.g., conversion, replevin, equitable lien).

Under the act, to determine if a controllable account or controllable payment intangible purchaser is a qualifying purchaser, the purchaser gets control if it gets control of the CER that evidences the account or payment intangible.

Control of a CER

Under the act, control of a CER exists if the electronic record, a record attached to or logically associated with it, or a system that records it, gives it (1) the power to receive substantially all of the CER's benefit and (2) exclusive power to prevent others from doing so and transfer control of the electronic record to another person or cause another person to get control of another CER because of the record's transfer. The record or system also must allow for the person to readily identify itself as having those powers (e.g., by name, identifying number, cryptographic key, office, or account number).

The act makes the power to receive or prevent others from receiving benefits exclusive even if (1) it is shared with another person or (2) the CER, a record attached to or logically associated with the electronic record, or a system where the electronic record is recorded, limits the electronic record's use or has a programmed protocol to make a change (e.g., transfer, loss of control, benefit modification).

Under the act, a person does not share power with another person and it is not exclusive if the (1) person can exercise it only if the other person also does and (2) other person can exercise it alone or is the transferor to the person of an interest in the CER, or a controllable account or controllable payment intangible the CER shows.

The act also sets rules for a person's control of a CER when another person has control on the person's behalf. Specifically, a person controls a CER if another person (but not the transferor of the interest) (1) controls the electronic record on the person's behalf and acknowledges that fact or (2) gets control on the person's behalf after acknowledging that it will do so.

The act does not require a person to acknowledge that it has control on behalf of another. It also generally does not give the person that acknowledges that it has or will obtain control on behalf of another person a duty to the other person or a requirement to confirm the acknowledgement to any other person. The person can, however, agree to do so or other law may require it.

Obligation Discharge

The act allows for an account debtor on a controllable account or controllable payment intangible to discharge its obligation by paying either (1) the person with control of the CER that evidences the account or payment intangible or (2) a person that used to have control of the CER under certain circumstances. It prevents discharging an obligation by paying a person who formerly had control if the account debtor receives a notice that:

1. informs the account debtor that the CER's control was transferred and identifies the transferee in a reasonable way (e.g., name, identifying number, cryptographic key, office, or account number);
2. reasonably identifies the controllable account or controllable payment intangible;
3. is signed by either the person formerly in control or the person who is a transferee of control; and
4. includes a commercially reasonable way for the account debtor to pay the transferee.

Instead, the account debtor must pay as required in the notice to discharge its obligation.

Under the act, the above notice is not effective:

1. unless the account debtor and the person with control of the CER before the notice was sent agreed in a signed record to a commercially reasonable way for the person to present reasonable proof of a transfer in control;
2. if there is an agreement between the account debtor and payment intangible seller that limits the debtor's duty to pay a person other than the seller that is governed by law that is not the act's new Article 12; or
3. if the notice allows the account debtor to divide a payment, make less than the full amount of an installment or other periodic payment, or pay a portion of a payment by more than one method or to more than one person.

The act requires the person giving the notice about the CER transfer to timely present reasonable proof of the transfer if the account debtor requests it. The person must do this using the method in their agreement. Failing to do so allows the account debtor to discharge the obligation by paying a person that formerly had control of the CER.

Under the act, reasonable proof of a transfer in CER control shows that the transferee has the power to (1) receive substantially all of the CER's benefit and prevent others from doing so and (2) transfer the receipt and prevention powers to another person.

The act generally prohibits an account debtor from waiving or changing its rights under the act's requirements for there to be an agreement between it and the person in control and no option for alternative payments, or for it to receive proof of a transfer. However, these provisions are subject to law outside of the new Article 12 that have a different rule for account debtors who are individuals and have an obligation that is mainly for personal, family, or household purposes.

Applicable Rules and Conflicts

Under the act, if a conflict exists between Article 9's requirements for secured transactions, and those of the new Article

12, Article 9 controls. Additionally, a transaction subject to the new article is also subject to any other law that sets a different rule for consumers; a law or regulation regulating rates, charges, agreements, and practices for loans, credit sales, or other extensions of credit; and a consumer protection law or regulation.

Choice of Law

The act generally applies the local law of a CER's jurisdiction to matters covered by the new Article 12. It allows for another jurisdiction's law to apply if there is an effective agreement for it to do so for a CER that evidences a controllable account or controllable payment intangible in a matter involving an account debtor's discharge of an obligation (see above). The act specifies that the local law of a CER's jurisdiction applies to matters covered by the new Article 12 even if they, or the transactions relating to them, do not relate to the jurisdiction.

The act sets the following hierarchy for determining a CER's jurisdiction, but in each case the CER (or record attached to or logically associated with it) or system rules must be readily available for review:

1. the CER or record may expressly state the CER's jurisdiction for Article 12 purposes, making it the CER's general jurisdiction;
2. the system that has the recorded CER may have rules that expressly state a particular jurisdiction for the CER for Article 12 purposes, making it also the CER's general jurisdiction;
3. the CER or record expressly states the jurisdiction whose governing law applies; or
4. the system that has the recorded CER may have rules that expressly state the CER's jurisdiction.

The act designates the District of Columbia as a CER's jurisdiction if the above provisions do not apply. If the act's new Article 12 provisions are not in effect in the District of Columbia, without material changes, the jurisdiction remains the District of Columbia and as if they were in effect. (The Council for the District of Columbia adopted new Article 12 provisions in 2024.)

Under the act, the rights of purchasers are governed by the applicable law at the time of purchase.

ARTICLE 9: SECURED TRANSACTIONS (§§ 36-85)

Makes changes to conform the UCC's rules for security interests with the new Article 12, including how to use digital assets as collateral for loans (e.g., obtain control, perfect the interest, determine priority); specifies that chattel paper is the underlying right to payment and not the record evidencing it; differentiates between electronic and tangible money; adds a new way to get control of a deposit account

Definitions

The act adds and adjusts several definitions in the UCC's article on secured transactions largely to conform with the act's other reforms, such as including rules for CERs.

First, the act modifies its definition of "chattel paper" to refer to a right to a payment of a monetary obligation secured by goods evidenced by a record, as opposed to the record or records that evidence it. It also includes a right to payment from a "hybrid" lease transaction (see Article 2A, below), where a lessee owes under a lease agreement for the use of specific goods, also evidenced by a record.

Related to CERs, a "controllable account" is an account and a "controllable payment intangible" is a payment intangible, both of which are evidenced by a CER that provides that the account debtor agrees to pay the person with control of the CER. Conforming, the act includes CERs in the existing definition of "general intangible," which is generally any personal property that is not included in other defined collateral.

The act incorporates a definition of "money" into Article 9 that is based on its new general UCC definition for the term (see Article 1, *Money*, below) and differentiates between money in an electronic versus a tangible form. It excludes deposit accounts and money in electronic form that cannot be controlled in the way the article specifies.

Lastly, it designates an "assignee" as generally a person (1) in whose favor a security interest that secures an obligation is created or provided for in a security agreement or (2) to which an account, chattel paper, payment intangible, or promissory note was sold. Conversely, an "assignor" is a person that (1) under a security agreement, creates or provides for a security interest that secures an obligation or (2) sells an account, chattel paper, payment intangible, or promissory note. These terms include, as applicable, the transferee of a security interest from a secured party or the secured party that transfers a security interest.

Attachment and Enforceability

Under existing law, a security interest generally attaches to collateral when it is enforceable against the debtor with respect to the collateral. And this interest is enforceable if (1) value was given; (2) the debtor has rights in the collateral or the power to transfer rights in it to a secured party; and (3) a security agreement, certificated security, or possession gives the secured party control. The act includes controllable accounts, CERs, controllable payment intangibles, and electronic money in the types of collateral that can be shown to be enforceable by a debtor's security agreement that gives the secured party control. Under the act, for chattel paper, the secured party must have possession and control under the security agreement.

The UCC also generally allows a security agreement to create or give a security interest in after-acquired collateral, except for consumer goods or a commercial tort claim. The act specifies that an interest can attach to consumer goods as proceeds or comingled goods, commercial tort claims as proceeds, or under an after-acquired property clause for property that is proceeds of either.

Secured Party's Duties and Rights

The UCC establishes certain requirements and rights for secured parties in possession or control of collateral, such as using reasonable care to preserve it. The law allows, absent an agreement with the debtor otherwise, a secured party in possession or control of electronic documents of title, investment property, deposit accounts, electronic chattel paper, or letter of credit rights, to hold certain proceeds as additional security and create a security interest in the collateral. It requires the secured party to apply money or funds from the collateral to reduce the debtor's obligation, unless it is given to the debtor. The act also applies these rights and responsibilities to secured parties in possession or control of CERs or electronic money.

If there is no remaining secured obligation, prior law required the secured party, other than a buyer, to take certain actions within 10 days after receiving a request from the debtor. For electronic chattel paper and electronic documents, this generally involves (1) communicating or giving the authoritative copy of the chattel paper or documents to the debtor or a person the debtor designates and (2) making it feasible for the debtor or designee to make copies or changes to identified assignees. The act, in these cases, instead requires the secured party to transfer control of the electronic copy or document to the debtor or designee. It applies the same requirements to secured parties with control of electronic money or a CER (but not a buyer of a controllable account or controllable payment intangible).

Control

Under the UCC, control is an important way to perfect a security interest for certain types of collateral. The act generally (1) establishes rules for obtaining control over a CER (see also new Article 12, above), chattel paper, and electronic money and (2) adds a method of control for deposit accounts.

CER. Under the act, a secured party has control of a CER if the electronic record, a record attached to or logically associated with it, or a system that records it gives the party (1) the power to receive substantially all of the CER's benefit and (2) exclusive power to prevent others from doing so and transfer control to another person or cause another person to get control of another CER because of the record's transfer (see New Article 12, *Control of a CER*, above). A secured party has control of a controllable account or controllable payment intangible if the secured party controls the CER that evidences it.

Chattel Paper. The act revises the prior rule for control of chattel paper generally to align it with its revised definition of the term. It does this by specifying that the control is (1) by a purchaser rather than a secured party; (2) of an authoritative electronic copy of a record evidencing chattel paper (instead of the chattel paper itself); and (3) shown through a system used for the assignment, rather than transfer, of interests.

Under existing law, a system shows control if, among other things, the record is created, stored, and assigned in a way that a single unique, identifiable, and unalterable authoritative copy of the record identifies the purchaser as the assignee. Under the act, a system also shows that a purchaser controls an authoritative electronic copy of a record evidencing chattel paper if the copy, or a record attached to or logically associated with it, or a system that records it:

1. allows the purchaser to readily identify (a) each electronic copy as either authoritative or nonauthoritative and (b) itself as the assignee (e.g., by name, identifying number, cryptographic key, office, or account number) and
2. gives the purchaser exclusive power to (a) prevent others from adding or changing an identified assignee and (b) transfer control of the copy (if a person has these powers, the act presumes they are exclusive).

This exclusive power exists regardless of whether the (1) power is shared with another person or (2) authoritative electronic copy, related record, or recording system limits the copy's use or has a programmed protocol to cause a change

(e.g., transfer or loss of control). A person's power is not exclusive and not shared with another if the (1) power can only be exercised if it is also exercised by the other person and (2) other person can exercise it on its own or is the transferor to the purchaser of an interest in the chattel paper.

Lastly, a purchaser can control an authoritative electronic copy of a record evidencing chattel paper if another person, but not the transferor to the purchaser of the chattel paper interest, (1) has control of the copy on the purchaser's behalf and acknowledges that fact or (2) gets control of the copy after acknowledging that it will do so on the purchaser's behalf.

Electronic Money. The act specifies two ways in which a person has control of electronic money. First, it deems a person to have control if the money, a record attached to or logically associated with it, or a system in which the money is recorded gives the person (1) power to receive substantially all of the money's benefit and (2) exclusive power to prevent others from doing so and to transfer control of it to another person or have another person get control of other electronic money from transferring it. If a person has these powers, they are presumed to be exclusive. The money, record, or system must enable the person to readily identify itself as having those powers (e.g., by name, identifying number, cryptographic key, office, or account number).

Under the act, power is exclusive even if the (1) money, record, or system limits the money's use or has a programmed protocol to cause a change or (2) power is shared with another person. Power is not shared, and thus the power not exclusive, if the person can only exercise it with another person that can exercise it on its own or is the transferor of the money.

Second, a person has control of electronic money if another person, but not the transferor to the person with the money interest, (1) has control of the money on behalf of the person and acknowledges this fact or (2) gets control of the money after acknowledging that it will get it on the person's behalf.

Deposit Accounts. The act establishes a fourth way for a secured party to have control of a deposit account. Previously, the party had control if (1) it was the bank maintaining the account; (2) the debtor, secured party, and bank agreed that the bank will comply with the secured party's instruction about disposition of funds; or (3) the secured party became the bank's customer for the account. Under the act, a secured party also has control if a person other than the debtor (1) controls the deposit account and acknowledges that is has control on the secured party's behalf or (2) gets control of the account after acknowledging that it will do so for the secured party.

Control for Another. The act specifies that a person with control of a deposit account, chattel paper, or electronic money on behalf of another is not required to acknowledge this fact. And if a person acknowledges that it has or will get control on behalf of another person, the person has no duty to the other person and is not required to confirm the acknowledgement to any other person, except as otherwise agreed or required by other law.

Perfection and Priority

Perfection is the process of publicly establishing a security interest in collateral to gain priority, which is the order of preference given to different interests or rights. Essentially, it puts parties on notice about the security interest. The method of perfection for a security interest depends on the type of collateral involved. Once "perfected," a creditor is in a position to claim or repossess collateral if the debtor defaults.

Perfection. The act allows for a security interest in controllable accounts, CERs, and controllable payment intangibles to be perfected by control, as is the case under existing law for things like investment property, deposit accounts, and electronic documents. A security interest in electronic money is perfected only by control. For these new asset types, perfection occurs when the secured party gets control and the interest stays perfected only while the secured party keeps control.

Under existing law, a security interest in chattel paper may be perfected by filing or through having and keeping control. Instead of control in the chattel paper, the act allows a secured party to perfect this interest by (1) taking possession of each authoritative tangible copy of the record evidencing the chattel paper and (2) getting control of each authoritative electronic copy of the electronic record that evidences it. Perfection occurs when the secured party takes possession and obtains control, and it remains perfected only if the party keeps possession and control. For an authoritative tangible copy held by a person other than the debtor, there must be a signed record from the person acknowledging that it has the copy for the secured party's benefit.

The act allows a security interest in controllable accounts, CERs, and controllable payment intangibles to be perfected by filing (i.e. submitting a financing statement to the filing office), but it does not require it if perfection occurs through control.

The UCC sets rules for when a perfected security interest ends. The act applies these rules to chattel paper, controllable accounts, CERs, and controllable payment intangibles. Specifically, if the interest is perfected under the law of the debtor's location, perfection ends (1) when it would have ended under that law, (2) four months after the debtor's location changes to another jurisdiction, or (3) one year after the collateral is transferred to a person that becomes the debtor and is located in another jurisdiction. For interests perfected under another jurisdiction's law (e.g., that of the collateral, bank, issuer, or

intermediary), the interest ends (1) when it would have ended under that law or (2) four months after changing to another jurisdiction.

Priority. Under the act, a security interest in a controllable account, CER, or controllable payment intangible held by a secured party with control of the account, record, or payment intangible has priority over a conflicting interest held by a secured party without control. The act does not limit the rights of a qualifying purchaser of a controllable account, CER, or controllable payment intangible; the holder takes priority over earlier, even perfected, security interests, to the extent that new Article 12 allows. It similarly does not limit the rights of or impose a liability on a person if Article 12 protects against asserting a claim.

For chattel paper, a purchaser has priority over a security interest in chattel paper if it (1) takes possession of each authoritative tangible copy of the record evidencing it and (2) gets control of each authoritative electronic copy of the same. Prior law required either taking possession or obtaining control of the chattel paper. The act retains the associated requirements for taking possession and getting control in good faith, in the ordinary course of business, for new value, and without knowledge of another party.

The act specifies that an electronic money transferee takes the money free of a security interest if it gets control of the money without colluding with the debtor to violate the secured party's rights.

The act expands on existing law's rules for when a buyer acquires an asset free from a claim by another party ("take-free" rules), meaning that it would have a priority interest over that other party, generally to apply to the act's new covered assets which includes its revised definition of chattel paper. In each case, the buyer must provide value and have no knowledge of the existing security interest before its perfection.

Under the act, a buyer of chattel paper takes-free if it gets (1) each authoritative tangible copy of the record evidencing it and (2) control of each authoritative electronic copy of the record evidencing it, if it can be controlled as required by law. Buyers of electronic documents, CERs, controllable accounts, or controllable payment intangibles take-free if they get control. For chattel paper, controllable accounts, and controllable payment intangibles, the buyer cannot be a secured party for the rule to apply.

Choice of Law. For CERs, the act generally makes the local law of a CER's jurisdiction (see New Article 12, *Choice of Law*, above) also the governing jurisdiction for perfection, the effect of the CER being perfected or unperfected, and priority of a security interest in a CER and in a controllable account or controllable payment intangible that the CER evidences. But it is the law of where a debtor is located that applies when perfection occurs by filing or the sale of a controllable payment intangible automatically perfects it.

The act establishes specific rules for determining the law that applies for perfection and priority of a security interest in chattel paper, including the effect of being perfected or unperfected. First, it sets the local law of the chattel paper's jurisdiction as the governing law when the chattel paper is evidenced (1) only by an authoritative electronic copy of it or (2) an authoritative electronic and tangible copy of it. This applies regardless of whether the transaction relates to the chattel paper's jurisdiction. The following rule hierarchy also applies for determining jurisdiction, but each method must be expressly stated and readily available for review:

1. the authoritative electronic copy of the record evidencing chattel paper (or a record attached to or logically associated with it) may set the jurisdiction that governs perfection and priority or other UCC provisions;
2. if the record has no stated jurisdiction, then the rules of the system in which the authoritative electronic record is recorded set the chattel paper's jurisdiction for perfection and priority or other UCC purposes;
3. if the record or system does not designate the jurisdiction for perfection and priority or UCC purposes, then the chattel paper's jurisdiction is that which is stated in the authoritative electronic copy (or a record attached to or logically associated with it); and
4. if none of the above apply, then it is the jurisdiction set in the rules of the system in which the authoritative electronic record is recorded that governs.

For chattel paper without a designated jurisdiction in the relevant authoritative electronic copy (or other record) or system, the jurisdiction of the debtor's location applies. And like security interests in other assets, the local law of the debtor's jurisdiction governs perfection of chattel security interests by filing. For chattel paper not evidenced by an authoritative electronic copy but with an authoritative tangible copy instead, the jurisdiction that governs is the local law of the tangible copy's location.

The act also specifies that, regardless of whether the transaction has a connection to the jurisdiction involved, the local law of the following governs security interest perfection and priority:

1. bank's jurisdiction for a deposit account and
2. issuer's, securities intermediary's, or commodity intermediary's jurisdiction for certain investment property that is not subject to automatic perfection or a filing.

Third-Party Rights

Existing law generally allows an account debtor to discharge its obligations by paying the assignor until it receives a notice of assignment. In cases where there is no outstanding secured obligation and the secured party is not committed further, the law requires the secured party, as the assignee, to send the account debtor that received this notice a release of further payment obligation within 10 days after receiving a request for one from the debtor. The act applies this 10-day response requirement to CER transfers (see New Article 12, *Obligation Discharge*, above).

The act also specifies that the law's (1) general rule allowing an account debtor to discharge its obligation by paying the assignor until it receives a further assignment notice does not apply to controllable accounts or controllable payment intangibles and (2) restrictions on assigning promissory notes or including certain limiting terms in them apply to negotiable instruments that evidence chattel paper.

Default

Preserving Collateral. The act applies rights and duties for keeping and preserving collateral after a default for secured parties in possession of electronic money, controllable accounts, CERs, or controllable payment intangibles as the law already does for these parties in possession of electronic documents of title, deposit accounts, investment property, records evidencing chattel paper, and letter of credit rights.

Notices of Collateral Disposition. Existing law sets rules a secured party must follow to dispose of collateral securing an obligation, including specifying the contents of the notice that must be sent beforehand to the debtor or obligor involved, either generally or involving a consumer-goods transaction. (The consumer-goods notice can be instead of the general one, but not vice versa.)

The act includes in the consumer-goods notice the ability for the secured party to also use an electronic record to explain to the debtor the amount owed, instead of only in writing. It allows the secured party to use electronic communication as a method for the debtor to communicate with it, instead of only by telephone or in writing, for the debt explanation or information about the sale.

The act further includes specific instructions for secured parties to follow when preparing the general or consumer-goods notices.

Duties and Liability

Existing law sets out when a secured party owes no duty or has no liability to a debtor, obligor, or a secured party or lienholder with a filed financing statement based on its secured party status (e.g., the party does not know the debtor or obligor status and the person's identity). The act makes a secured party owe a duty or liable under certain circumstances for collateral that is a controllable account, CER, or controllable payment intangible. Specifically, the duty is owed or liability imposed when the:

1. person is a debtor or obligor and
2. secured party knows that the collateral, a record attached to or logically associated with it, or the system in which it is recorded, does not provide certain specified information (i.e. the person's debtor or obligor status, the person's identity, and how to communicate with the person).

It applies at the later of the time the (1) secured party gets control of the collateral or (2) security interest attaches to it.

ARTICLE 7: DOCUMENTS OF TITLE (§§ 29 & 30)

Broadens and clarifies what qualifies as "control" for electronic documents of title to, among other things, account for distributed ledger technology, which uses multiple authoritative copies of an electronic record

Control of Electronic Documents of Title

Under existing law, a person controls an electronic document of title (e.g., a bill of lading, warehouse receipt, or order to deliver goods) if a system used to evidence the transfer of interests in the document reliably establishes that person as that which was issued or transferred it. The act adds a second way for a system to meet this requirement and specifies how there is control by another person, other than the transferor, that has control on the person's behalf.

System Establishes Control. By law, a system shows a person has control of an electronic document of title if, among other things, the document is created, stored, and transferred in a way that a single unique, identifiable, and unalterable authoritative copy identifies the person in control.

Under the act, a system can also show that a person controls an electronic document of title if an authoritative electronic copy of the document, a record attached to or logically associated with it, or a system that records it:

1. allows the person to readily identify (a) each electronic copy as either authoritative or nonauthoritative and (b) itself as the person which was issued or transferred each authoritative copy (e.g., by name, identifying number, cryptographic key, office, or account number) and
2. gives the person exclusive power to (a) prevent others from adding or changing the person to which was issued or transferred each authoritative copy and (b) transfer control of each authoritative copy (if a person has these powers, the act presumes they are exclusive).

This exclusive power is deemed to exist regardless of whether the (1) authoritative electronic copy, related record, or recording system limits the document of title's use or has a programmed protocol to cause a change (e.g., transfer or loss of control) or (2) power is shared with another person. But this exclusivity for situations in which power is shared with another does not apply if the (1) power can only be exercised if it is also exercised by the other person and (2) other person can exercise it on its own or is the transferor to the person of an interest in the document of title (but see *Control for Another*, below).

Control for Another. The act also deems a person to have control of an electronic document of title when another person, other than the transferor to the person with an interest in the document, (1) controls it and acknowledges the control on behalf of the person or (2) gets control of it after acknowledging that it will do so on the person's behalf.

The act specifically does not require a person with control to acknowledge its control on behalf of another person. And if a person acknowledges that it has or will get that control, the person has no duty to the other person and does not need to confirm the acknowledgement to any other person, unless it agrees to do so or a law other than the act's updated Articles 7 or 9 requires it.

ARTICLE 8: INVESTMENT SECURITIES (§§ 31-35)

Subjects controllable accounts, controllable electronic records, and controllable payment intangibles to Article 8 under specified circumstances; clarifies provisions in existing law on control and determining the applicable law

Financial Assets

The act allows a controllable account, CER or controllable payment intangible to be a financial asset and subject to certain provisions of Article 8 on investment securities to the extent that the securities intermediary that holds it agrees with the person entitled under the account, record, or payment intangible that it will be treated as a "financial asset" governed by Article 8.

Control

Existing law sets out the three ways in which a purchaser can have control of a security entitlement (i.e. the rights and property interest of a financial asset), one of which is when another person has control and acknowledges that it has control on the purchaser's behalf (or acknowledges that it will obtain control and then does so). The act specifies that the other person excludes the transferor to the purchaser.

Under the act, if a person acknowledges that it has or will get control, the person has no duty to the purchaser and does not need to confirm the acknowledgement to any other person, unless it agrees to do so or a law other than the act's updated Articles 8 or 9 require it. It also does not require a person with control on behalf of another to acknowledge that fact.

Choice of Law

State law sets the extent to which local law of an issuer's or securities intermediary's jurisdiction applies. For example, it sets the governance for things like security validity, security entitlement acquisition, and certain issuer or security intermediary rights and duties. The act specifies that the local law of an issuer's or securities intermediary's jurisdiction applies to these matters or transactions even if they do not relate to the jurisdiction.

ARTICLES 2 & 2A: SALE OR LEASE HYBRID TRANSACTIONS (§§ 5-13)

Clarifies the scope of Articles 2 and 2A when transactions combine the sale or lease of goods with things like services (i.e. "bundled" or "hybrid" transactions)

The act applies UCC Articles 2 and 2A, which govern the sale or lease of goods, to single transactions involving (1) a sale or lease of goods and (2) the provision of services; a lease or sale (as applicable) of other goods; or a sale, lease, or license of other property ("hybrid sales" or "hybrid leases").

Specifically, for hybrid sales transactions, the act applies Article 2 if the components of the transaction that involve the sale of goods predominates, but it allows application of other law to the parts that do not relate to the sale of goods in appropriate circumstances. If the transaction's sale of goods components do not predominate, then only Article 2's provisions that relate primarily to the sale of goods parts apply.

The act applies the same rules for hybrid lease transactions, with two exceptions involving finance leases. All finance lease transactions are subject to Article 2A's provision on electronic records in electronic contracts and its provision on lien priority involving attachment or levy applies to a lessee's promises that are consideration for the right to possess and use the leased goods.

ARTICLE 3: NEGOTIABLE INSTRUMENTS (§§ 14-17)

Specifies that a negotiable instrument may (1) include a law or forum selection clause and (2) be transmitted to a bank for deposit as an electronic check; specifies that destroying a check after remotely depositing it does not discharge the obligation

Under the UCC, when a negotiable instrument (e.g., a check) is issued it is binding on the maker or drawer. The act expands what constitutes an "issue" (the first delivery of an instrument by the maker or drawer) by including, if agreed by the payee, a first transmission to the payee of an image of an item and information about that item that enables the depositary bank to collect the item by transferring or presenting under federal law an electronic check. This includes the practice of sending an image of a check to the payee.

The law generally prohibits a negotiable instrument from stating another required undertaking or instruction by the person promising payment. Exceptions to this include things like having power to protect collateral securing payment or realize on or dispose of collateral. The act also allows the instruments to include, without affecting their negotiability, a (1) term specifying the law that applies to the instrument or (2) promise to resolve a dispute about it in a specific forum.

The UCC provides several ways for a person entitled to enforce an instrument to relieve the person required to pay it from that obligation, including by intentionally and voluntarily destroying the instrument. The act specifies that the obligation of someone to pay is not relieved when a check is destroyed in the process of its information being extracted and an image of it being made, if the information and image are transmitted for payment (e.g., through remote deposit).

ARTICLE 4A: FUNDS TRANSFERS (§§ 18-26)

Specifies what is considered a security procedure when verifying a payment order (e.g., to detect error in the content of messages or to detect payment orders that are mistakenly transmitted)

The act specifies what may be used as a "security procedure" to verify information or detect errors about a payment order as part of a funds transfer.

By law, the agreement between the customer and a receiving bank may require using algorithms or other codes, identifying words or numbers, encryption, callback procedures, or similar security devices. The act adds symbols, sounds, and biometrics as possible security measures. It specifies that requiring a payment order to be sent from a known email or IP address or telephone number is not a security procedure alone, as is the case under existing law for comparing a signature with a customer's authorized specimen signature.

ARTICLE 1: GENERALLY APPLICABLE TERMINOLOGY (§ 1)

Changes several definitions that apply throughout the UCC to, among other things, incorporate new or emerging technologies and resolve ambiguities

The act changes several definitions that apply throughout the UCC. These definitions and rules, as those in existing

law, do not apply if contrary or more specific ones are found in other parts of the UCC.

Conspicuous

The act broadens what constitutes "conspicuous" written, displayed, or presented terms by basing it on the totality of the circumstances, rather than specifying specific text formats that meet the standard.

Money

Previously under the UCC, money was a medium of exchange that a domestic or foreign government had adopted or authorized. The act excludes from this electronic records that are mediums of exchange (e.g., cryptocurrency) recorded or transferable in a system that existed and operated for the medium before a government authorized or adopted it.

The act defines "electronic" as relating to technology having electrical, digital, magnetic, optical, electromagnetic, or similar capabilities.

Person

The act expands what is considered a "person" under the UCC to include a "protected series" of an entity (e.g., of a limited liability company) if it is created under law other than the UCC that limits, or limits under certain conditions, a creditor of the entity or of another protected series of the entity from satisfying a claim from the protected series' assets. Thus, it treats a protected series as being among other things, a seller or buyer, lessor or lessee, or a debtor.

Sign

The act expands the definition of "sign" and related terms to apply to both signatures in writing, as under prior law, but also to electronic signatures. Under the act, something that is "signed" must have present intent to authenticate or adopt a record either by executing or adopting a tangible symbol or by attaching to or logically associating with the record an electronic symbol, sound, or process. Throughout the UCC, the act replaces references to "authenticated" with "signed" to incorporate the expanded definition which encompasses the later term.

TRANSITIONAL RULES (§§ 93-101)

Establishes rules for transactions entered into before the act's effective date; includes a rule that generally makes its provisions prospective in application and preserves the validity of existing transactions and the rights, duties, and interests flowing from them; generally applies Articles 9 and 12 to existing transactions

Transactions

The act deems transactions validly entered into before January 1, 2026, and their associated rights, duties, and interests, still valid after that date. They can be terminated, completed, consummated, or enforced as required or allowed by law as would occur if the act did not pass.

However, beginning on that January date, Articles 9 and 12, as changed by the act, apply to transactions, liens, or other property interests, regardless of when they were entered into, created, or acquired. The act specifically keeps valid transactions, liens, and property interests entered into, created, or transferred before January 1, 2026, that were not subject to the UCC at the time but are subject to the act's Article 9 or 12 provisions. Under the act, these existing transactions, liens, or interests can be terminated, completed, consummated, or enforced or required as allowed by the act or the law that would apply if it did not pass.

Security Interests

Under the act, an enforceable security interest perfected immediately before January 1, 2026, remains a perfected interest if, on that date, the act's enforceability and perfection requirements are met without needing to take additional action. If this is not the case, then the security interest:

1. is perfected only until the earlier of January 1, 2027, or when the interest would have ended under the law in effect when it was created;
2. remains perfected only if the act's perfection requirements are met before those same dates; and

3. remains enforceable only if it meets Article 9's enforceability requirements before 2027.

An unperfected security interest that is enforceable immediately before January 1, 2026, stays enforceable until January 1, 2027, and remains enforceable after that date if it meets Article 9's enforceability requirements before 2027. It becomes perfected on January 1, 2026, if the act's perfection requirements are met by that date, or otherwise when perfection requirements are met.

Under the act, filing a financing statement before January 1, 2026, perfects a security interest on that date if the filing also meets the act's perfection requirements. Similarly, taking an action before that 2026 date makes a security interest enforceable on that date if the action meets the act's enforceability requirements.

The act deems an action (other than filing a financing statement) that occurs before January 1, 2026, and would have perfected the security interest had the interest become enforceable before that date, effective to perfect a security interest that attaches under the act before January 1, 2027. An attached security interest is then unperfected on that 2027 date unless it becomes perfected before.

Conflicting Claims

The act sets rules for determining the priority of conflicting claims to collateral and Article 12 property during the transitional period.

For collateral, if the priority of claims is set before January 1, 2026, then the provisions of Article 9, as they existed at that time, apply. On January 1, 2027, if priorities set by the act's revised Article 9 change those that existed before January 1, 2026, then priorities to claims of Article 12 property and electronic money established before that 2026 date end.

For Article 12 property, when revised Article 9's priority rules do not apply, the act sets the following rules:

1. for claims priorities set before January 1, 2026, law other than Article 12 determines priority and
2. if the act's priority rules change priorities set before January 1, 2026, the claims priorities set before that date no longer apply on January 1, 2027.

BACKGROUND

Related Act

PA 25-111, §§ 44 & 45, changes which sellers and lessors create express warranties under the UCC, adds an express warranty from a seller's or lessor's promise to repair or replace, and allows for express warranty breach claims to be brought regardless of whether the goods were bought or leased directly or under a contract with the seller or lessor.

PA 25-153—SB 1283
Judiciary Committee

AN ACT CONCERNING THE ADOPTION OF THE CONNECTICUT UNIFORM COLLABORATIVE LAW ACT

SUMMARY: This act adopts the Uniform Collaborative Law Act, which creates a framework for parties to use a collaborative law process to achieve a non-adversarial resolution of certain legal matters arising under Connecticut's family or domestic relations law.

Under the act, a "collaborative law process" is a procedure intended to resolve a collaborative matter (e.g., divorce and parentage) without tribunal intervention in which a person (individual or entity) (1) signs a participation agreement and (2) is represented by a collaborative lawyer (i.e. one who represents a party in a collaborative law process). The act applies to agreements signed on or after October 1, 2025.

A tribunal may not order a party to participate in a collaborative law process over that party's objection. Under the act, a "tribunal" is a court, arbitrator, administrative agency, or other body acting in an adjudicative capacity that, after being presented evidence or legal argument, has jurisdiction to render a decision affecting a party's interests in a matter.

The act specifies when and how the collaborative law process begins and terminates. It also addresses other related issues, such as the stay of a proceeding, emergency orders, disqualification of a collaborative lawyer, disclosure and discovery, mandatory assessments and reporting, privileged communication, confidentiality, and enforcement.

Lastly, it specifies that its provisions (1) should be applied and construed to promote uniformity of law among states that enact it and (2) do not affect certain federal laws related to disclosures and court notices.

EFFECTIVE DATE: October 1, 2025

§§ 2-4 — COLLABORATIVE LAW PARTICIPATION AGREEMENT REQUIREMENTS AND RELATED DEFINITIONS

The act establishes minimum requirements for collaborative law participation agreements and applies to any agreement signed on or after October 1, 2025. These agreements must:

1. describe the nature and scope of the matter, identify each party's collaborative lawyer, and be in a record the parties signed;
2. state the parties' intention to resolve a collaborative matter through the act's collaborative law process; and
3. contain a statement by each collaborative lawyer confirming his or her representation of a party in the collaborative law process.

Parties may agree to include additional provisions in an agreement if they are consistent with the act's provisions.

Under the act, a "collaborative matter" is a dispute, transaction, claim, problem, or issue for resolution, including a dispute, claim, or issue in a proceeding (i.e. judicial, administrative, arbitral, or other adjudicative process before a tribunal), that arises under Connecticut's family or domestic relations law, including:

1. marriage, divorce, dissolution, annulment, or property distribution;
2. child custody, visitation, or parenting time;
3. alimony, maintenance, or child support;
4. adoption or parentage; and
5. premarital, marital, and post-marital agreements.

§ 5 — THE COLLABORATIVE LAW PROCESS

Start and End of the Process

Under the act, the collaborative law process begins when the parties sign the participation agreement and concludes by a:

1. resolution of a collaborative matter as evidenced by a signed record;
2. resolution of a part of the collaborative matter, evidenced by a signed record in which the parties agree that the remaining parts of the matter will not be resolved in the process; or
3. termination of the process as described below.

Process Termination

A party may terminate a collaborative law process with or without cause. The process terminates when a party:

1. notifies the other parties in a record stating that the process is ended;
2. begins a proceeding related to a collaborative matter (see below) without the agreement of all parties;
3. in a pending proceeding related to the matter, (a) initiates a pleading, motion, order to show cause, or request for a conference with the tribunal or (b) takes similar action requiring notice to be sent to the parties; or
4. discharges a collaborative lawyer or a collaborative lawyer withdraws from further representation of a party, except as stated below.

Under the act, "related to a collaborative matter" means involving the same parties, dispute, transaction, claim, problem, or issue for resolution as the collaborative matter.

Lawyer's Discharge or Withdrawal

A party's collaborative lawyer must give prompt notice of a discharge or withdrawal to all other parties in the form of a record. Regardless of the collaborative lawyer's discharge or withdrawal, a collaborative law process continues if, within 30 days after the notice, the unrepresented party engages a successor collaborative lawyer and in a signed record the:

1. parties consent to continue the collaborative law process by reaffirming the collaborative law participation agreement,
2. agreement is amended to identify the successor collaborative lawyer, and
3. successor collaborative lawyer confirms his or her representation of a party in the collaborative law process.

The process does not end if, with the parties' consent, a party asks a tribunal to approve a resolution of the collaborative matter or any part of it as evidenced by a signed record. The participation agreement may also provide other methods of concluding the collaborative law process.

§ 6 — STAY OF A PROCEEDING

The act allows the parties to a pending tribunal proceeding to sign a collaborative law participation agreement to seek to resolve the matter through the collaborative process instead. If the agreement is signed, the parties must promptly notify the tribunal, on a form prescribed by the chief court administrator's office. Generally, the filing of an agreement notice operates as an application for a stay of the proceeding that is before the tribunal.

The parties must promptly file notice in a record with the tribunal when a collaborative law process concludes, but the notice may not specify any reason for termination. The stay of the proceeding is lifted when the notice is filed.

Status Report to Tribunal

A tribunal in which a proceeding is stayed may require the parties and collaborative lawyers to provide a status report on the collaborative law process and the proceeding. A status report may only include information on whether the process is ongoing or concluded and may not include a report, assessment, evaluation, recommendation, finding, or other communication on a collaborative law process or collaborative law matter. The tribunal cannot consider any communication that violates these provisions.

Notice and Hearing

In a proceeding in which a notice of collaborative law process is filed, a tribunal must give parties notice and an opportunity to be heard before dismissing the proceeding based on delay or failure to prosecute.

§§ 7 & 8 — TRIBUNAL'S EMERGENCY ORDERS AND APPROVAL

Under the act, during a collaborative law process, a tribunal may (1) approve an agreement resulting from the process and (2) issue emergency orders to protect a party's or household member's health, safety, welfare, or interest.

By law, a "household member" is any of the following persons regardless of their age:

1. spouses or former spouses;
2. parents or their children;
3. persons related by blood or marriage;
4. persons, other than those related by blood or marriage, presently living together or who have lived together;
5. persons who have a child in common regardless of whether they are or have been married or have lived together at any time; and
6. persons in, or who have recently been in, a dating relationship (CGS § 46b-38a).

§§ 9-11 — DISQUALIFIED COLLABORATIVE LAWYER OR LAW FIRM

Disqualified From Providing Representation (§ 9)

Under the act, if the collaborative law process terminates without the matter being settled, a collaborative lawyer, and a lawyer in a law firm with which the collaborative lawyer is associated, are generally disqualified from appearing before a tribunal to represent a party in a proceeding related to the collaborative matter.

Exception for Collaborative Agreements or Emergency Orders (§ 9)

A collaborative lawyer or a lawyer in an associated law firm may represent a party to (1) ask a tribunal to approve an agreement resulting from the collaborative law process or (2) seek or defend an emergency order to protect the health, safety, welfare, or interest of a party or household member, if a successor lawyer is not immediately available to represent the party or household member (see above).

If a successor lawyer is not available, a collaborative lawyer or lawyer in an associated law firm may represent the party or household member, but only until the person is represented by a successor lawyer or reasonable measures are taken to protect the person's health, safety, welfare, or interest.

Exception for Low-Income Parties (§ 10)

Under the act, the disqualification of a collaborative lawyer applies regardless of whether the lawyer is representing a

party for free or a fee. After the collaborative law process ends, another lawyer in an associated law firm may represent a party without fee in the collaborative matter or a matter related to the collaborative matter if the:

1. party has an annual income that qualifies the party for free legal representation under the criteria established by the law firm;
2. collaborative law participation agreement provides for it; and
3. collaborative lawyer is isolated from any participation in the collaborative matter, or a matter related to the collaborative matter, through the law firm's procedures that are reasonably calculated to isolate the collaborative lawyer from participating.

Exception for Governmental Entities (§ 11)

The disqualification of a collaborative lawyer (see § 9) also applies to a collaborative lawyer representing the government or a governmental subdivision, agency, or instrumentality as a party.

After a collaborative law process ends, another lawyer in an associated law firm may represent these governmental entities in the collaborative matter or a related matter if the (1) collaborative law participation agreement provides for it and (2) collaborative lawyer is isolated from any participation in the collaborative matter, or a matter related to the collaborative matter, through law firm procedures that are reasonably calculated to isolate the collaborative lawyer from participation.

§ 12 — DISCLOSURE WITHOUT DISCOVERY

Under the act, the following provisions apply to legal discovery under the collaborative process:

1. the parties may define the scope of disclosure;
2. upon another party's request, a party must make timely, full, candid, and informal disclosure of information related to the collaborative matter without formal discovery, unless any other law provides otherwise; and
3. a party must promptly update any previously disclosed information that has materially changed.

§ 13 — MANDATED REPORTERS

The act specifies that it does not affect a (1) lawyer's or other licensed professional's professional responsibilities, obligations, and standards, as applicable, or (2) mandated reporter's obligation to report child or adult abuse, neglect, abandonment, or exploitation under state law.

§§ 14 & 15 — LAWYER'S RESPONSIBILITIES BEFORE CLIENT SIGNS PARTICIPATION AGREEMENT

Mandatory Disclosures and Advice (§ 14)

Assessment and Disclosures. Under the act, before the day a prospective party signs a collaborative law participation agreement, a prospective collaborative lawyer must do the following:

1. assess factors the lawyer reasonably believes relate to whether a collaborative law process is appropriate for the matter;
2. give the prospective party information the lawyer reasonably believes is sufficient for the party to make an informed decision about the material benefits and risks of a collaborative law process as compared to those of other reasonably available alternatives, such as litigation, mediation, arbitration, or expert evaluation; and
3. give the prospective party the type of advice described below.

Lawyer's Advice to Prospective Party. Before the prospective party signs the agreement, the collaborative lawyer must tell the prospective party that:

1. after signing a collaborative law participation agreement, if a party initiates a proceeding or seeks tribunal intervention in a pending proceeding related to the collaborative matter, the collaborative law process terminates;
2. participation in a collaborative law process is voluntary and any party has the right to terminate unilaterally with or without cause; and
3. the collaborative lawyer, and any lawyer in an associated law firm, may not appear before a tribunal to represent a party in a proceeding related to the collaborative matter, other than the exceptions described above (see §§ 9-11).

History of Coercive or Violent Relationship (§ 15)

Pre-Agreement Assessment. Before the day a prospective party signs a collaborative law participation agreement, the act requires a prospective collaborative lawyer to make a reasonable inquiry as to whether the prospective party has a history of a coercive or violent relationship with another prospective party.

Assessment During the Process. Throughout a collaborative law process, the act requires a collaborative lawyer to reasonably and continuously assess whether the party who the collaborative lawyer represents has a history of a coercive or violent relationship with another party.

Conditions Under Which the Process Can Proceed. If a collaborative lawyer reasonably believes that the party the lawyer represents, or the prospective party who consults the lawyer, has a history of a coercive or violent relationship with another party or prospective party, the act prohibits the lawyer from beginning or continuing the collaborative law process unless the (1) party or the prospective party requests it and (2) collaborative lawyer reasonably believes that the party's or prospective party's safety can be adequately protected during the collaborative process.

§§ 16-19 — CONFIDENTIAL AND PRIVILEGED COMMUNICATION

Confidentiality (§ 16)

Under the act, a collaborative law communication is confidential to the extent agreed by the parties in a signed record or as provided by any other Connecticut law.

A "collaborative law communication" is a statement, whether oral or in a record, or verbal or nonverbal, that (1) is made to conduct, participate in, continue, or reconvene a collaborative law process and (2) occurs after the parties sign a collaborative law participation agreement and before the collaborative law process is concluded.

Privilege Prohibiting Disclosure (§ 17)

Under the act, and subject to the waiver and Freedom of Information Act (FOIA) exemptions described below, a collaborative law communication is privileged and is not subject to discovery nor admissible in evidence.

Applicability of the Privilege. In a proceeding, (1) a party may refuse to disclose a collaborative law communication and may prevent others from doing so and (2) a nonparty participant may refuse to disclose their collaborative law communications and may prevent any other person from doing so.

Evidence. Evidence or information that is otherwise admissible or subject to discovery does not become inadmissible or protected from discovery solely because of its disclosure or use in a collaborative law process.

Waiver of Privilege (§ 18)

The act allows the privileges described above to be waived by all parties in a record or orally during a proceeding if they are expressly waived by all parties and the nonparty participant (if applicable).

A person may not assert the privileges described above if the person disclosed or made a representation of a collaborative law communication that prejudices another person in a proceeding. However, the act applies this preclusion only to the extent needed for the person prejudiced to respond to the disclosure or representation.

FOIA and Public Policy (§ 19)

No Privilege. Under the act, there is no privilege for a collaborative law communication that is:

1. available to the public under FOIA, or made during a session of a collaborative law process that is open, or is required by law to be open, to the public;
2. a threat or statement of a plan to inflict bodily injury or commit a violent crime;
3. intentionally used to plan, commit, or attempt to commit a crime or conceal an ongoing crime or ongoing criminal activity; or
4. in an agreement resulting from the collaborative law process, evidenced by a record signed by all parties to the agreement.

Exceptions to Privilege. The privileges above do not apply to the extent that a communication is sought or offered to prove or disprove (1) a claim or complaint of professional misconduct or malpractice arising from or related to a collaborative law process or (2) a person's abuse, neglect, abandonment, or exploitation, unless the Department of Children and Families or Social Services is a party to, or otherwise participates, in the process.

Exception for Evidence in Criminal or Contract-Related Proceedings. There is no privilege if a tribunal finds, after a hearing in camera, that the party seeking discovery or the proponent of the evidence has shown the evidence is not otherwise available, the need for the evidence substantially outweighs the interest in protecting confidentiality, and the collaborative law communication is sought or offered in a (1) court proceeding involving a felony or misdemeanor or (2) proceeding seeking rescission or reformation of a contract arising out of the collaborative law process or in which a defense to avoid liability on the contract is asserted.

Partial Exception. Under the act, if a collaborative law communication is subject to one of these exceptions, only the part of the communication necessary for the application of the exception may be disclosed or admitted.

Disclosure or Admission of Excepted Evidence. Under the act, disclosure or admission of evidence excepted from the privilege as described above does not make the evidence or any other collaborative law communication discoverable or admissible for any other purpose.

Agreement That Communication is Not Privileged. The privileges described above do not apply if the parties agree in advance in a signed record, or if a record of a proceeding reflects agreement by the parties, that all or part of a collaborative law process is not privileged. This does not apply to a collaborative law communication made by a person that received actual notice of the agreement after the communication had been made.

§ 20 — ENFORCEMENT OF AGREEMENT WITH FINDING OF INTENT TO PARTICIPATE

Tribunal's Finding

Under the act, if an agreement fails to meet the act's requirements or a lawyer fails to comply with determining the appropriateness of the collaborative process, providing specified advice and disclosure to parties or prospective parties, and conducting a reasonable assessment of coercive or violent relationship, a tribunal may still find that the parties intended to enter into a collaborative law participation agreement if they (1) signed a record indicating an intention to enter into such an agreement and (2) reasonably believed they were participating in a collaborative law process.

Tribunal's Actions

If a tribunal makes the findings specified above, and the interests of justice require, the act allows the tribunal to (1) enforce an agreement evidenced by a record resulting from the process in which the parties participated; (2) apply the act's disqualification provisions (see §§ 5, 6 & 9-11); and (3) apply the privileges allowed under the act (see § 17).

§§ 21 & 22 — UNIFORMITY OF STATE LAW AND IMPACT OF FEDERAL LAWS

The act specifies that:

1. in applying and construing its provisions, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it (§ 21) and
2. its provisions generally do not modify, limit, or supersede provisions related to consumer disclosures and court notices under the federal Electronic Signatures in Global and National Commerce Act (15 U.S.C. § 7001 et seq.) (§ 22).

PA 25-154—sSB 1380
Judiciary Committee

AN ACT PROHIBITING DISCRIMINATION BY HEALTH CARE PROVIDERS IN THE PROVISION OF HEALTH CARE SERVICES IN THE STATE

SUMMARY: This act specifically prohibits health care providers from knowingly discriminating in providing health care services due to someone's race, color, religion, sex, gender identity or expression, sexual orientation, marital status, age, national origin, ancestry, intellectual disability, mental disability, learning disability, physical disability (including blindness), veteran status, or status as a domestic violence victim.

But the act specifies that it does not (1) require the delivery of futile health care and services that conflict with a provider's professional judgment or ethical considerations, (2) affect the professional standard of care, or (3) interfere with public health planning.

The act classifies discrimination by health care providers as a discriminatory practice under the Commission on Human

Rights and Opportunities (CHRO) laws. By doing so, the act allows people aggrieved by these violations, or CHRO itself, to file a complaint with CHRO alleging discrimination.

Under the act, a "health care provider" is any person, corporation, facility, or institution licensed by the state to provide health care services, or their officers, employees, or agents acting in the course and scope of their employment.

Under existing law, it is generally a discriminatory practice to deny someone, based on similar protected classes as listed above, equal accommodations in any place of public accommodation (that is, one that caters to or offers its services, facilities, or goods to the general public), subject to lawful conditions and limitations that apply the same to everyone (CGS § 46a-64).

EFFECTIVE DATE: October 1, 2025

BACKGROUND

Related Federal Laws

Federal law prohibits discrimination in federally funded health programs or activities based on race, color, national origin, age, disability, or sex (42 U.S.C. § 18116).

Among other related laws, the Americans with Disabilities Act prohibits discrimination based on disability in public accommodations, specifically including private hospitals or health care provider offices (42 U.S.C. §§ 12181(7)(F) & 12182).

Related Act

PA 25-168, § 171, prohibits emergency departments or their providers from discriminating against a patient based on several factors (similar to those under this act) when providing emergency care. But it is not discrimination for the providers to consider any of these factors if they believe it is medically significant to providing appropriate care.

PA 25-161—sSB 1541
Judiciary Committee
Appropriations Committee

AN ACT CONCERNING THE OFFICE OF THE CORRECTION OMBUDS, DISCLOSURE OF DISCIPLINARY MATTERS OR ALLEGED MISCONDUCT BY A DEPARTMENT OF CORRECTION EMPLOYEE, USE OF FORCE AND BODY CAMERAS IN CORRECTIONAL FACILITIES AND CRIMINAL HISTORY RECORDS

SUMMARY: This act makes several changes to the laws governing the Office of the Correction Ombuds. By law, the correction ombuds is an independent resource for incarcerated individuals who generally investigates complaints, monitors conditions in correctional facilities, and makes recommendations to the Department of Correction (DOC). Among other things, the act:

1. increases, from two to four years, the duration of the correction ombuds' term and aligns it with the governor's term, beginning January 6, 2027 (§ 1);
2. grants the office certain protections against changes to its budget request and reductions in its allotments;
3. expands the ombuds' duties by (a) requiring him, after an investigation, to issue public decisions on the complaint's merits and (b) authorizing him to administer oaths and, if an attorney, issue subpoenas to compel testimony and document production in investigations;
4. allows the ombuds to conduct surveys of incarcerated individuals or DOC employees about confinement or working conditions; and
5. requires the ombuds, in consultation with the attorney general, to publish on both offices' websites a list of the case captions and party names for each case filed on or after January 1, 2026, against DOC and defended by the attorney general about excessive use of force or medical neglect (§ 6).

Regarding correction officer use of force, the act (1) requires reporting to a higher authority when an officer witnesses or is aware of another officer using objectively unreasonable, excessive, or illegal force; (2) establishes certain rights for officers to review incident recordings; and (3) requires DOC to develop a plan to implement the use of body-worn recording equipment in correctional facilities.

The act changes the process by which the Department of Emergency Services and Public Protection (DESPP) processes certain requests for erasure of criminal records and requires, for FY 26, a waiver of the criminal history record information search or fingerprint search fees for certain individuals with erased information appearing in prior searches.

Lastly, the act requires the disclosure of certain DOC employee disciplinary documents if the state's freedom of information laws (FOIA) require it, even if an employee collective bargaining agreement or arbitration award approved on or after June 30, 2025, would prohibit disclosure. It also prohibits DOC employee collective bargaining agreements or arbitration awards entered into on or after June 30, 2025, from having provisions that prevent the disclosure of certain disciplinary records.

EFFECTIVE DATE: Upon passage, except the (1) criminal history record provisions are effective July 1, 2025; (2) correction officer use of force, recording review, and body-worn camera provisions are effective October 1, 2025; and (3) case list publishing requirement is effective January 1, 2026.

§§ 2 & 3 — CORRECTION OMBUDS

Office Budget (§ 2)

As part of the state budget process, the governor, through the Office of Policy and Management (OPM), gives recommended budget appropriations to the General Assembly, including for the ombuds' office's operation.

The act requires the OPM secretary to include the correction ombuds' estimates of the office's expenditure requirements and recommended adjustments and revisions in the proposed budget documents that OPM submits to the legislature, without altering them. It also prohibits the governor from reducing the office's allotment requisitions or allotments in force. Existing law grants these same protections to the (1) Office of State Ethics (CGS § 1-81a), (2) Freedom of Information Commission (CGS § 1-205a), and (3) State Elections Enforcement Commission (CGS § 9-7c).

Duties (§§ 2 & 3)

Communications. Existing law requires the ombuds to be able to receive communications from incarcerated individuals about DOC decisions, actions, omissions, policies, procedures, rules, or regulations. The act requires that he be able to receive them by telephone and email, which must be at no cost to the incarcerated individual.

Oral and written communications and records about the communications between an incarcerated individual and the ombuds' office are generally confidential and exempt from FOIA under existing law. The act expands this confidentiality to also apply to survey responses and communications and records between the office and a DOC employee. However, it requires the ombuds to immediately disclose to the DOC commissioner information about a physical threat against an incarcerated individual's self, a member of the public, another incarcerated person, or a DOC employee. The law already allows him to disclose (1) information with the incarcerated individual's consent and (2) general findings or policy recommendations without individually identifiable information. Under the act, identical or blank surveys or questionnaires are not confidential.

Similarly, under existing law, if the ombuds or his staff learn of a criminal act or threat that the ombuds reasonably believes is likely to result in death or substantial bodily harm, he must notify the DOC commissioner or an administrator at the facility housing the alleged perpetrator about the nature and target of the act or threat. The act requires this notification to be immediate.

Lastly, the act eliminates a requirement for the ombuds to give DOC enough information to respond to his inquiries or to carry out recommendations and prohibiting DOC from further disclosing this information.

Hearings. The act allows the ombuds to conduct hearings under the Uniform Administrative Procedure Act and ask any person to appear before him or at the hearing to testify or produce evidence that he thinks is relevant to an investigation. When scheduling the hearing, the ombuds must arrange for an incarcerated individual or DOC employee to appear at a time that does not interfere with the correctional facility's operation. The act requires the incarcerated individual's hearing appearance to occur at the facility where the individual is incarcerated.

Investigations. By law, the ombuds has the authority to investigate complaints from incarcerated individuals. The act specifies that he is not required to do so if he determines it is not warranted and, if that is the case, requires him to inform the person who made the complaint about his decision in writing.

At the end of an investigation, the act also requires the ombuds to (1) communicate his decision to the complainant and DOC and (2) issue a public decision on the merits of each complaint. And at least 96 hours before issuing a decision that criticizes DOC or one of its employees, the ombuds must consult with DOC, or the employee or the employee's bargaining unit representative, as applicable.

Under the act, the decision must include findings for any DOC administrative directive or constitutional right that DOC

or one of its employees violated. It must also have recommendations and reasoning if the ombuds believes that DOC or the employee should:

1. further investigate the complaint;
2. change or stop a DOC or employee action;
3. change a DOC rule, practice, or ruling;
4. give a detailed explanation of the action in question; or
5. fix a DOC or employee omission.

The act subjects a decision's supporting documents to relevant confidentiality provisions (see above), but it allows them to be disclosed at the request of and to the (1) complainant or an authorized representative of the complainant's family who is identified to the ombuds or (2) Judiciary Committee's chairpersons and ranking members.

The act requires DOC, if the ombuds asks and within a timeframe agreed upon by DOC and the ombuds, to inform the ombuds about (1) any action taken on a decision's recommendations or (2) the reason for not complying with them. And the ombuds must then inform the complainant about any responding DOC action.

Oaths. The act authorizes the correction ombuds to administer oaths, including to witnesses in investigations. Existing law allows various people to administer oaths, such as the House and Senate clerks, judges, certain municipal officials, and state officers.

Subpoenas. The act allows the correction ombuds, if an attorney licensed to practice in Connecticut, to issue subpoenas to compel (1) witness attendance for providing testimony or (2) production of documents such as books or papers.

Under the act, a person must have at least 15 days after receiving a subpoena to comply with it. The person may object to the subpoena by serving the ombuds with a written objection and filing it in Hartford Superior Court, but must do so by the compliance date.

If the person does not object or appear, appears but refuses to testify, or does not produce the required evidence, the act allows the ombuds to apply to Hartford Superior Court for an order requiring compliance.

Ombuds Services (§ 2)

Receiving Complaints. The act requires the ombuds to provide a confidential way for incarcerated individuals to report concerns or submit complaints. It specifies that this may include (1) electronic access or a locked box that only the ombuds and his office's employees can access and (2) a hotline for incarcerated individuals to call the office. The act requires that all measures be taken to ensure there is no risk or credible fear of retaliation against those who submit complaints.

Under the act, these complaints are not part of (1) DOC's administrative grievance or appeal process or (2) the administrative exhaustion process.

The act prohibits the ombuds from requiring incarcerated individuals to file grievances or other requests through DOC's system for them to be reviewed by the ombuds. Additionally, it prohibits the ombuds' decisions from being considered an agency action.

Site Visits. Existing law allows the ombuds to make site visits at DOC correctional facilities. The act specifies that they may be announced or without notice. It also requires them to be generally without restrictions, including when the facility is locked down or has a facility-wide emergency. DOC may, however, limit access to part of a facility during an emergency. Under the act, an emergency is (1) a situation that puts the facility's safety or security or DOC staff or incarcerated individual's health, safety, or security at significant risk or (2) an event that significantly compromises the facility's operations. The DOC commissioner or his designee determines if a specific incident meets this standard.

Surveys. The act allows the correction ombuds to survey incarcerated individuals or DOC employees about confinement conditions, working conditions, or other matters within the ombuds' scope of duties. The surveys may be sent or distributed during facility visits, through confidential written and electronic communications, or by questionnaire. Survey responses must be able to be submitted either in writing or electronically.

Under the act, surveys do not need prior approval by DOC, but those sent or distributed to employees must first be made available for review and comment by the bargaining units that represent them.

Litigation. Prior law required the ombuds to exhaust all other resolution methods before initiating litigation. The act instead prohibits the ombuds from instituting litigation and makes conforming changes.

§ 5 — CORRECTION OFFICER USE OF FORCE

Required Reporting and Intervention

The act requires reporting to a higher authority for certain use of force incidents involving correction officers. Specifically, it requires a correction officer who witnesses, or is aware of, another correction officer using objectively

unreasonable, excessive, or illegal force to report it as soon as practicable to the facility warden, who must then immediately report it to the DOC commissioner and the State Police. Previously, the witnessing correction officer had to report the incident to his or her supervisor, who then had to report it to the immediate supervisor of the officer who reportedly used the force. As under existing law, failing to properly report subjects a correction officer to possible prosecution and punishment for hindering prosecution, which is a felony.

Existing law, unchanged by the act, requires a witnessing correction officer to intervene and try to stop another correction officer from using this force. An officer who fails to do so may be held criminally liable and prosecuted and punished for the same acts as the officer who used unreasonable, excessive, or illegal force (CGS § 53a-8).

The act specifies that "use of force," for the above reporting purposes, is the physical or deadly physical force a correction officer uses to compel an incarcerated person to comply and includes things like using restraints, chemical agents, dogs, chokeholds, munitions, or forceable extraction.

Recording Review

Similar to existing law's rights for police officers to review recordings, the act gives correction officers who make formal statements about the use of force, or who are the subject of a disciplinary investigation in which a recording is part of the incident review, the right to review (1) the recording with their attorney or labor representative present and (2) other recordings showing their image or voice during the incident. It generally prohibits disclosing the recording, but allows disclosure if it is requested by and given to (1) a person in the recording or an authorized representative of that person's family who is identified to the correction ombuds or (2) the Judiciary Committee's chairpersons and ranking members.

Body-Worn Recording Equipment Plan

The act requires the DOC commissioner to develop a plan to use body-worn recording equipment in correctional facilities, which must have recommendations for any needed legislation and budgetary resources and an implementation timeline if those resources are made available. DOC must do this by January 1, 2026, and report the plan to the Government Oversight, Judiciary, and Public Safety and Security committees by February 1, 2026.

§§ 7 & 8 — CRIMINAL HISTORY RECORD ERASURE

Process for Challenging Non-Erasure

Existing law prescribes how records of most misdemeanor convictions and certain felony convictions may be erased. Generally, it provides for (1) automatic erasure for eligible offenses that occurred on or after January 1, 2000, or (2) erasure upon the person's filing of a petition for offenses occurring before then.

The law provides a process for someone to challenge the non-erasure of their records under the provisions on automatic erasure after a specified period post-conviction. Prior law required someone who believed that their records should have been erased under these provisions to give DESPP a copy of their criminal history record information search, showing that the records were not marked erased. The act instead requires the individual to submit an application on a DESPP-established form.

Prior law made all these requests subject to a contested hearing. The act limits the hearing to only cases in which DESPP determines relief cannot be immediately granted. It requires DESPP, if there must be a hearing, to give the applicant any criminal history record information it will consider to adjudicate the application at least 15 days before the hearing. Under the act, DESPP must issue written notice of its determination within 15 days after the hearing. By law, these determinations are final decisions and appealable to Superior Court.

Fee Waiver for Criminal History Record or Fingerprint Searches

The act requires DESPP, for FY 26, to waive the $75 fee for a criminal history record information or fingerprint search for an individual (1) whose criminal history record information was required by law to be erased and (2) who shows through sufficient evidence that he or she submitted and paid for a prior information or fingerprint search that included erased records. But it limits this fee waiver to two times per person.

§ 4 — COLLECTIVE BARGAINING AGREEMENTS OR AWARDS

The act requires the disclosure of documents on disciplinary matters or alleged misconduct by a DOC employee if

required by FOIA, even if a state employee collective bargaining agreement or arbitration award would prevent disclosure. The act specifies that it does not lessen a bargaining agent's access to information state law already allows.

The act also bans collective bargaining agreements or arbitration awards by the state and DOC collective bargaining units from prohibiting disclosure of a disciplinary action based on a violation of the administrative directives in a correction officer's personnel file.

These provisions only apply to applicable agreements or awards approved or entered into on or after June 30, 2025.

PA 25-163—sSB 1542
Judiciary Committee

AN ACT CONCERNING THE USE OF HANDCUFFS ON YOUNG CHILDREN

SUMMARY: This act generally prohibits police officers from using handcuffs to restrain any child the officer knows is under age 14. This prohibition begins at the point of the child's initial contact with the police officer and applies as long as the child has not been adjudicated a delinquent.

The act makes exceptions when handcuffing is:

1. necessary for public safety,
2. necessary because the child is using or threatening to use physical force on a police officer who is engaging with the child, or
3. ordered by the court under its existing policy on using mechanical restraints in court.

The act also makes a technical change.

EFFECTIVE DATE: October 1, 2025

BACKGROUND

Judicial Branch Policy on Using Mechanical Restraints in Juvenile Courts

Judicial branch policy, as authorized by existing law, establishes a presumption that mechanical restraints (including handcuffs) will be removed from a juvenile before and during his or her appearance in juvenile court. Under the policy, in-court restraints may be used only following a judge's order in keeping with the policy.

The policy requires a Court Support Services Division officer to complete a form before transporting a juvenile to the juvenile court. On the form, the officer must indicate whether restraints are recommended and, if so, the types. The policy specifies factors that must be present to support using these restraints (e.g., whether the juvenile has threatened or attempted to escape or is charged with a class A felony).

If the juvenile's lawyer or other parties disagree with the recommendation, they may address the court before the juvenile appears in court. After hearing from all parties, the judge determines which restraints, if any, are appropriate.

Any restraints removed under this policy must be immediately reapplied after the court hearing, in a secure area outside the courtroom.

PA 25-4—sSB 1426
Labor and Public Employees Committee

AN ACT MAKING CHANGES TO THE FIREFIGHTERS CANCER RELIEF PROGRAM

SUMMARY: This act makes 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, the act:

1. adds skin cancer to the types of cancers the program covers and makes changes to other eligibility criteria;
2. makes changes to clarify how state-employed firefighters must apply for program benefits;
3. requires 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;
4. authorizes workers' compensation administrative law judges (ALJs) to adjudicate a firefighter's appeal of a denial of benefits from the program; and
5. makes various minor, technical, and conforming changes.

EFFECTIVE DATE: October 1, 2025

SKIN CANCER AND OTHER ELIGIBILITY CRITERIA

By law, firefighters may qualify for the program's benefits if they, among other things, (1) are diagnosed with certain types of cancer, (2) had a physical examination after joining the service, and (3) were employed in certain firefighting positions for at least five years.

The act expands the types of cancers covered by the program to include skin cancer. Other types of cancer already covered by the program include those affecting the brain or the skeletal, digestive, endocrine, respiratory, lymphatic, reproductive, urinary, or hematological systems. As under existing law, for the person to qualify, the cancer must result in death or temporary or permanent total or partial disability.

For the physical exam requirement, the act removes a provision that required a firefighter to have had a physical examination that failed to reveal a propensity for cancer in order to qualify for benefits. By law, and unchanged by the act, the exam still must have failed to reveal any evidence of cancer.

By law, a firefighter must have been employed for at least five years in certain firefighting positions (e.g., interior structural firefighter, fire marshal, fire inspector). The act specifies that this qualifying employment time can include any combination of employment in those positions.

STATE-EMPLOYED FIREFIGHTERS

Prior law required (1) a firefighter to apply for the benefits by notifying the municipality where he or she is employed and (2) that municipality to administer the claim and provide the benefits. The act clarifies this process for state-employed firefighters by instead requiring the firefighter to notify his or her municipal or state employer, as appropriate, and that employer to administer the claim and benefits.

Under existing law, a "municipal employer" is any political subdivision of the state, including any town, city, borough, district, district health department, school board, housing authority, or other authority established by law; a private nonprofit corporation with a valid contract with any town, city, borough, or district to extinguish fires and to protect its inhabitants from loss by fire; and any person or persons designated by the municipal employer to act in its interest in dealing with municipal employees. Under the act, a "state employer" is Connecticut, including any state agency or department, and any board of trustees of a state-owned or supported college or university and its branches. (PA 25-168, §§ 408-410, further specifies that state-employed firefighters covered by the program include those employed by (1) the Connecticut Airport Authority or Tweed-New Haven Airport and (2) any entity that contracts with the Tweed-New Haven Airport Authority.) The act also makes related conforming changes.

OCCUPATIONAL DISEASE

Prior law required that eligible firefighters receive the program's benefits in the same amount and in the same way that they would have been provided under the workers' compensation law if their death or disability had been caused by a personal injury that arose out of and in the course of their employment. The act instead requires the death or disability to be treated as if it had been caused by an occupational disease, rather than a personal injury. Generally, under workers'

compensation law, an occupational disease includes any disease peculiar to the employee's occupation and due to causes that exceed ordinary hazards of employment (CGS § 31-275). Procedurally, the workers' compensation law allows claimants to apply for benefits within three years after the first manifestation of an occupational disease's symptom, rather than within one year after a personal injury (CGS § 31-294c).

The act similarly requires the retirement or survivor benefits, or disability benefits, an eligible firefighter receives under the program to be treated as if the death or disability had been caused by an occupational disease, rather than a personal injury.

WORKERS' COMPENSATION ALJ APPEALS

The law allows a firefighter to request that a denial of compensation or benefits from the program be reconsidered in the same way as workers' compensation claims. The act expands on this by explicitly authorizing workers' compensation ALJs to adjudicate these appeals and extending their statutory powers and duties to cover these cases. Among other things, this (1) authorizes them to summon and examine witnesses under oath; (2) generally requires the appeal to be filed in the ALJ district where the claim arises; and (3) allows the Superior Court, under certain conditions, to enforce an ALJ's order.

OTHER CHANGES

Prior law required the firefighters' cancer relief account to reimburse any costs for an eligible firefighter's cancer treatments not covered by his or her personal or group health insurance. The act narrows this requirement to apply only if the treatments comply with the workers' compensation law that generally requires employers to provide reasonable or necessary medical care for injured employees. (PA 25-168, §§ 408 & 409, further specifies that the reimbursement must be to the municipal or state employer that applied for reimbursement, which conforms to current practice.)

Under prior law, if a firefighter who was receiving compensation (the workers' compensation-like benefits) from the program dies from cancer, his or her survivors could file a workers' compensation claim within one year after the firefighter's death. Until the claim is approved, the survivors must continue receiving benefits from the firefighters cancer relief account. If they did not file a workers' compensation claim before the one-year deadline they could continue to receive benefits from the account.

The act (1) limits this option to the firefighter's surviving dependents and (2) also allows it when the firefighter (a) was receiving other benefits under the program (retirement or disability benefits) or (b) had applied for compensation or benefits, but was not yet receiving them.

PA 25-30—sSB 1221
Labor and Public Employees Committee

AN ACT MAKING CHANGES TO THE CONNECTICUT RETIREMENT SECURITY PROGRAM

SUMMARY: This act makes various changes to the Connecticut Retirement Security Program, a program the Office of the State Comptroller administers to establish a retirement program with Roth individual retirement accounts (IRAs) for eligible private-sector employees. The act primarily:

1. extends the program, starting July 1, 2026, to cover certain personal care attendants (PCAs) who provide personal care assistance under a state-funded program (such as the Connecticut Home Care Program for Elders);
2. ties the program's default contribution rate, for participants who enroll on or after July 1, 2025, to a federal law on minimum contribution rates in private-sector plans;
3. changes the enforcement process for qualified employers (i.e. those subject to the program's requirements) who do not enroll eligible employees and timely remit their contributions to the program as required; and
4. requires the comptroller, for participants who receive a contribution from the federal Saver's Match program, to offer an applicable retirement saving vehicle (Roth IRAs cannot receive contributions from the federal program).

EFFECTIVE DATE: July 1, 2025

PERSONAL CARE ATTENDANTS

Starting July 1, 2026, the act extends the program to cover certain PCAs who (1) have been employed by a qualified employer for at least 30 days, (2) are at least age 19, and (3) perform services in the state covered by the state unemployment law. Under the act, eligible PCAs must also be employed by a consumer to provide personal care assistance (e.g., supportive

home care, personal care, or another nonprofessional service) to the consumer under a state-funded program such as the Medicaid Acquired Brain Injury Waiver Program, Medicaid Personal Care Assistance Waiver Program for adults with disabilities, or Connecticut Home Care Program for Elders.

The act correspondingly makes the consumers who receive services from these PCAs "qualified employers" under the retirement security program. The law otherwise generally excludes employees who work for an employer with less than five employees. As qualified employers under the program, these consumers must (1) give their PCAs certain information about the program, (2) automatically enroll the PCAs in the program within 60 days after giving them this information, and (3) withhold their PCAs' contributions to the program from their compensation and submit it to the program (CGS § 31-422). The consumers are also subject to the act's notice requirements for failing to enroll an eligible PCA or remit a PCA's contributions to the program (see § 4 below).

By law, qualified employers generally do not include employers that (1) only employ people who are exempted from coverage under the state's unemployment law for certain reasons (such as when they work for their children or spouse) or (2) did not exist at all times during the current and preceding calendar year. The act excludes the PCAs' consumers from both of these exceptions.

DEFAULT CONTRIBUTION LEVELS

The law generally requires participants to contribute a certain portion of their taxable wages to the program unless they affirmatively chose to contribute a different amount. The act maintains this default contribution rate at 3% for participants who enroll in the program before July 1, 2025. But for those who enroll on or after that date, the act instead requires the default contribution rate to follow the federal law on minimum contribution rates in private-sector plans. This law generally requires a contribution rate to be between 3% and 10% for a participant's first year, and then increase by one percentage point each subsequent year until it is at least 10% but not more than 15%. The act correspondingly authorizes the comptroller to implement these provisions.

NONCOMPLIANT EMPLOYERS

The act changes the enforcement procedures for noncompliant qualified employers (i.e. those subject to the program's requirements). Under prior law, if a qualified employer failed to enroll an eligible employee in the program, either the labor commissioner or the comptroller could sue the employer to require compliance and recover costs and attorney's fees. The act eliminates this provision and instead creates a notice requirement and financial penalty for employers that fail to enroll eligible employees or timely remit the employees' contributions to the program.

More specifically, the act requires the comptroller to send at least two notices of noncompliance, followed by a final notice of noncompliance, to any qualified employer that fails to meet the requirements to (1) enroll its eligible employees in the program or (2) timely remit employee contributions to the program. For employers with at least five employees, the act allows the comptroller to assess a civil penalty each year that the employer is found to be noncompliant for a period of at least 90 calendar days after the final notice of noncompliance was served. The maximum amount of the civil penalty is based on the employer's number of employees, as shown in the table below. The act also allows the comptroller to adopt regulations to implement these provisions.

Penalty for Noncompliant Employers

Number of Employees	*Maximum Penalty*
5 – 24	$500
25 – 99	1,000
100+	1,500

Under existing law, unchanged by the act, an employer's failure to remit an employee's contributions to the program also violates the law that generally prohibits employers from withholding employee wages (regardless of the employer's size).

FEDERAL SAVERS MATCH PROGRAM

Starting in 2027, the federal Saver's Match Program will generally provide a federally funded contribution to a low- or moderate-income worker's qualified retirement plan. However, Roth IRAs, which the Connecticut Retirement Security

Program provides to its participants, are not eligible for the Saver's Match contributions. For participants who receive a Saver's Match contribution, the act requires the comptroller to provide an applicable retirement savings vehicle that can receive the contribution.

PA 25-50—HB 5605
Labor and Public Employees Committee

AN ACT CONCERNING MINOR REVISIONS TO THE WORKERS' COMPENSATION ACT

SUMMARY: Existing law generally requires the Workers' Compensation Commission's chairperson to annually (1) set a fee schedule for workers' compensation medical providers who provide medical services under the Workers' Compensation Act and (2) update relative values based on the Medicare resource-based relative value scale (RBRVS), which ranks medical services by the relative cost of resources needed to produce them.

By law, the chairperson was required to convert to a fee schedule using the RBRVS as the basis for workers' compensation practitioner fees in 2008, and the conversion had to be revenue-neutral. This act removes the requirement that the conversion be revenue-neutral, clarifying that this requirement does not apply to the annual RBRVS-based fee schedule updates.
EFFECTIVE DATE: July 1, 2025

PA 25-64—SB 8 **(VETOED)**
Labor and Public Employees Committee
Judiciary Committee
Appropriations Committee

AN ACT CONCERNING PROTECTIONS FOR WORKERS AND ENHANCEMENTS TO WORKERS' RIGHTS

SUMMARY: For labor disputes that start on or after December 14, 2026, this act would have generally made striking workers eligible for unemployment benefits after they had been on strike for 14 days in a row. Existing law generally disqualifies claimants for benefits during any week in which their unemployment is due to a labor dispute. The act would have lifted this disqualification once the labor dispute had been continuous for 14 days.

Existing law also allows claimants to qualify for benefits during a labor dispute, with no waiting period, if the (1) unemployment is due to a lockout (e.g., the employer closed the workplace) or (2) claimant is not participating in the dispute and does not belong to a trade, class, or organization of workers that is participating in, financing, or directly interested in the dispute (e.g., non-union employees at a business temporarily closed by a strike).
EFFECTIVE DATE: October 1, 2025

PA 25-75—HB 7045
Labor and Public Employees Committee

AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR MINOR AND TECHNICAL REVISIONS TO STATUTES CONCERNING LABOR

SUMMARY: This act makes technical changes to the labor statutes.
EFFECTIVE DATE: Upon passage

PA 25-117—SB 1312
Labor and Public Employees Committee

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE LABOR DEPARTMENT

SUMMARY: This act makes various changes to the Labor statutes. It:

1. decreases, from 60 to 40 days after a quarterly statement is provided, the amount of time an employer has to file a written protest with the Department of Labor (DOL) on the payment of unemployment insurance benefits due to alleged fraud or error;
2. changes the unemployed workers' advocate position from one that serves at the labor commissioner's pleasure to a full-time position in the state employee classified service;
3. requires physicians, physician assistants (PAs), and advanced practice registered nurses (APRNs) to report suspected occupational diseases to DOL (the provision is generally similar to one repealed in 2022);
4. eliminates a provision on how employees paid through the Shared Work Program affect their employer's experience rate for unemployment insurance (UI) taxes; and
5. makes a technical change to the labor statutes.

EFFECTIVE DATE: October 1, 2025, except the provisions on occupational disease reporting (§ 3) and a technical change (§ 4) are effective upon passage.

§ 3 — REPORT OF SUSPECTED OCCUPATIONAL DISEASE

The act requires physicians, PAs, and APRNs to report certain types of occupational illnesses to DOL. This includes illnesses from exposure to (1) lead, phosphorus, arsenic, brass, wood alcohol, mercury, or their compounds; (2) anthrax; (3) compressed air; or (4) any other disease contracted because of the nature of the person's occupation.

Under the act, a physician, PA, or APRN must, within 48 hours after discovering a suspected occupational disease, give DOL a report stating (1) the person's name, address, and occupation; (2) the employer's name, address, and business; (3) the nature of the disease; and (4) any other information required by DOL. The report is not admissible as evidence for a civil action or a workers' compensation claim. If the provider does not make the report within the required timeframe, the labor commissioner may impose a civil penalty of up to $10.

Under the act, the labor commissioner may investigate and make recommendations on eliminating or preventing reported occupational diseases. But the information gathered by the commissioner is not admissible as evidence for a civil action or a workers' compensation claim.

The act permits DOL to share information in these reports with the Department of Public Health for the department's disease surveillance, prevention, and control efforts.

§ 5 — SHARED WORK PROGRAM NON-CHARGE

In general, a portion of an employer's UI taxes are based on the employer's "experience rate," which reflects the amount of unemployment benefits paid to the employer's former employees over a certain period. The law, however, allows several non-charging separations in which an employee can collect benefits without affecting a former employer's experience rate. (The benefits paid to the former employee are "pooled" and paid by all employers who pay unemployment taxes.)

The act eliminates a provision that permitted a non-charge for employees who were paid benefits through the Shared Work program for claims filed in a week in which the state's average unemployment rate was 6.5% or more based on the most recent three months of DOL-published data. For more drastic spikes in the unemployment rate, the repealed provision also authorized the DOL commissioner to allow a non-charge for these employees for claims filed in a week in which the state's average unemployment rate was 8% or more in the most recent month of DOL-published data. (The Shared Work Program is a voluntary program that allows employers to reduce their employees' work hours in place of layoffs. The affected employees receive a proportionally reduced unemployment benefit.)

PA 25-135—HB 7046
Labor and Public Employees Committee

AN ACT MAKING REVISIONS TO THE SECOND INJURY FUND

SUMMARY: By law, the Second Injury Fund (SIF), a state-run workers' compensation fund supported by an assessment on insured and self-insured employers based on the SIF's calculation of paid losses, deducts recoveries from tortfeasors when calculating its paid losses. This act specifies that this deduction is for actual recoveries from a third party that was liable in tort for an employee's injury.
EFFECTIVE DATE: Upon passage

PA 25-23—sSB 1317
Planning and Development Committee

AN ACT CONCERNING LIENS FOR VIOLATIONS OF THE HOUSING CODE

SUMMARY: By law, municipalities may adopt ordinances setting fines of up to $250 for violating local ordinances on maintaining safe and sanitary housing. This act makes unpaid fines imposed under these municipal ordinances a lien on the affected real estate from the date of the fine, just as existing law does for unpaid fines for blight and zoning violations. The lien takes precedence over all other liens filed after July 1, 1997, and encumbrances, except taxes. It can be continued, recorded, enforced, and released in the same way as a property tax lien.
EFFECTIVE DATE: October 1, 2025

PA 25-53—sHB 6963
Planning and Development Committee

AN ACT CONCERNING THE ENFORCEMENT OF REQUIREMENTS IMPOSED BY CERTAIN MUNICIPAL APPROVALS AND THE NEW HOME CONSTRUCTION GUARANTY FUND

SUMMARY: This act allows zoning enforcement officers (ZEOs) to take enforcement action against businesses that either (1) suspend work required by an unexpired site plan, subdivision (with less than 400 units) plan, or inland wetlands approval or (2) make improvements that do not conform to the plan's or approval's specifications.

Under the act, the ZEO may generally take certain enforcement actions if he or she determines the business has no intent to resume the work within a reasonable time period and the incomplete or nonconforming work creates a public health or safety hazard. These enforcement actions include (1) imposing fines (up to $150 per day) that the act authorizes municipalities to adopt by ordinance and (2) those existing law sets for zoning violations under CGS § 8-12, including civil penalties and imprisonment (see BACKGROUND).

Separately, the act expands eligibility for the New Home Construction Guaranty Fund. Under existing law, a consumer may recoup money from the fund for uncollectable judgments against a new home construction contractor for losses or damages they caused. The act additionally allows consumers to do so for these uncollectable judgments against a proprietor (an individual who has an ownership interest in the new home construction company).

For the home guaranty fund, the act also (1) increases, from $30,000 to $50,000 per claim, the maximum amount consumers may recoup from the fund and (2) lowers, from $750,000 to $650,000, the fund's annual cap. It correspondingly increases (from $300,000 to $400,000) the funds exceeding this cap that must be annually transferred into the Consumer Protection Enforcement Account. Existing law requires any remaining excess to be transferred into the General Fund.

Lastly, the act makes technical and conforming changes.
EFFECTIVE DATE: October 1, 2025

§§ 1-4 — INCOMPLETE OR NONCONFORMING WORK REQUIRED BY CERTAIN LAND USE APPROVALS

Enforcement via Statutory Penalties in CGS § 8-12

Under certain circumstances, the act makes it a violation of the law for a business to leave improvements on a project unfinished if the work is required by an unexpired site plan, subdivision (with less than 400 units) plan, or inland wetlands approval. It similarly makes it a violation for a business to construct an improvement that does not conform to these plans' or approvals' specifications. Specifically, the act makes the suspended or nonconforming work a violation if the municipal ZEO or the inland wetlands agency's agent, as applicable, determines that the:

1. business has suspended its efforts to complete work needed to meet the requirements,
2. business has no intent to resume the required work within a reasonable time, and
3. incomplete or nonconforming work creates a public health or safety hazard.

If the ZEO or agent determines a violation exists, the act authorizes them to take enforcement action against the business. They may pursue any enforcement action available under the law on enforcing zoning regulations (CGS § 8-12), including issuing written orders to remedy conditions that violate zoning regulations and seeking civil and criminal penalties in Superior Court (see BACKGROUND).

Under the act, a "business" is a sole proprietorship, trust, corporation, limited liability company, union, association, firm, partnership, or other organization or group of people.

Enforcement via Municipal Citations Authorized by CGS § 8-12a

By law, a municipality may establish, by ordinance, penalties for violations of its zoning regulations. The act additionally allows municipalities to establish penalties for businesses that engage in the violation described above (by suspending work or completing nonconforming work and creating a public health or safety hazard).

Under existing law and the act, the ordinance must establish the types of violations for which a citation may be issued and the amount of any fine to be imposed (up to $150 for each day the violation continues), payable to the municipality's treasurer. These citations may be contested through a municipal hearing procedure and appealed to Superior Court.

§§ 5 & 6 — NEW HOME CONSTRUCTION GUARANTY FUND

Using the New Home Construction Guaranty Fund, the Department of Consumer Protection (DCP) compensates certain consumers, up to a specified maximum, who are awarded judgments (e.g., a binding arbitration decision or a court judgment, order, or decree) but cannot obtain payment from the person who owes it. Under prior law, only consumers who were awarded a judgment against a registered new home construction contractor could apply to recoup the judgment amount from the fund. (New home construction contractors annually pay into this fund when renewing their registrations.)

Under the act, beginning October 1, 2025, consumers may also recoup money from the fund if the judgment was awarded against certain individuals with an ownership interest in a new home construction company who have been found by a court to have violated certain laws ("proprietors").

More specifically, to qualify as a proprietor, the person must meet two criteria. First, he or she must have an ownership interest in a new home construction company that is currently, or was previously, registered by DCP. Second, he or she must have been found by a court to have violated the state's new home construction contractor laws for the company's conduct. The company must either be currently registered as a new home construction company or have been registered within two years before it entered into the contract with the consumer harmed by the company's or owner's actions.

The act also increases, from $30,000 to $50,000, the maximum award payable from the fund. It makes consumers awarded a judgment against a proprietor eligible for funds from the New Home Construction Guaranty Fund subject to the same conditions and requirements the law sets for consumers with a judgment against a contractor. For example, among other things, the consumer:

1. must apply in writing to DCP within two years after the judgment is finalized;
2. may receive payment from the fund for the actual damages and costs awarded by the court (excluding punitive damages), minus any amount already recovered; and
3. must affirm that he or she made a good faith effort to satisfy the judgment by following statutory post-judgment procedures.

The act also makes conforming changes to make proprietors liable for consumer payouts from the New Home Construction Guaranty Fund that result from a judgment against them.

BACKGROUND

Penalties Under CGS § 8-12

By law, a municipality's zoning enforcement authority may issue written orders to remedy conditions on a property that violate zoning regulations. The authority may also issue cease-and-desist orders for violations involving the land grading, soil removal, or soil erosion or sediment control.

CGS § 8-12 subjects a person to a civil penalty of up to $2,500 if he or she (1) has been served with a written order and fails to comply with it within 10 days, (2) has been served with a cease-and-desist order and fails to comply immediately, or (3) continues to violate the specific regulation identified in the order. In addition, the court can grant the municipality injunctive relief if a person subject to an order does not comply with it.

In addition to these penalties for violating an order, a violation of the underlying regulations is subject to civil and criminal penalties. Ordinarily, violations are subject to a court-imposed fine of between $10 and $100 per day. However, if the violation is willful, the violator is subject to a fine of between $100 and $250 per day, imprisonment of up to 10 days for each day of the violation (up to a maximum of 30 days), or both. A willful violator may also be responsible for the municipality's costs and attorney's fees.

Related Act

PA 25-111, §§ 9 & 10, contains similar provisions on payments from the New Home Construction Guaranty Fund.

PA 25-73—sHB 6957
Planning and Development Committee

AN ACT ALLOWING A TOWN TO DESIGNATE ITSELF A CITY, ESTABLISHING A TASK FORCE TO STUDY THE REGULATION OF CORPORATE HOUSING ACQUISITIONS AND CONCERNING TRAINING FOR INLAND WETLANDS AGENCIES, CERTIFICATES OF CORRECTION FOR CERTAIN PROPERTY ASSESSED IN ERROR, THE SUBMISSION OF CERTAIN STUDIES AND EVALUATIONS, INCLUSIONARY ZONING, SOLAR INSTALLATIONS IN CERTAIN COMMON INTEREST OWNERSHIP COMMUNITIES, THE CAPITAL REGION AND THE MILLSTONE RIDGE TAX DISTRICT

TABLE OF CONTENTS:

§ 1 — TOWN DESIGNATING ITSELF A CITY IN ITS CHARTER

Specifies a method for a town to designate itself a city

§ 2 — INLAND WETLANDS AGENCY TRAINING

Expands who must take DEEP's inland wetlands agency training program to include all inland wetlands agency members and related municipal employees

§§ 3-5 — CERTIFICATES OF CORRECTION FOR PROPERTY TAX ERRORS

Allows municipalities to extend, by one year, the time during which an assessor may issue certificates of correction to fix certain property tax assessment errors and makes a corresponding change to the deadline for taxpayers to claim a refund based on this correction

§ 6 — LAND USE STUDIES AND EVALUATIONS

Requires certain disclosures on studies or evaluations submitted in connection with a pending local land use application

§ 7 — TASK FORCE ON ACQUISITION OF RESIDENTIAL PROPERTY BY LARGE CORPORATE ENTITIES

Establishes a task force to study, among other things, how corporations buying residential property is impacting housing affordability and homeownership opportunities

§ 8 — MUNICIPAL HOUSING TRUST FUNDS

Expands the purposes for which municipalities may use their housing trust funds

§ 9 — COMMON INTEREST COMMUNITY ASSESSMENTS

Requires common interest communities to assess a unit owner for certain changes he or she makes that increase common expenses

§§ 10 & 11 — SOLAR PANELS ON CONDOMINIUMS AND PLANNED COMMUNITIES

Prohibits condominiums and planned communities from unreasonably restricting solar panels on single-family detached units and establishes an application and approval process for them; requires unit owners whose panels are approved to agree to certain costs and conditions; generally allows associations to opt out of these provisions if they do so by January 1, 2028

§ 12 — CAPITAL REGION DEVELOPMENT AUTHORITY (CRDA) CAPITAL REGION

Narrows the region in which CRDA may operate to exclude Newington and West Hartford, in turn allowing these towns to become Connecticut Municipal Development Authority member municipalities

§ 13 — MILLSTONE RIDGE TAX DISTRICT

Allows a special taxing district in New Milford to apportion its costs equally among district property owners

SUMMARY: This act makes changes to laws affecting municipalities, as described in the section-by-section analysis below.
EFFECTIVE DATE: Various, see below.

§ 1 — TOWN DESIGNATING ITSELF A CITY IN ITS CHARTER

Specifies a method for a town to designate itself a city

The act specifies that a town may opt to designate itself a city in its home rule charter. Under the act, if a town takes this action, it is deemed a consolidated town and city under state law.

Existing law has no statutory rules dictating when a municipality is a "town" or a "city."
EFFECTIVE DATE: October 1, 2025

§ 2 — INLAND WETLANDS AGENCY TRAINING

Expands who must take DEEP's inland wetlands agency training program to include all inland wetlands agency members and related municipal employees

The act requires all inland wetlands agency members and municipal employees who staff the agency to complete the Department of Energy and Environmental Protection's (DEEP) inland wetlands agency comprehensive training program. Under prior law, just one member or staff person from each agency was required to complete the training.

The act requires these members and employees serving an agency on January 1, 2026, to complete their initial training within one year from that date. Those joining after that date must complete the training within one year after their appointment, election, or hire. All members and covered employees must retrain every four years or once per term (for elected or appointed members), whichever is less frequent.

Under the act, DEEP must make the training program available on its website for agency members and these employees. Prior law required it to provide the training program free to one person for each town and distribute informational videos and written materials to the agencies. Correspondingly, the act removes prior law's requirement that each agency annually hold a meeting to summarize the training information for its members.

Additionally, the act creates an annual reporting requirement for the agencies. Beginning by March 1, 2027, they must submit a statement to the municipality's legislative body or board of selectmen affirming that those who had to complete the training during the prior year did so. Under both existing law and the act, a member or employee's failure to complete the training does not invalidate the agency's actions.
EFFECTIVE DATE: October 1, 2025

§§ 3-5 — CERTIFICATES OF CORRECTION FOR PROPERTY TAX ERRORS

Allows municipalities to extend, by one year, the time during which an assessor may issue certificates of correction to fix certain property tax assessment errors and makes a corresponding change to the deadline for taxpayers to claim a refund based on this correction

The act allows municipalities to extend, by one year, the time during which an assessor may issue certificates of correction to fix certain property tax assessment errors. By law, assessors may issue them when (1) a clerical omission or mistake was made (e.g., a mathematical error) or (2) the assessor determines tangible personal property was taxed that should not have been, even if this error was due to information the taxpayer provided (e.g., the taxpayer listed the property on his or her personal property declaration, but it belonged to someone else).

Under prior law, the assessor could correct these errors up to three years after the taxes were due for most property types. The act allows municipalities to extend this to four years by adopting an ordinance to do so. Unchanged by the act, corrections for motor vehicles that were taxed but should not have been are not subject to these time limits.

Under prior law, if a certificate of correction resulted in the municipality owing the taxpayer a refund, he or she generally had three years from the date the taxes were due to claim it. In municipalities that adopt an ordinance extending the certificate of correction period as described above, the act correspondingly increases this refund period to four years. Certificates of correction may also yield higher or new assessments (e.g., if property went untaxed) and can be issued even if the taxpayer did not request one.
EFFECTIVE DATE: July 1, 2025

§ 6 — LAND USE STUDIES AND EVALUATIONS

Requires certain disclosures on studies or evaluations submitted in connection with a pending local land use application

The act requires certain disclosures on studies or evaluations submitted in connection with a pending local land use application. It applies regardless of conflicting provisions in a special act, municipal charter, or home rule ordinance.

Specifically, the disclosure requirement applies to anyone submitting an environmental, health, traffic, or economic impact study or evaluation to a local legislative body; zoning or planning commission or combined commission; inland wetlands agency; or zoning board of appeals. The person submitting the study or evaluation must include a statement disclosing the following information about it:

1. its author or authors,
2. all costs associated with completing it and the name of the person or entity that paid them, and
3. any conflict of interest that may impact the author or author's ability to provide unbiased data or conclusions.

Under the act, when making decisions on land use applications for which a study or evaluation was submitted, the legislative body, commission, agency, or board must consider whether the information disclosed, or the failure to provide the disclosure, impacts the reliability of the study or evaluation.

EFFECTIVE DATE: October 1, 2025

§ 7 — TASK FORCE ON ACQUISITION OF RESIDENTIAL PROPERTY BY LARGE CORPORATE ENTITIES

Establishes a task force to study, among other things, how corporations buying residential property is impacting housing affordability and homeownership opportunities

The act creates a nine-member task force to study (1) the impact of large corporate entities' acquisition of residential real property (including the impact on housing affordability, rental prices, and homeownership opportunities) and (2) policies to limit the number of properties these entities acquire or otherwise regulate these acquisitions.

Under the act, the task force is comprised of the housing commissioner, or her designee, and eight members appointed by the legislative leaders (two each by the House speaker and Senate president pro tempore and one each by the House and Senate majority and minority leaders). The legislative appointees may be legislators. Appointing authorities must make their initial appointments by July 23, 2025, and fill any vacancy.

The House speaker and Senate president pro tempore must select the task force chairpersons from among its members. The chairpersons must schedule and hold the first meeting by August 22, 2025. The Housing Committee's administrative staff serves in that capacity for the task force.

The act requires the task force to report its findings and recommendations to the Housing and Planning and Development committees by January 1, 2026. The task force terminates when it submits the report or on January 1, 2026, whichever is later.

EFFECTIVE DATE: Upon passage

§ 8 — MUNICIPAL HOUSING TRUST FUNDS

Expands the purposes for which municipalities may use their housing trust funds

Existing law allows municipalities to impose requirements on people developing land in order to promote affordable housing opportunities, including requiring them to make payments into a housing trust fund or offering the housing trust fund payments as an alternative to other requirements. Under existing law, the funds may be used to build, rehabilitate, or repair affordable housing. The act additionally allows municipalities to use the funds to (1) acquire existing housing or real property for affordable housing purposes (but not by eminent domain) and (2) incentivize deed restrictions that preserve real property for affordable housing purposes.

EFFECTIVE DATE: October 1, 2025

§ 9 — COMMON INTEREST COMMUNITY ASSESSMENTS

Requires common interest communities to assess a unit owner for certain changes he or she makes that increase common expenses

The act requires common interest communities to assess a unit owner for any increase in common expenses (e.g., maintenance, repair, or insurance costs) that result from the owner's addition, alteration, or improvement. (Common interest communities include condominiums, cooperatives, and planned communities.)
EFFECTIVE DATE: October 1, 2025

§§ 10 & 11 — SOLAR PANELS ON CONDOMINIUMS AND PLANNED COMMUNITIES

Prohibits condominiums and planned communities from unreasonably restricting solar panels on single-family detached units and establishes an application and approval process for them; requires unit owners whose panels are approved to agree to certain costs and conditions; generally allows associations to opt out of these provisions if they do so by January 1, 2028

The act prohibits enforcing any provisions in a condominium or planned community declaration or bylaws that prohibit or unreasonably restrict solar generating systems (i.e. solar panels) on the roofs of single-family detached units or that otherwise conflict with the act's solar panel requirements, beginning January 1, 2026. It also establishes (1) a solar panel approval process for unit owners and these associations to follow; (2) terms to which the unit owner must agree (e.g., to assume certain costs and indemnify the association); and (3) a period during which associations may opt out of the act's solar panel-related requirements. In doing so, the act repeals a prior, narrower provision that restricted planned community associations (but not condominiums or cooperatives) from barring solar panels on units that do not share a roof.

The act additionally authorizes associations to install solar panels on any common elements for all unit owners' use and develop rules for their use. It also makes minor and conforming changes.
EFFECTIVE DATE: January 1, 2026, except the repeal of the narrower provision is effective October 1, 2025.

Approval Process

The act requires condominium or planned community unit owners to get their association's approval to install solar panels on single-family detached units. The unit owner must apply with the association's executive board and do so as directed by the board. Upon receiving the unit owner's application, the board must acknowledge receipt in writing within 30 days and issue a written decision or request for additional information within 60 days. If the board asks the owner to give additional information about the proposal, it has up to 30 days after receiving the information to deny the application. The application is deemed approved if the board does not deny it in writing within these timeframes.

The board must process these applications in the same way applications for additions, alterations, or improvements are processed under the association's bylaws or declaration. And it may not unreasonably withhold approval if the unit owner complies with the act's requirements.

Agreement Terms and Owner Responsibilities

Under the act, if the application is approved or deemed approved, the unit owner and association must enter a written agreement. The agreement may be recorded in the land records of the town or towns in which the association is located. The agreement must require the unit owner to:

1. comply with the declaration or bylaws regarding additions, alterations, or improvements as applicable;
2. hire a registered and insured licensed contractor to install the solar panels who must, within 14 days after the unit owner and association execute the agreement, (a) provide a certificate of insurance for at least $1 million of liability coverage for the association, its manager, and the unit owner; (b) provide proof of any legally required workers' compensation insurance; and (c) give the association a mechanic's lien waiver in its favor;
3. pay any installation costs (e.g., increased master policy premiums, the association's attorney's fees, fees for engineers and other professionals, and fees for permits and zoning compliance requirements);
4. indemnify other unit owners and the association, its executive board, officers, directors, and managers for any damage, loss, or financial obligation the solar panels cause; and
5. assume full responsibility, including sole financial responsibility, for maintaining, repairing, and replacing the unit's roof.

The act makes the unit owner, or any successive owner who assumed the unit's title and the owner's duties under the act, responsible for certain costs, including costs to:

1. repair, maintain, or replace the solar panels;
2. repair damage to the association's common elements or units due to installing, using, maintaining, repairing, removing, or replacing the panels;
3. repair the roof after the panels are removed; and
4. cover common expenses for losses due to the solar panels that are uninsured under the association's master policy.

Under the act, the association may also assess the unit owner for any uninsured portion of a loss (including deductibles) it incurs due to the panels. The association may do so regardless of whether it submits an insurance claim.

Regulatory Requirements. The act explicitly requires the solar panels to comply with all applicable state, federal, and local health and safety standards and requirements.

Attorney's Fees. Under the act, if the association brings a legal action to enforce compliance with the written agreement or any of the act's related requirements, the prevailing party must be awarded reasonable attorney's fees.

Successive Owners and Buyers

The act requires the unit owner, or any successive owner, to disclose to any prospective buyers the (1) existence of the solar panels and any related agreements with the association; (2) unit owner's responsibilities associated with the solar panels; and (3) requirement that the buyer will own the solar panels or take over any agreement the unit owner has with the panel owner (e.g., a lease agreement), unless they are removed before the sale.

The association may require the unit owner to remove the panels before the sale if the buyer does not agree to (1) take over ownership of the solar panels or any leasing or other agreement for them; (2) be bound by the indemnification agreement; and (3) be responsible for the full costs of maintaining, repairing, and replacing the unit's roof.

Opt-out

Associations formed by January 1, 2026, may opt out of the act's solar panel protections and requirements if they do so by January 1, 2028. To opt out, at least 75% of the association's board of directors must vote to do so. Within 30 days after the favorable vote to opt out, the association must record notice of it in the land records of the town or towns in which the association owns real property.

§ 12 — CAPITAL REGION DEVELOPMENT AUTHORITY (CRDA) CAPITAL REGION

Narrows the region in which CRDA may operate to exclude Newington and West Hartford, in turn allowing these towns to become Connecticut Municipal Development Authority member municipalities

CRDA plays a role in development projects primarily in Hartford, but also in the "capital region." Under prior law, the "capital region" encompassed seven municipalities that surround Hartford. The act excludes Newington and West Hartford from the capital region and in doing so, allows Newington and West Hartford to join the Connecticut Municipal Development Authority (CMDA) as member municipalities. Under prior law, municipalities in the CRDA capital region were not eligible to become member municipalities (see *Background — Related Act*).

By law, CRDA's regional role is to assist capital region municipalities, upon their request, with housing, community, and economic development initiatives. CRDA is also generally responsible for stimulating new investment and economic development in the capital region.

EFFECTIVE DATE: July 1, 2025

Background — Related Act

PA 25-168, §§ 99-112, formally changes the Connecticut Municipal Redevelopment Authority's name to the Connecticut Municipal Development Authority. It also (1) allows any municipality other than Hartford and East Hartford to work with the authority and (2) makes it easier for municipalities to opt to work with the authority.

In 2019, the legislature created the authority as a quasi-public agency authorized to stimulate economic development and transit-oriented development by, among other things, developing property and managing facilities.

§ 13 — MILLSTONE RIDGE TAX DISTRICT

Allows a special taxing district in New Milford to apportion its costs equally among district property owners

Regardless of the statutory rules for levying a mill rate on property owners, the act allows the Millstone Ridge Tax District to equally apportion among lot owners district improvement maintenance costs and administrative costs associated with the district's management. (In practice, Millstone Ridge Tax District already apportions costs equally, instead of levying a mill rate.)
EFFECTIVE DATE: October 1, 2025, and applicable to assessment years beginning on or after that date.

PA 25-90—sHB 7153
Planning and Development Committee

AN ACT CONCERNING THE ESTABLISHMENT OF THE PORT EASTSIDE INFRASTRUCTURE IMPROVEMENT DISTRICT IN THE TOWN OF EAST HARTFORD AND THE PARK CITY LANDING INFRASTRUCTURE IMPROVEMENT DISTRICT IN THE CITY OF BRIDGEPORT

SUMMARY: This act authorizes two special taxing districts to provide services and finance infrastructure improvements in designated areas: the Port Eastside Infrastructure Improvement District in East Hartford and the Park City Landing Infrastructure Improvement District in Bridgeport. It delineates each district's geographic boundaries and formation process, each of which is similar to the one for establishing special taxing districts under the statutes (statutory districts).

The act authorizes the districts to levy taxes, charges, and benefit assessments and, after entering into an interlocal agreement with their respective municipalities, issue and secure bonds backed by these revenues and their full faith and credit. Specifically, the act authorizes the Port Eastside district to issue up to $125 million in bonds and the Park City Landing district to issue up to $190 million in bonds.

The act also sets an expedited process for state agency administrative actions, permit issuances, and approvals related to specified infrastructure improvements for the Port Eastside district that supersedes all statutory requirements for these approvals. It also (1) sets an expedited process for appeals of administrative actions taken by a state agency commissioner connected with these improvements and (2) exempts these improvements from specified traffic control and highway safety laws.
EFFECTIVE DATE: Upon passage

PORT EASTSIDE AND PARK CITY LANDING DISTRICT FORMATION

Petition to Create the District

Under the act, the districts are created only if the eligible voters approve their formation by following a process that is largely the same as the one for statutory districts. It starts when 15 or more people eligible to vote in the municipality petition the mayor to call a meeting of the district's eligible voters (as described below) to vote on the issue.

Decision

Each respective mayor has 30 days after receiving this petition to schedule the meeting. The meeting notice must be published in two successive issues of a newspaper published in the municipality or having general circulation there.

Up to 24 hours before the meeting, at least 200 voters or 10% of the proposed district's total eligible voters can petition the respective mayor for a referendum on the question of establishing the proposed district. Alternatively, the mayor can order a referendum on his own authority. In either case, the referendum must be held between 7 and 14 days after receiving the petition or ordering the referendum. The referendum is subject to the same procedural requirements as those for statutory districts.

Approving and Creating the District

Each district is formed if voters representing two-thirds of the assessments of holders of record in the district that attend the meeting vote to create it (either at the meeting or referendum).

Each district clerk must then notify the municipality about its formation, a requirement that also applies to statutory

districts. The report must identify the district's officers, include a copy of its charter or special act, and describe its organizational structure and finances. Once the clerk completes this step, the district becomes a body corporate and politic with the powers granted to it by the act as well as the powers the law grants to statutory districts. Those powers include assessing and collecting property taxes. The clerk must also record the district's name and boundaries in the land records and include a caveat in those records.

The act specifies that the provisions on approving and creating the district (e.g., provisions specifying that it acquires taxing powers when it is formally established) do not limit the municipality's power to tax property in the district.

Eligible Voters

For each district, the act gives voting rights to the following people and entities:

1. district electors (registered voters);
2. U.S. citizens age 18 or older who are liable (or would be but for certain tax exemptions) to the district for property taxes on an assessment of at least $1,000; and
3. holders of record of interests in real property in the district.

Holders of record include (1) business and legal entities and (2) people who hold interests jointly or in common with other people or entities. A corporation must cast its vote through its chief executive officer or his or her designee. A noncorporate entity must designate someone to cast its vote. Each owner gets only one vote, and the act explicitly bans the district from excluding holders of record from participating in its affairs.

In the case of tenants in common and joint tenants of any interest in real property, a tenant in common's vote equals the fraction of its ownership interest and a joint tenant votes as if each such tenant owned an equal fractional share.

ORGANIZING THE DISTRICT

Organizational Meeting

At the meeting called to establish the respective district (organizational meeting), voters may transact business if they have a quorum, which they have if:

1. 15 or more voters are present or
2. a majority of the holders of record are present and the assessed value of their properties exceeds half of the assessed value of all real property in the district.

The mayors can adjourn the meeting until a quorum is met.

District Purposes

At the organizational meeting, the voters may establish the district's purposes. In the case of the Port Eastside district, these "district improvements" include:

1. lighting streets;
2. planting and caring for shade and ornamental trees;
3. planning, laying out, acquiring, building, maintaining, and financing roads, sidewalks, crosswalks, drains, sewers, water lines, parking facilities, open space, waterside improvements, environmental remediation, and other infrastructure improvements; and
4. acquiring, building, maintaining, and regulating the use of recreational facilities.

They also include off-site locations or improvements made outside the district that are related to or necessary because of the district's establishment. These include:

1. transit enhancements, bridges, roads, and traffic signals;
2. easements;
3. environmental protection devices, stormwater or sanitary sewer lines, water lines, and utility lines; and
4. waterfront improvements along the Connecticut River.

In the case of the Park City Landing district, its purposes generally include the improvements specified above (other than waterside improvements and waterfront improvements along the Connecticut River) as well as (1) bulkhead repairs, (2) dredging and construction, (3) a flood or erosion control system, and (4) waterfront improvements along the Pequonnock River.

The act allows each district to contract with a town, city, borough, or other district (1) for any of these purposes, just as existing law allows for statutory districts, and (2) to buy or sell any of the improvements for which the district was established.

Under the act, a majority of each district's voters may discontinue a district purpose or take on any additional allowed purpose. They may do so at any annual or special meeting.

Governance. At the organizational meeting, voters must elect each district's nine officers and set the date of its annual meeting. The officers are generally the same as those for the statutory districts (president, vice president, clerk, treasurer, and five directors) except that the act requires the respective mayor to appoint one of the directors, who serves at the mayor's pleasure. It also requires that at least three directors be Connecticut residents.

Under the act, the directors elected at the first annual meeting serve staggered one-, two-, three-, or four-year terms. At each subsequent annual meeting, any director elected to fill a vacancy serves a four-year term.

OPERATIONS

Meetings

The act's provisions for calling special meetings and requiring votes on agenda items at regular and special meetings are generally the same as those that apply to statutory districts. The act requires each district clerk to prescribe the form for submitting petitions and imposes generally the same requirements for these petitions that apply to statutory districts.

The quorum requirement is the same as the one for the organizational meeting, except that each district's president (or vice president if the president is absent), not the mayor, may adjourn the meeting until the quorum is met. A majority of voters can adjourn any district meeting where a quorum is present.

Activity Reports

Each district clerk must submit quarterly activity reports to the Office of Policy and Management (OPM) secretary and the Finance, Revenue and Bonding Committee. The reports must provide information and updates on the districts' projects, including their design, financing, construction, sales, and any other aspect the secretary or committee chairpersons request.

Financial Disclosure to Existing and Prospective Residents

Each district must disclose the public funds used to finance and maintain the improvements. They must disclose this information to all existing and prospective residents and give each developer who constructs housing in the district enough documents containing this information to pass along to prospective buyers. Developers must also include the information in any public offering statement the law requires them to provide.

Financial Powers and Management

Each district board must adopt budgets and set taxes, fees, rents, benefit assessments, and other charges according to procedures that it must establish at a meeting held for that purpose. These procedures must include a requirement that interested people receive notice and a hearing opportunity. The act requires the boards to adopt their budgets and revenue measures at least annually, within 30 days of the start of their fiscal year.

Each board must hold at least two public hearings on any proposed revenue measures and give notice of these hearings to the respective mayor and city or town council and the public by publishing notice in a newspaper with general circulation in the municipality at least 10 days before. They must also make the proposed revenue schedule available to the mayor, council, and public by this date.

The act authorizes each district to impose and forgive taxes, fees, rents, benefit assessments, and other charges to finance district improvements, cover its financing and operating costs, and pay for other services and commodities provided to district properties. The districts can use the revenue from these measures to pay the (1) entire cost of these improvements, including financing and related costs, or (2) debt service on bonds or notes issued to finance them. They can impose the taxes and other charges before or after they acquire or construct the improvements. The districts must base the taxes and charges they impose before acquiring or starting an improvement on the estimated costs. (The act specifies that these provisions do not limit the host municipality's power to duly impose, abate, and forgive taxes, fees, rents, and benefit assessments on property in the districts.)

Each district has the same powers as statutory districts and its respective municipality to collect and enforce revenues. These include charging interest and imposing liens, which take precedence over all other liens except the municipality's tax liens.

The act requires each district to maintain financial records, which it must make available to its respective municipal and state officials. The districts must comply with the municipal auditing act, as the law requires for statutory districts.

BENEFIT ASSESSMENTS

Authorization

The districts can assess land and buildings that benefit, in their judgment, from district-financed improvements. Specifically, whenever the districts construct, improve, extend, equip, rehabilitate, repair, acquire, or provide a grant for district improvements, or finances these improvements, they may assess a proportion of these costs on property that benefits from these improvements. (The act specifies that this does not limit the respective municipality's power to impose benefit assessments on the district's land and buildings.)

Each district can decide how to apportion the costs among the properties benefiting from the improvements and pay the balance from the general revenues. The district may (1) require property owners to pay the benefit assessments in annual installments for up to 30 years and (2) forgive the benefit assessments in any given year without affecting future installments. It may assess buildings or structures constructed or expanded in the district after the initial benefit assessment is imposed as if they had existed at the time of the original benefit assessment. The district can also adjust assessments that were imposed before the improvements were completed to reflect their actual costs.

The act specifies that providing open space in the district benefits all property within the district.

Public Hearing and Notice Requirement

Before imposing a benefit assessment, each district must hold at least one public hearing on the proposed assessment where assessed property owners have the opportunity to be heard. It must (1) publish a notice of the hearing's time, place, and purpose at least 10 days in advance in a newspaper with general circulation in the town and (2) mail a copy of this notice to affected property owners (at the address on the most recent grand list or any other known address). A copy of all proposed assessments must be made available for inspection with the district clerk at least 10 days before the hearing.

Once the respective board has determined the actual amount of the assessment, it must file a copy of the assessment with the district clerk and, within five days after the filing, publish and mail copies of it as described above for proposed assessments. The mailings and publications must state the date on which the assessment was filed and that all appeals must be taken within 21 days of that date.

Appeals

People aggrieved by a benefit assessment may appeal to the Superior Court for the judicial district in which the property is located. A court appeal (1) must have a return date that is between 12 and 30 days after the appeal is served and (2) is privileged in respect to its assignment for trial. The court may appoint a state referee to appraise the benefits to the property and report to the court. The court's judgment confirming or altering the assessment is final. The owner's appeal does not stay proceedings for collecting the assessment, but the appellant must be reimbursed for any overpayments made if his or her assessment is reduced as a result of the appeal.

Collection

The district boards must set the payment due date for the benefit assessments at least 30 days in advance by (1) publishing it in a newspaper with general circulation in the municipality and (2) mailing it to the last known address of the affected property owners.

BONDING

Bond Limits

Before they can issue bonds, the districts must enter into an interlocal agreement with the respective municipality on the sharing of incremental tax revenues collected on real property in the districts. The interlocal agreement must be ratified by the city or town council and have at least one public hearing. Once the district has done so, the act allows the board, by resolution, to issue:

1. bonds (up to $125 million for Port Eastside and up to $190 million for Park City Landing) to finance district improvements secured by (a) the district's full faith and credit; (b) fees, revenues, and benefit assessments; or (c) a combination of the two;
2. bonds secured only by taxes, fees, revenues, benefit assessments, or charges the district imposes on the specific

properties financed by this debt; and
3. refunding bonds.

While the bonds are outstanding, the district's powers may not be impaired in any way that would adversely affect bondholders' interests.

Bond Terms

The districts can use the bond proceeds to finance the improvements, create and maintain necessary reserves, and cover the issuance costs. They may use their revenues and full faith and credit to secure the bonds, whose terms cannot exceed 30 years.

The act allows each district board to determine how it will issue and repay the bonds and specifies the kinds of terms and conditions it may include in its agreements with the bondholders. It declares the bonds negotiable instruments under the Uniform Commercial Code. The act makes the bonds securities in which governments and private entities may invest.

Unless the law provides otherwise, the bonds are not considered debt of the state or the municipalities and only the districts are liable for them.

TAX EXEMPTION

The act exempts the districts' revenues and real and personal property used for public purposes from state and municipal taxes and benefit assessments. It also exempts the principal and interest on their bonds from taxes except state estate and gift, franchise, and excise taxes. But this exemption does not limit the state's and respective municipality's authority to levy taxes on the people and businesses living or operating in the district and their respective real or personal property.

INTERACTION WITH STATE AND LOCAL LAWS

The act specifies that the districts' powers are in addition to those the law gives to statutory districts, but the act's provisions control where they conflict with the statutes or any law or respective municipal ordinance or resolution. State and municipal laws, ordinances, and resolutions still govern property, residents, and businesses in the districts (except as described below, regarding the expedited approval process for Port Eastside District).

Each respective municipality may help the district finance its projects, but it is under no obligation to do so or pledge any funds to pay its debt service. If it chooses to provide financial or other assistance, it must do so under an interlocal agreement negotiated with the district.

The act requires the portions of the act outlining how the special taxing districts are created and operated to be liberally construed to carry out their purposes.

MERGER WITH THE MUNICIPALITY

The act allows each municipality's city or town council to merge the district into the municipality (1) if the district fails to issue bonds 10 years after the act takes effect or (2) after the district's bonds are no longer outstanding. In either case, the district's property is conveyed to the municipality at the time of the merger.

TERMINATION

The requirements for terminating the districts are the same as those for statutory districts. The decision must be made at a district meeting, which the officers can call for this purpose by voting to terminate the district. The voters can also trigger the meeting if at least 10% of voters or 20 voters, whichever is less, sign a petition calling for a meeting on termination. Or, instead of the meeting, voters can petition for a referendum on termination, subject to the same requirements as those for referenda on whether to form a district. In either case, the district's officers must terminate the district if two-thirds of the voters at the meeting or in the referendum approve.

If the district's termination is approved, the district must still pay off its debt and transfer its remaining assets to the municipality if its council approves. Alternatively, the district may dissolve if the council agrees, in writing, to assume that debt.

The district officially terminates when either of these events occur and the officers complete their duties. At that point, the clerk must record a certificate of the termination vote in the municipality's land records and notify OPM about the termination.

STATE APPROVALS FOR PORT EASTSIDE DISTRICT IMPROVEMENTS

Applicable District Improvements

The act's process applies to state administrative actions, permit issuances, and approvals ("approvals for district improvements") for any work connected to the Port Eastside District's "district improvements," as described above.

Additionally, administrative actions by a public entity (i.e. the state and any of its agencies) are generally subject to the act's approval process if the district enters into a written agreement with the entity for this work (e.g., to get a government permit, license, or approval; acquire property; or build utility connections). But the process does not apply if federal law or an applicable agreement requires otherwise.

Approval Authority

Approvals for district improvements must be issued by (1) the commissioner with relevant jurisdiction over the matter, or (2) another state official designated by the commissioner. The act prohibits any agency, commission, council, committee, panel, or other body, other than the commissioner, from having jurisdiction over these approvals for district improvements unless the commissioner with approval authority requires it. And it exempts these approvals from any notice requirements for tentative or final determinations or approvals, except those required by the act itself.

Approval Process

To the extent each commissioner finds practicable, he or she must adopt a "master process" to consider multiple licenses, permits, approvals, and administrative actions. Approval applications are submitted directly to commissioners. Commissioners must hold any required hearing, legal notice of which must be published between 5 and 10 days before the hearing in a newspaper with general circulation in the municipality.

Unless they deny a license, permit, or approval (including a request for administrative action), commissioners must issue their approval or take the requested action within 10 business days after an application is submitted, unless they must hold a hearing on it. If commissioners do not deny or grant conditional approval by the 10th business day after the hearing is held, approval is deemed to have been given on the next day.

The act requires commissioners to weigh all competent material and substantial evidence presented by the applicant and the public when making decisions on these applications. Commissioners must issue written findings and determinations that address appropriate evidence, including the nature of any major adverse health and environmental effects of the improvements. They may reverse or modify an order or action at any time on their own initiative. In making such a reversal or modification, they must follow the same procedure they followed in approving the application.

Satisfying State Building and Fire Permits and Inspections

For any work connected to district improvements that requires a permit or inspection by the state building inspector or state fire marshal, the district can instead have an engineer or other duly state-certified or -licensed professional certify the work. This certification satisfies these permit and inspection requirements if the work complies with any applicable state building and fire codes and safety regulations.

Records Disclosure

The act makes all applications, supporting documentation, and other records submitted in connection with any application, together with records of related proceedings, public records. These must be made, kept, and disclosed according to the state's freedom of information law.

Appeals

The act allows any administrative action taken by a commissioner connected with the district improvements to be appealed to the Hartford Superior Court according to the process for appeals to court under the Uniform Administrative Procedure Act (UAPA), with certain modifications that expedite the process. Under the act:

1. appeals must be filed and copies must be served within 10 days after the commissioner's mailing of the order, decision, or action, rather than within 45 days as the UAPA generally requires;
2. the commissioner who made the decision must transmit the proceeding's record to court within 10 days, rather

than 30 days, after the appeal is served; and
3. the court must render its decision within 21 days after the record is filed, unlike under the UAPA, which does not provide a deadline for the court.

The appeal must state the reasons on which it is based and does not stay the improvements' development. As under the UAPA, the proceeding's records must separately state the agency's findings and conclusions. Under the act, if more than one commissioner has jurisdiction over the matter, the commissioners must issue joint findings and conclusions. Additionally, the act requires the commissioner who made the decision to appear as the respondent.

Under the act, if the court finds material prejudice, it can sustain the appeal and render a judgment that modifies the commissioner's decision or orders the commissioner to take specific actions. Following these court actions, an applicant may file an amended application, and the commissioner may consider it for approval.

TRAFFIC LAW EXEMPTIONS

In addition to exempting district improvements from statutory state-approval processes, the act exempts the same Port Eastside district improvements from laws:

1. requiring major traffic-generating developments to get a certificate of operation from the Office of the State Traffic Administration (OSTA);
2. authorizing OSTA and local traffic authorities to require traffic controls for access to and from specified parking areas or commercial establishments with an entrance or exit on or near a state or local road, as applicable;
3. establishing a 60-day timeframe for the Department of Transportation and OSTA to make a final determination on economic development project petitions, applications, or requests;
4. authorizing traffic authorities to make and enforce temporary regulations to cover emergencies and special conditions;
5. allowing anyone aggrieved by a traffic authority's order or regulation under the traffic control and highway safety laws to appeal it;
6. setting penalties for failing to comply with traffic control and safety orders and damaging or removing traffic control devices, signs, or lights;
7. requiring OSTA, if requested, to put up special warning signs near the residences of children who are deaf; and
8. allowing OSTA or a local traffic authority to designate locations on roads within their respective jurisdictions at which signs saying "State Law Requires Use of Signal Lights When Changing Lanes" may be put up.

PA 25-92—sSB 1184
Planning and Development Committee

AN ACT INCREASING THE THRESHOLD FOR SEALED BIDDING ON CERTAIN MUNICIPAL CONTRACTS

SUMMARY: This act increases, from $25,000 to $35,000, the maximum value of contracts or purchases that a municipality may exempt, by ordinance, from its sealed bidding requirements.

By law, municipalities may adopt ordinances establishing competitive bidding requirements for awarding contracts or buying real or personal property, regardless of their charters or special acts. These ordinances may exempt contracts or purchases valued at a specified amount from sealed bidding requirements, except when the statutes require sealed bids.
EFFECTIVE DATE: October 1, 2025

PA 25-133—HB 6833
Planning and Development Committee

AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR TECHNICAL REVISIONS TO STATUTES RELATING TO PLANNING AND DEVELOPMENT

SUMMARY: This act makes technical changes to various planning and development-related statutes.
EFFECTIVE DATE: July 1, 2025

PA 25-150—sSB 1187
Planning and Development Committee

AN ACT CONCERNING FORECLOSURE, ASSIGNMENT AND OTHER ENFORCEMENT ACTIONS FOR UNPAID SEWER ASSESSMENTS AND OTHER FEES AND CHARGES

SUMMARY: This act generally limits the foreclosure and assignment of liens for delinquent sewer assessments and charges on owner-occupied real estate by municipal and regional sewer or water pollution control authorities (WPCAs). But the act's restrictions do not apply to sewer lien (1) foreclosures if they are foreclosed in an action involving tax or other municipal liens and (2) assignments if tax or other municipal liens on the property are currently assigned or are being assigned at the same time.

Except as described above, the act prohibits the following actions on owner-occupied properties unless a lien's principal amount exceeds $3,000 or three years have passed since the lien was filed and it remains unpaid:

1. municipal or regional WPCAs foreclosing liens for delinquent sewer assessments or connection or use charges (§§ 1-3);
2. regional WPCAs instituting a civil action to enforce liens for delinquent sewer assessments or connection or use charges (§ 3); and
3. municipal or regional sewer authorities assigning liens for delinquent assessments or use charges (§§ 1, 2 & 4).

For the regional entities, the principal amount of the liens for delinquent assessments and charges must be combined to determine whether they exceed the $3,000 threshold. For the municipal WPCAs, the threshold is calculated separately for assessments and charges.

By law, unchanged by the act, the statute of limitations for sewer liens (like property tax liens) is generally 15 years (CGS § 12-175).

EFFECTIVE DATE: October 1, 2025, and applicable to actions filed on or after that date.

BACKGROUND

Sewer Fees

There are generally three types of sewer fees: benefit assessments, user charges, and connection charges. Benefit assessments are meant to cover the capital costs incurred in building sanitary sewer lines and treatment plans. They are based on the actual or anticipated benefits a property owner receives or will receive from the system. User charges are paid by sewer line users and are designed to recoup the costs of operating and maintaining the system. Connection charges apply when a property owner ties his or her property to a sewer line.

PA 25-164—SB 1444
Planning and Development Committee

AN ACT CONCERNING THE CONVERSION OF COMMERCIAL REAL PROPERTY FOR RESIDENTIAL USE

SUMMARY: This act allows municipalities that exercise their zoning powers under the statutes (rather than a special act) to allow the conversion (or partial conversion) of commercial buildings into residential developments subject only to a "summary review." To be eligible, the building owner must certify in writing to the municipality that the building (1) has been vacant or (2) had an average occupancy rate under 50% over the one-year period immediately before the summary review application was submitted.

As under existing law, a "summary review" allows an application to be approved without requiring (1) a public hearing; (2) a variance, special permit, or special exception; or (3) any other discretionary zoning action, except for a determination that a site plan conforms with applicable zoning regulations and that public health and safety will not be substantially impacted.

The act also (1) sets related requirements for the summary review application and review process and municipal property revaluations of these conversions and (2) gives municipalities that adopt zoning regulations allowing for these conversions priority funding under the greyfield revitalization program the Department of Economic and Community Development (DECD) is authorized to create. (Although the act references SB 1247 (2025), the legislature authorized the greyfield revitalization program under different legislation enacted in 2025 (see BACKGROUND).)

Under the act, commercial buildings are those designed or used primarily for non-residential purposes, including hotels, retail space, and office space. They do not include industrial buildings, meaning those used primarily for industrial activity and generally not open to the public, including warehouses, factories, and storage facilities. Residential developments are structures (or a portion of one) with at least one dwelling unit.

EFFECTIVE DATE: October 1, 2025

APPLICATION REVIEW

The act requires planning, zoning, or combined planning and zoning commissions to review and decide on each summary review conversion application within 65 days after receiving it, but the applicant may agree to extensions of up to an additional 65 days or withdraw its application.

The act prohibits municipalities from conditioning a conversion's approval on the correction of a nonconforming use, structure, or lot. The act also specifies that its provisions do not exempt these conversions from the requirements of applicable building and fire codes. However, it prohibits municipalities from unreasonably delaying inspections required for conversions.

MUNICIPAL PROPERTY REVALUATIONS

The act prohibits municipalities from conducting a revaluation of these converted buildings for a three-year period from the date a certificate of occupancy is issued for the conversion. This prohibition applies regardless of existing law on municipal property revaluations, which requires municipalities to do revaluations every five years based on a rotating schedule the Office of Policy and Management sets.

BACKGROUND

Greyfield Revitalization Program

PA 25-174, §§ 112 & 113, generally allows DECD to create a greyfield revitalization program using bond funds and available resources to give a total of $50 million in grants or loans for the repurposing of greyfields.

Under the act, a "greyfield" is any previously developed commercial retail or office property that is (1) economically nonviable in its current state and has conditions that significantly complicate its redevelopment or reuse, as determined by the DECD commissioner, and (2) not currently eligible for any state brownfield remediation and development program.

Related Act

PA 25-49, § 2, (VETOED) would have required zoning regulations in most municipalities to allow middle housing developments on any lot zoned for commercial use, as of right.

PA 25-169—HB 7004 (VETOED)
Planning and Development Committee

AN ACT AUTHORIZING MUNICIPAL REFERENDA TO CHALLENGE CERTAIN PERMIT APPROVALS

SUMMARY: This act would have expanded when people can petition for a town referendum to reverse a Department of Energy and Environmental Protection (DEEP) commissioner decision on whether to grant a permit to a facility in an environmental justice community. It would have done so by (1) making this process available in municipalities with populations up to 16,000, based on the most recent decennial census (rather than only those with populations up to 10,000) and (2) allowing referenda to challenge the commissioner's approval of a facility. Under current law, only denials can be challenged in this way.

By law, an elector or voter of a municipality with a population below the set threshold can petition for a town referendum on the DEEP commissioner's denial of a permit. An affirmative vote at the referendum constitutes a reversal of the commissioner's decision (meaning a permit is approved even if the commissioner denied it). Under the act, a referendum could also have been used to challenge and reverse approvals (meaning the permit would be denied).

The act also would have made technical changes in a statute on interlocal agreements between municipalities.

EFFECTIVE DATE: Upon passage, except July 1, 2025, for the interlocal agreement technical changes.

BACKGROUND

Related Act

PA 25-175, § 1, would have applied this act's changes beginning September 30, 2025.

PA 25-28—sHB 7213
Public Health Committee

AN ACT CONCERNING ACCESS TO REPRODUCTIVE HEALTH CARE

SUMMARY: This act allows minors (under age 18) to give consent for services, examination, or treatment related to pregnancy and pregnancy prevention without the consent or notification of their parents or guardian. 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.

The act prohibits physicians and other health care providers from sharing any information about these services or a related consultation (including sending a bill) with the minor's parent or guardian without the minor's express consent. Additionally, under the act:

1. these provisions do not affect a provider's obligation to make a report to the departments of public health or children and families (DCF), or any other report or disclosure, that may be required under state law and
2. a parent or guardian who was not informed of these services is not liable to pay for them.

EFFECTIVE DATE: Upon passage

BACKGROUND

Medical Treatment Without Parental Consent

Existing law does not require parental consent for a minor's:

1. treatment of sexually transmitted diseases (if the minor is age 12 or younger, the treating facility must report his or her name to DCF for investigating child abuse) (CGS § 19a-216);
2. alcohol and drug treatment (CGS § 17a-688);
3. HIV testing (CGS § 19a-582);
4. HIV or AIDS prophylaxis or treatment if the provider determines that (a) notifying the parents will result in denial of prophylaxis or treatment or (b) the minor will not start or continue prophylaxis or treatment if the parents are notified and the minor requests they not be notified (if the minor is age 12 or younger, the treating provider must report his or her name to DCF for investigating child abuse) (CGS § 19a-592);
5. abortion and abortion counseling (minors under 16 generally must receive counseling before an abortion) (CGS § 19a-601); and
6. outpatient mental health treatment (not including prescribing legend drugs) under certain circumstances (CGS § 19a-14c).

PA 25-76—sHB 7081
Public Health Committee

AN ACT CONCERNING LICENSURE PORTABILITY FOR MARRIAGE AND FAMILY THERAPISTS

SUMMARY: This act generally allows the Department of Public Health (DPH) to grant a license, without examination, to marital and family therapists (MFTs) licensed or certified in other U.S. states, territories, or commonwealths. Under prior law, (1) DPH could do so only if the other jurisdiction's licensure standards were equivalent to or higher than Connecticut's (see BACKGROUND) and (2) applicants licensed in jurisdictions whose standards did not meet that threshold could substitute three years of work experience for the supervised practicum or internship and postgraduate experience generally required for licensure here. (Under the act, the condition in (1) above continues to apply to MFT associates seeking licensure without examination.)

Under the act, as under prior law, (1) these MFT licensure applicants must pay the same initial application fee ($200) as other applicants and (2) for DPH to grant a license under these circumstances, there must be no pending disciplinary actions or unresolved complaints against the applicant. (PA 25-168, § 429, eliminates the $200 fee for all MFT licensure applicants.)

The act also makes technical changes.

EFFECTIVE DATE: October 1, 2025

BACKGROUND

MFT Licensure Criteria

By law, to get an MFT license in this state, applicants generally must:

1. complete a graduate degree program specializing in marital and family therapy, or postgraduate clinical training program, that meets certain accreditation requirements;
2. complete a supervised practicum or internship with emphasis in marital and family therapy supervised by their degree program or by an accredited postgraduate clinical program;
3. complete 24 months of relevant postgraduate experience, including (a) 1,000 hours of direct client contact meeting certain criteria and (b) 100 hours of postgraduate clinical supervision by a licensed MFT; and
4. pass a DPH-prescribed examination.

PA 25-79—sHB 7156
Public Health Committee

AN ACT CONCERNING THE DEPARTMENT OF DEVELOPMENTAL SERVICES' RECOMMENDATIONS REGARDING VARIOUS REVISIONS TO DEVELOPMENTAL SERVICES STATUTES

SUMMARY: This act makes various changes to Department of Developmental Services (DDS)-related laws and programs. Principally, it:

1. allows non-nursing staff to administer epinephrine or insulin by auto-injectors to patients living in DDS-licensed or -certified facilities, if the staff have specialized training to do so (§§ 1 & 2);
2. allows an adult person with intellectual disability, the person's legal representative, or the DDS commissioner or his designee to petition for a guardian to be granted authority to manage the affairs of such a person with assets of up to $10,000 (§ 3);
3. expands the department's abuse and neglect registry to include (a) community companion home (CCH) licensees whose licenses were revoked or surrendered due to abuse or neglect or (b) CCH designees against whom there has been a finding of abuse or neglect (§§ 4 & 5);
4. provides a process for a CCH licensee, under these circumstances, to request a hearing to contest the license revocation or placement on the registry (§ 5);
5. makes information in DDS's abuse and neglect registry available to the Office of the Probate Court Administrator to determine whether a proposed guardian appears on the registry, and allows DDS to share information with the probate court for this same purpose if a DDS-licensed group home's or CCH's license was revoked or surrendered because of substantiated abuse or neglect (§§ 5 & 6);
6. requires health care providers, under certain conditions, to give DDS any necessary information it requests to review the deaths of people whose medical care the department was responsible for (§ 10); and
7. updates statutory terminology by replacing references to DDS's "behavioral services program" with "children's services program" (§§ 7-9).

EFFECTIVE DATE: October 1, 2025, except the provisions on (1) epinephrine and insulin administration by non-nursing staff, (2) guardianship for asset management, and (3) DDS death reviews take effect upon passage.

§§ 1 & 2 — EPINEPHRINE AND INSULIN ADMINISTRATION BY NON-NURSING STAFF

Regardless of the state's nursing laws, the act allows non-nursing staff to administer epinephrine and insulin by auto-injectors to patients living in DDS-licensed or -certified facilities to treat an allergic reaction or diabetes. The staff must have specialized training, as the DDS commissioner prescribes, to do so.

The act also makes related technical and conforming changes.

Existing law already allows non-nursing staff to administer non-injectable medication to people attending day programs, living in residential treatment facilities, or receiving individual and family support under DDS jurisdiction. The person administering the medication must be trained and do so under a written order of a physician, dentist, advanced practice registered nurse, or physician assistant.

§ 3 — GUARDIANSHIP FOR ASSET MANAGEMENT

The act allows an adult person with intellectual disability (i.e. a protected person), the protected person's legal representative, or the DDS commissioner (or his designee), as well as the guardian himself or herself, to petition for a guardian to be granted authority to manage the protected person's assets if the value does not exceed $10,000. Prior law only allowed a protected person's guardian to do so, thus those without guardians were unable to seek formal help managing their finances unless they applied for guardianship.

As under existing law, the above parties must file a petition in the probate court. If the petition is filed simultaneously with a guardianship petition, the court may conduct one hearing on both petitions.

§§ 4-6 — DDS ABUSE AND NEGLECT REGISTRY

Registry Scope

By law, DDS maintains a registry of certain former employees who were fired from or left their jobs because of a substantiated abuse or neglect complaint against them. These are people who were employed by DDS, or an agency, organization, or person who DDS licenses or funds.

The act expands the registry to include (1) CCH operators whose licenses were revoked or surrendered due to substantiated abuse or neglect and (2) CCH designees against whom an authorized agency made a finding of such abuse or neglect.

It correspondingly requires the registry to include the following information:

1. the names, addresses, and Social Security numbers of these CCH operators and designees;
2. the date of license revocation or surrender, as applicable;
3. for CCH designees, the date an authorized agency made a substantiated finding of abuse or neglect;
4. the type of abuse or neglect; and
5. the name of any employer or authorized agency requesting registry information, as well as the request date and reason for it.

Under the act, a "CCH licensee" is someone licensed to operate a CCH, which gives residential supports and services to no more than three people within the operator's private residence. A CCH "designee" provides these services and supports in the licensee's absence and at his or her direction. An "authorized agency" is one authorized to conduct abuse and neglect investigations and responsible for issuing or carrying out protective services for people with intellectual disability.

The act also makes related technical and conforming changes.

Access to Registry Information

By law, information in the registry is available only to certain agencies and employers for specified purposes. The act makes registry information available to the Office of the Probate Court Administrator to determine whether a proposed guardian appears on the registry and allows DDS to share information with the probate court for this same purpose if a DDS-licensed group home's or CCH's license was revoked or surrendered because of substantiated abuse or neglect.

Existing law already grants the following agencies and employers access to the registry:

1. authorized agencies for protective service determinations;
2. employers who provide services to people receiving DDS services or funding;
3. the departments of Administrative Services, Children and Families, Mental Health and Addiction Services, and Social Services and the Office of Labor Relations to determine whether job applicants at certain agencies appear on the registry; and
4. charitable organizations that recruit volunteers to support programs for people with intellectual disability or autism spectrum disorder to conduct background checks on these volunteers (with DDS approval).

Under the act, DDS must limit its responses to registry information requests related to CCHs to identifying the (1) CCH operator whose license was revoked or surrendered for substantiated abuse or neglect, (2) CCH designee against whom an authorized agency made a finding of substantiated abuse or neglect, and (3) type of substantiated abuse or neglect.

Placement and Removal of Names on the Registry After Authorized Agency Finding

The act requires (1) a CCH licensee's employer (i.e. DDS or a person or organization the department funds or licenses) whose license was revoked or surrendered because of resident abuse or neglect and (2) CCH, in the case of a CCH designee, to give DDS the licensee's or designee's name and other information the department requests within five business days

after receiving an authorized agency's finding of substantiated abuse or neglect.

After DDS receives the notification, it must make an initial determination about placing the person's name on the registry. To do so, the department must notify the person and hold a contested case hearing under the Uniform Administrative Procedure Act (UAPA). The act prohibits the department from placing the CCH licensee or designee on the registry until the hearing is completed and results in a decision to put the name on the registry.

Placement and Removal of Names on the Registry After Department Finding

The act also establishes a process for a CCH licensee to request a hearing to contest a license revocation or planned placement on the registry by DDS. Specifically, after DDS completes an investigation and determines a CCH licensee committed substantiated abuse or neglect, the department must notify the licensee that his or her license may be revoked and name will be placed on the registry.

Under the act, the CCH licensee may request an administrative hearing under the UAPA to contest the license revocation and registry placement. If the licensee requests a revocation hearing, DDS cannot place the licensee's name on the registry until the hearing is completed and results in a decision to put the name on the registry.

Removal of Name After Death

The act requires DDS to remove a former employee's, CCH licensee's, or CCH designee's name from the registry if DDS receives the person's death certificate.

§ 10 — DDS DEATH REVIEWS

Existing law requires DDS to conduct a comprehensive and timely review when a person whose medical care the department had direct or oversight responsibility for dies (e.g., people living in CCHs or community living arrangements).

The act requires health care providers to give the DDS commissioner any information he deems necessary to complete these reviews. Providers must do this at the commissioner's request and only if federal law allows it, including the Health Insurance Portability and Accountability Act (HIPAA). When requesting the information, the commissioner must identify the HIPAA provisions that allow the provider to give him the information.

Under the act and existing law, any information health care providers give to DDS as part of its review process (1) is confidential and not subject to further disclosure, (2) is not admissible as evidence in a court or agency proceeding, and (3) must be used solely for medical or scientific research purposes (CGS § 19a-25).

PA 25-96—sHB 6978
Public Health Committee

AN ACT CONCERNING THE DEPARTMENT OF PUBLIC HEALTH'S RECOMMENDATIONS REGARDING VARIOUS REVISIONS TO THE PUBLIC HEALTH STATUTES

TABLE OF CONTENTS:

§ 1 — RARE DISEASE ADVISORY COUNCIL

Allows the Rare Disease Advisory Council to (1) apply for and accept grants and other funds from various sources to carry out its responsibilities and (2) enter into contracts or agreements as needed to distribute or use these funds

§§ 2-4 — MATERNAL MORTALITY REVIEW PROGRAM AND REVIEW COMMITTEE

Allows DPH to use information it obtains for the Maternal Mortality Review Program, and findings of the Maternal Mortality Review Committee, to improve the accuracy of vital statistics data

§ 5 — INSPECTIONS AND LICENSE RENEWALS

Allows DPH to renew licenses for additional types of facilities without performing an inspection if the facility is federally certified under Medicare or Medicaid (which requires its own inspection)

§ 6 — DPH DISBURSEMENT OF FUNDS

Specifically allows DPH to enter into contracts or agreements as needed to distribute or use funds received from gifts, grants, or contracts

§ 7 — BOARD OF EXAMINERS FOR NURSING

Allows the Board of Examiners for Nursing to hold contested case hearings before hearing officers as well as board members

§ 8 — DISCIPLINARY ACTION AGAINST HEALTH CARE INSTITUTIONS

Expands the grounds upon which DPH may take disciplinary action against health care institutions

§ 9 — TECHNICAL CHANGE

Corrects an inaccurate statutory reference

§ 10 — EMERGENCY DEPARTMENT DIVERSION

Requires hospitals to notify DPH within two hours after they declare emergency department diversions

§§ 11-14 — RETIRED OR VOLUNTEER PHYSICIANS

Allows retired physicians to renew or reinstate their licenses, for a reduced fee compared to standard physician licensure; requires DPH to adopt regulations on related matters, such as setting appropriate restrictions on retired physicians' scope of practice; exempts physicians, under certain conditions, from having to maintain malpractice insurance when providing volunteer behavioral health services at a nonprofit clinic

§ 15 — CHIEF MEDICAL AND NURSING OFFICERS

Requires hospitals' chief medical officers and chief nursing officers to be licensed in their respective professions in Connecticut

§ 16 — BULK WATER HAULERS

Makes a clarifying change regarding bulk water haulers' license renewals

§§ 17 & 18 — ON-SITE SEWAGE TREATMENT SYSTEMS

Expands DPH's authority to regulate alternative on-site sewage treatment systems and requires DPH to amend regulations accordingly; authorizes the commissioner to implement policies and procedures while in the process of adopting regulations on alternative on-site and subsurface sewage systems

§ 19 — NEW PUBLIC WATER SYSTEMS

Updates the statutory process for reviewing and approving new public water systems to reflect current practice, generally requiring DPH to adopt regulations with requirements for (1) an application and approval process; (2) location restrictions and construction; (3) water quality testing, monitoring, and treatment; and (4) related inspections

SUMMARY: This act makes various changes in Department of Public Health (DPH)-related statutes and programs, as described in the section-by-section analysis below.
EFFECTIVE DATE: Various, see below.

§ 1 — RARE DISEASE ADVISORY COUNCIL

Allows the Rare Disease Advisory Council to (1) apply for and accept grants and other funds from various sources to carry out its responsibilities and (2) enter into contracts or agreements as needed to distribute or use these funds

The act allows the Rare Disease Advisory Council to apply for and accept grants, gifts, bequests (i.e. distributions through a will), sponsorships, and in-kind donations of funds from various sources to carry out its responsibilities. These

sources include federal and interstate agencies, private firms, individuals, and foundations. The act also allows the council, under any established procedures, to enter into contracts or agreements as may be needed to distribute or use money, services, or property in line with any required conditions of a grant, gift, bequest, sponsorship, or donation.

By law, the council must advise and make recommendations to DPH and other state agencies on the needs of residents living with rare diseases and their caregivers. The council is within DPH for administrative purposes only.

EFFECTIVE DATE: Upon passage

§§ 2-4 — MATERNAL MORTALITY REVIEW PROGRAM AND REVIEW COMMITTEE

Allows DPH to use information it obtains for the Maternal Mortality Review Program, and findings of the Maternal Mortality Review Committee, to improve the accuracy of vital statistics data

Under existing law, all information DPH obtains for the Maternal Mortality Review Program, including personal information from medical records, must be kept confidential and used solely for specified purposes (e.g., medical or scientific research). The same is true for findings of DPH's Maternal Mortality Review Committee.

The act allows DPH to use information it obtains for the Maternal Mortality Review Program, and findings of the Maternal Mortality Review Committee, to improve the accuracy of vital statistics data. In practice, this allows DPH to share this information and findings with its Vital Records Office's Surveillance Analysis and Reporting Unit, which tracks data on causes of death.

By law, DPH's Maternal Mortality Review Program identifies maternal deaths in Connecticut and reviews related medical records and other relevant data. The department's Maternal Mortality Review Committee conducts comprehensive, multidisciplinary reviews of maternal deaths to identify associated factors and make recommendations to reduce these deaths.

EFFECTIVE DATE: July 1, 2025

§ 5 — INSPECTIONS AND LICENSE RENEWALS

Allows DPH to renew licenses for additional types of facilities without performing an inspection if the facility is federally certified under Medicare or Medicaid (which requires its own inspection)

Prior law allowed DPH to waive the required inspection for a hospital or home health care or home health aide agency applying for license renewal if the entity had been federally certified under Medicare or Medicaid within the prior year (or for hospitals, alternatively if they were currently certified). (The federal recertification process requires an inspection, which in practice is done by DPH.) The act removes the requirement that federal certification occur within the prior year and instead requires these entities to be federally certified when they apply for license renewal in order to receive the waiver.

The act also generally expands this provision by allowing DPH to waive the required inspection for other DPH-licensed institutions (such as hospice facilities and outpatient surgical facilities), except for nursing homes, that are federally certified when they apply for license renewal.

By law, most DPH-licensed health care institutions must renew their licenses every two years.

EFFECTIVE DATE: October 1, 2025

§ 6 — DPH DISBURSEMENT OF FUNDS

Specifically allows DPH to enter into contracts or agreements as needed to distribute or use funds received from gifts, grants, or contracts

The act specifically allows the DPH commissioner, under any established procedures, to enter into contracts or agreements as may be needed to distribute or use money, services, or property in line with any required conditions of a gift, grant, or contract.

EFFECTIVE DATE: Upon passage

§ 7 — BOARD OF EXAMINERS FOR NURSING

Allows the Board of Examiners for Nursing to hold contested case hearings before hearing officers as well as board members

The act specifically allows the state Board of Examiners for Nursing to hold contested case hearings before hearing officers, not just board members.

By law, the board has jurisdiction to hear charges that a nurse failed to conform to the profession's accepted standards. The board may take disciplinary action against a nurse after a hearing under the Uniform Administrative Procedure Act (UAPA) and DPH regulations.

EFFECTIVE DATE: Upon passage

§ 8 — DISCIPLINARY ACTION AGAINST HEALTH CARE INSTITUTIONS

Expands the grounds upon which DPH may take disciplinary action against health care institutions

Under prior law, the DPH commissioner, after a hearing held under the UAPA, could impose a range of disciplinary actions against a health care institution that substantially failed to comply with (1) statutory requirements in the health care institutions chapter or (2) the Public Health Code or licensing regulations. The act instead allows the commissioner to impose discipline against these institutions that substantially fail to comply with (1) above or requirements relating to institutions licensed under the public health statutes generally, the Public Health Code, or licensing regulations. In doing so, the act appears to allow DPH to impose discipline against licensed health care institutions for violations of other statutes under DPH's jurisdiction, such as requirements on opioid overdose reporting (by hospitals) or transferring an electronic copy of medical records within certain timeframes after a patient's request (by most institutions).

As under existing law, these disciplinary actions may include, among other things, (1) revoking or suspending a license; (2) placing a licensee on probationary status; (3) imposing a correction plan; or (4) assessing a civil penalty of up to $25,000.

EFFECTIVE DATE: Upon passage

§ 9 — TECHNICAL CHANGE

Corrects an inaccurate statutory reference

The act makes a technical change by correcting an inaccurate statutory reference.

EFFECTIVE DATE: Upon passage

§ 10 — EMERGENCY DEPARTMENT DIVERSION

Requires hospitals to notify DPH within two hours after they declare emergency department diversions

The act requires a hospital, no later than two hours after declaring an emergency department diversion, to notify DPH in a manner the commissioner sets. Under the act, an "emergency department diversion" occurs when hospitals reroute incoming ambulances to other hospitals because they lack medical capability.

EFFECTIVE DATE: October 1, 2025

§§ 11-14 — RETIRED OR VOLUNTEER PHYSICIANS

Allows retired physicians to renew or reinstate their licenses, for a reduced fee compared to standard physician licensure; requires DPH to adopt regulations on related matters, such as setting appropriate restrictions on retired physicians' scope of practice; exempts physicians, under certain conditions, from having to maintain malpractice insurance when providing volunteer behavioral health services at a nonprofit clinic

Starting January 1, 2026, the act allows retired physicians to renew their licenses, at a reduced fee of 10% of the class I professional services fee or $95, whichever is greater. (The class I fee is $565; the annual renewal fee for physician licenses is $575.) DPH must indicate on the license that the physician is retired. The act requires the DPH commissioner to adopt regulations (1) defining "retired from the profession" for this purpose; (2) establishing procedures for retired physicians to return to active employment; and (3) setting appropriate restrictions on retired physicians' scope of practice, including

restricting the license to providing unpaid volunteer services.

The act also allows retired physicians whose licenses have become void due to nonrenewal to apply for reinstatement, for the same reduced fee as described above. (The existing reinstatement fee is $565.) It requires the DPH commissioner to adopt regulations on similar matters as noted above.

Lastly, the act exempts physicians from having to maintain malpractice insurance when providing volunteer behavioral health services at a nonprofit clinic that provides free services and maintains its own insurance in specified amounts.
EFFECTIVE DATE: October 1, 2025

Regulations on Reinstated Physician Licenses (§ 13)

Under the act, DPH's regulations on license reinstatement for retired physicians must (1) define "retired from the profession" for physicians and (2) include eligibility requirements (consistent with existing law) and application procedures. Existing law allows DPH to deny applications for license reinstatement on various grounds, such as that the applicant failed to comply with laws and regulations governing the profession.

The act also allows the commissioner to impose any conditions or restrictions upon a reinstated physician's scope of practice, including conditions or restrictions relating to volunteer services.

Malpractice Insurance Exemption (§ 14)

Existing law generally requires physicians who provide direct patient care to carry medical malpractice insurance of at least $500,000 per person, per occurrence with an aggregate of at least $1.5 million. But the law provides an exemption, under certain conditions, for volunteer physicians providing primary care services at a free clinic. The act extends this exemption to volunteer physicians providing behavioral health care services at these clinics.

For the exemption to apply, the physician must be providing these services, for no compensation, at a DPH-licensed, tax-exempt clinic that:

1. does not charge for its services;
2. maintains the $500,000/$1.5 million malpractice coverage required by law for each 40 hours (or fractional amount) of service these physicians provide;
3. carries additional malpractice coverage in these amounts on behalf of itself and its employees; and
4. maintains total malpractice coverage of at least $1 million per occurrence and $3 million in total.

A physician covered by the exemption must still maintain legally required malpractice coverage when providing services in any other situation.

§ 15 — CHIEF MEDICAL AND NURSING OFFICERS

Requires hospitals' chief medical officers and chief nursing officers to be licensed in their respective professions in Connecticut

Starting October 1, 2025, the act requires chief medical officers and chief nursing officers employed by hospitals to be licensed in Connecticut under the medical or nursing practice acts, respectively.
EFFECTIVE DATE: Upon passage

§ 16 — BULK WATER HAULERS

Makes a clarifying change regarding bulk water haulers' license renewals

The act makes a missing conforming change to clarify that bulk water haulers renew their licenses every two years in the anniversary month of their initial license.
EFFECTIVE DATE: Upon passage

§§ 17 & 18 — ON-SITE SEWAGE TREATMENT SYSTEMS

Expands DPH's authority to regulate alternative on-site sewage treatment systems and requires DPH to amend regulations accordingly; authorizes the commissioner to implement policies and procedures while in the process of adopting regulations on alternative on-site and subsurface sewage systems

The act expands DPH's authority over alternative on-site sewage treatment systems to include those with a daily capacity of up to 10,000 gallons, instead of up to 5,000 gallons as under prior law. It requires the department to amend its regulations to establish and define discharge categories for these systems and set minimum requirements for them.

The act also authorizes the commissioner to implement policies and procedures while in the process of adopting regulations for alternative on-site and subsurface sewage systems under its jurisdiction (i.e. certain small community sewerage systems and household and small commercial subsurface sewage disposal systems). The act allows the DPH commissioner to issue and update technical standards on the alternative systems and requires her to do so for subsurface sewage systems.

EFFECTIVE DATE: July 1, 2025

Regulatory Authority

PA 23-207 transferred regulatory authority from the Department of Energy and Environmental Protection to DPH over small community sewerage systems and household and small commercial subsurface sewage disposal systems with daily capacities of up to 10,000 gallons.

The act further expands DPH's authority to include alternative on-site sewage treatment systems with a daily capacity of up to 10,000 gallons, instead of up to 5,000 gallons as under prior law. It requires the department to amend its existing regulations to establish and define discharge categories for these systems and establish minimum requirements for them, including procedures for issuing a permit or approval for a system by the commissioner, a local health director, or licensed environmental health specialist. It also eliminates the requirement that the commissioner do so within available appropriations. (But it continues to require DPH to approve and issue permits for these systems within available appropriations.)

By law, an alternative on-site sewage treatment system is a sewage treatment system that uses a treatment method other than a subsurface sewage disposal system and involves a discharge to groundwater.

Policies and Procedures

The act allows the DPH commissioner to implement policies and procedures for alternative on-site sewage treatment systems, small community sewage systems, and household and small commercial subsurface sewage disposal systems while in the process of adopting them as regulations. She must publish notice of her intent to adopt regulations on the e-Regulations System within 20 days after implementing the policies and procedures, which are valid until the adoption of final regulations.

Technical Standards

The act requires the DPH commissioner to issue and update technical standards for designing, installing, engineering, and operating on-site sewage disposal systems under the department's jurisdiction. (These technical standards are not considered state regulations.)

It allows, but does not require, the commissioner to do this for alternative on-site sewage disposal systems.

§ 19 — NEW PUBLIC WATER SYSTEMS

Updates the statutory process for reviewing and approving new public water systems to reflect current practice, generally requiring DPH to adopt regulations with requirements for (1) an application and approval process; (2) location restrictions and construction; (3) water quality testing, monitoring, and treatment; and (4) related inspections

The act updates DPH's review and approval process for new public water systems to reflect current practice. As under prior law, it prohibits building, expanding, or using a public water system that provides drinking water without DPH's approval.

The act applies this approval process to public water systems or their lessees, or individuals, partnerships, associations,

corporations, municipalities, or other entities. (Previously, the process specifically applied to systems owned or used by water companies.) A "public water system" is a water company (e.g., a corporation or municipality) supplying water to 15 or more consumers or 25 or more people at least 60 days a year.

As under prior law, no approval is needed for distribution water main installations if they are constructed according to sound engineering standards and all applicable laws and regulations. The act also does not apply to private or semiprivate wells.

EFFECTIVE DATE: Upon passage

Public Water System Plan

As under prior law, applicants must submit to DPH a proposed public water system plan before the department may approve the system's construction, expansion, or use.

Under the act, the plan must at least include the (1) location of the system and any disposal system or other pollution source on the property where the system is located, (2) proposed sanitary radius in state regulations, (3) system's potential effects on nearby water supply sources, and (4) documentation showing the applicant's ownership or control of the system and proposed sanitary radius.

Additional Documentation

Under the act, if DPH determines through an investigation or inspection, or by submitted documentation, that the applicant does not own or control the proposed sanitary radius of the well, the department must require the applicant to submit additional documentation that adequately shows the alternative methods the applicant will use to ensure the water supply source will be adequate and pure in the long-term.

Plan Review and Approval

When reviewing a public water system plan or application, the act allows DPH to conduct an investigation and inspection to determine the applicant's compliance with the act's and existing law's requirements and related regulations.

The act requires an approved water system to be used, constructed, or expanded according to the approval DPH issued unless the department gives prior written approval for any changes.

Regulations

Existing law allows DPH to adopt regulations to implement the review and approval of new public water systems. The act requires the regulations to include the following:

1. procedures and requirements for approving a system's construction, expansion, or use;
2. requirements for submitting applications, including their content and procedures;
3. DPH inspections before and after an application is submitted or approved;
4. water quality testing, monitoring, and treatment methods to ensure adequate and pure drinking water;
5. requirements for constructing the systems;
6. location restrictions for the systems and minimum setback requirements for disposal sources or other pollution sources; and
7. any other necessary requirements to ensure the adequacy and purity of the water system's drinking water.

PA 25-97—sHB 7157
Public Health Committee

AN ACT CONCERNING VARIOUS REVISIONS TO THE PUBLIC HEALTH STATUTES

TABLE OF CONTENTS:

§ 1 — FEES FOR OCME INVESTIGATION RECORDS

Prohibits OCME from charging a parent or adult sibling of a deceased minor for copies of the minor's investigation record

§ 2 — EMS ADMINISTRATION OF EPINEPHRINE

Allows EMS personnel to administer epinephrine using any device approved by the federal Food and Drug Administration, including nasal spray

§ 3 — PHYSICAL THERAPIST CONTINUING EDUCATION

Starting January 1, 2026, requires licensed physical therapists to complete education or training on ethics and jurisprudence as part of their existing continuing education requirement

§ 4 — REQUIRING PATIENTS TO KEEP PAYMENT METHODS ON FILE

Prohibits health systems and health care providers from requiring patients to have electronic payment methods on file as a prerequisite to providing them services and makes a violation of this prohibition an unfair trade practice

§§ 5-17 & 52 — PSYCHOLOGIST PATIENT CONFIDENTIALITY PROTECTIONS

Updates patient confidentiality requirements for psychologists by repealing prior statutory provisions and instead subjecting them to existing requirements for psychiatric behavioral health providers; makes related minor, conforming, and technical changes to several related statutes

§ 18 — DPH CIVIL PENALTIES

Increases the maximum civil penalty that DPH may impose against individual health care providers from $10,000 to $25,000

§ 19 — DPH WORKPLACE VIOLENCE REPORTS

Extends, from January 1 to February 1, the deadline for health care employers to annually report to DPH on workplace violence incidents

§ 20 — OXYGEN-RELATED PATIENT CARE

Authorizes MRI and radiologic technicians to perform certain oxygen-related patient care activities in hospitals just as existing law allows for designated licensed health care providers and certified ultrasound, nuclear medicine, and polysomnographic technologists

§ 21 — HOSPITAL NURSE STAFFING PLAN COMPLIANCE REPORTS

Changes the dates by which hospitals must biannually report to DPH on their compliance with at least 80% of nurse staffing assignments in their nurse staff plans over the past six months

§ 22 — DCF OUTPATIENT PSYCHIATRIC CLINICS

Specifies that DPH-licensed hospitals are not required to also obtain DCF licensure to provide inpatient or outpatient mental health services to patients of any age

§ 23 — SHORT FORM DEATH CERTIFICATES

Requires DPH, by January 1, 2026, to establish a process for requesting a short-form death certificate that does not include the decedent's cause of death

§§ 24-42 — TECHNICAL REVISIONS

Makes technical changes in various public health and related statutes

§§ 43 & 44 — INFANT MORTALITY REVIEW PROGRAM DATA SHARING

Allows DPH to disclose Infant Mortality Review Program data to the Child Advocate and, in turn, allows the Child Advocate to disclose to DPH information on infant deaths necessary for each to perform their statutory duties; deems this shared information and data confidential and not subject to further disclosure

§ 45 — PEDIATRIC HOSPICE WORKING GROUP

Requires the pediatric hospice services working group to make recommendations to establish a (1) Children's Health, Advocacy, Management, and Palliative Care program and (2) Pediatric Palliative and Hospice Care Center of Excellence pilot program; requires the working group chairpersons to report the recommendations to the Public Health Committee by March 1, 2026

§ 46 — CONNECTICUT LIVER HEALTH DAY

Designates each April 19 as Connecticut Liver Health Day to raise awareness of liver health issues

§§ 47 & 48 — STATEWIDE HEALTH INFORMATION EXCHANGE

Requires OHS to study the exclusion of certain patient health information from the exchange; exempts certain providers from having to connect with the exchange; sets patient notification requirements in the case of a data breach, ransomware, or hacking; and prohibits disclosure of protected health information in response to a subpoena, with limited exceptions

§§ 49 & 50 — WORKING GROUP ON SEWAGE DISPOSAL AND RELATED REGULATIONS

Establishes a working group to assess and make recommendations on (1) sewage disposal regulation and (2) balancing housing development costs with protecting public health and the environment; requires the DEEP commissioner to post notice of her intent to amend certain sewerage-related regulations on the eRegulations system by July 1, 2026, and consider the working group's recommendations when adopting the regulations

§ 51 — PRIORITY SCHOOL DISTRICT MENTAL HEALTH PILOT PROGRAM

Requires SDE, within available appropriations, to create a pilot program in priority school districts on mental and behavioral health awareness and treatment using an online tool

SUMMARY: This act makes various changes to public health-related statutes as described in the section-by-section analysis below.
EFFECTIVE DATE: October 1, 2025, unless otherwise noted below.

§ 1 — FEES FOR OCME INVESTIGATION RECORDS

Prohibits OCME from charging a parent or adult sibling of a deceased minor for copies of the minor's investigation record

By law, the Office of the Chief Medical Examiner (OCME) must investigate deaths that (1) involve certain conditions, such as violence or suspicious circumstances, or (2) are sudden or unexpected and not caused by an easily recognizable disease. The office must keep complete records of these investigations (including autopsy and toxicology reports and a copy of the death certificate).

The act prohibits OCME from charging a fee to a parent or adult sibling of a deceased minor for copies of the minor's records.

Generally, existing law limits public access to copies of these records unless the person has a legitimate interest in them, or the decedent was under state custody at the time of death. The Commission on Medicolegal Investigations, which oversees OCME, sets conditions on accessing the records and related fees.
EFFECTIVE DATE: July 1, 2025

§ 2 — EMS ADMINISTRATION OF EPINEPHRINE

Allows EMS personnel to administer epinephrine using any device approved by the federal Food and Drug Administration, including nasal spray

The act allows emergency medical services (EMS) personnel (paramedics, emergency medical responders, and emergency medical technicians) to administer epinephrine by any device approved by the federal Food and Drug Administration (including nasal spray), instead of only by auto injectors or prefilled vials or syringes as under prior law.

Under existing law and the act, EMS personnel must (1) be trained on administering the medication in line with national standards the Department of Public Health (DPH) commissioner recognizes and (2) administer the medication under the written protocol or standing order of a physician serving as an EMS medical director. Ambulances must be equipped with epinephrine devices.

EFFECTIVE DATE: July 1, 2025

§ 3 — PHYSICAL THERAPIST CONTINUING EDUCATION

Starting January 1, 2026, requires licensed physical therapists to complete education or training on ethics and jurisprudence as part of their existing continuing education requirement

Starting January 1, 2026, the act requires licensed physical therapists to complete at least two hours of training or education on ethics and jurisprudence as part of their existing continuing education requirements. The requirement applies only (1) during the first license renewal period for which continuing education is required (i.e. the second license renewal) and (2) at least once every two years after that.

By law, physical therapists must complete at least 20 hours of continuing education during each registration period (i.e. the 12-month period for which a license has been renewed). This continuing education must include at least two hours of training and education on (1) screening for post-traumatic stress disorder, suicide risk, depression, and grief and (2) suicide prevention training. This requirement applies (1) during the second license renewal and (2) at least once every six years after that.

EFFECTIVE DATE: July 1, 2025

§ 4 — REQUIRING PATIENTS TO KEEP PAYMENT METHODS ON FILE

Prohibits health systems and health care providers from requiring patients to have electronic payment methods on file as a prerequisite to providing them services and makes a violation of this prohibition an unfair trade practice

The act prohibits health systems and health care providers from requiring patients to submit electronic payment methods (e.g., bank account information, credit cards, or debit cards) to keep on file as a prerequisite to (1) seeing patients for an office visit or (2) providing them services.

It makes a violation of this prohibition an unfair trade practice under the Connecticut Unfair Trade Practices Act (CUTPA).

Under the act, the prohibition does not (1) affect a patient's obligation to pay for health care services or (2) prevent patients from voluntarily giving health care providers their electronic payment methods or other payment-related information to keep on file.

Background — CUTPA

The law prohibits businesses from engaging in unfair and deceptive acts or practices. CUTPA allows the consumer protection commissioner, under specified procedures, to issue regulations defining what constitutes an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than $10,000, impose civil penalties of up to $5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. It also allows individuals to sue. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable attorney's fees; and impose civil penalties of up to $5,000 for willful violations and $25,000 for violation of a restraining order.

§§ 5-17 & 52 — PSYCHOLOGIST PATIENT CONFIDENTIALITY PROTECTIONS

Updates patient confidentiality requirements for psychologists by repealing prior statutory provisions and instead subjecting them to existing requirements for psychiatric behavioral health providers; makes related minor, conforming, and technical changes to several related statutes

The act updates statutory requirements for psychologists on confidentiality of patient communications and records to align with those of other behavioral health providers. It does so by repealing prior law's requirements for psychologists and instead subjecting them to similar patient confidentiality requirements that already apply to psychiatrists and advanced practice registered nurses (APRNs) certified as behavioral health providers ("psychiatric behavioral health providers").

The act also makes related minor, conforming, and technical changes, including updating statutory definitions to reflect the addition of psychologists and those they diagnose and treat (hereinafter "patients") to these provisions (e.g., adding a psychologist's office to the definition of "mental health facility"). It also specifies that APRNs may be board-certified as psychiatric mental health providers by the American Academy of Nurse Practitioners or other certifying bodies, instead of only the American Nurses Credentialing Center as under prior law.

EFFECTIVE DATE: October 1, 2025, except the provision on patients' consent to disclosure is effective July 1, 2025 (§ 6).

Disclosure of Patient Communications and Records

Under prior law and the act, a psychologist is generally prohibited from disclosing communications and related records concerning a patient's diagnosis and treatment without the consent of the patient or his or her authorized representative. The patient or representative may withdraw their consent in writing at any time.

However, as is already the case for psychiatric behavioral health providers, the act permits disclosure without consent in the following situations:

1. to other people and mental health facilities (e.g., a hospital, clinic, or psychologist's office) engaged in diagnosing or treating the patient, if the disclosure is necessary for diagnosis or treatment and the patient is informed about the disclosure;
2. when the psychologist determines that there is a substantial risk of imminent physical injury by the patient, or disclosure is needed to place the patient in a mental health facility;
3. to individuals and agencies that collect fees for the psychologist's services (e.g., billing services) or contract with the psychologist (e.g., the Department of Mental Health and Addiction Services (DMHAS)), but the disclosure must be limited to only information needed to process or substantiate the fee or claim (e.g., patient contact information, the fees, and the dates and duration of the services);
4. the disclosure is related to a psychological examination ordered by a court or made as part of a probate court conservatorship proceeding, if (a) the patient is a party to the proceeding; (b) his or her competence is questioned because of mental illness; or (c) it is in appropriate pretrial proceedings, so long as the patient is informed that the patient's communication is not confidential and disclosure is limited to issues involving the patient's mental condition;
5. the disclosure is in connection with a civil proceeding in which the patient introduces his or her mental condition as part of his or her claim or defense (or their beneficiary does) and the court determines it is in the interest of justice;
6. to (a) DPH in connection with a health care facility's inspection or investigation and (b) DMHAS for an inquiry, records examination, or investigation of a serious injury or unexpected death of certain people receiving services at a DMHAS-operated or -funded facility or program; and
7. to immediate family members or legal representatives of a victim of a homicide committed by a patient found not guilty due to mental disease or defect, if they request the communication or record within six years after the verdict and it is used only for a related civil action.

Likewise, the act grants access to psychologists' patient communications and records for the following purposes:

1. to researchers, if the researcher's plan is approved by the mental health facility's director or designee, the information is not removed from the facility (except for certain de-identified data), and patient-identifiable information is generally not disclosed, and
2. to DMHAS, for patients under the department's care, for administrative, research, or planning purposes, so long as the data is de-identified and a patient's identity can only be accessed by the DMHAS commissioner.

Labeling Confidential Records

The act extends to psychologists the existing requirement for psychiatric behavioral health providers that any patient communications and records they disclose include a statement specifying (1) that the information is confidential and cannot be further disclosed without written consent required by law and (2) who and for what purpose consent was given for the disclosure, including any applicable laws authorizing it. (If the disclosure is made orally, the psychologist must inform the recipient about the above information.)

§ 18 — DPH CIVIL PENALTIES

Increases the maximum civil penalty that DPH may impose against individual health care providers from $10,000 to $25,000

The act increases, from $10,000 to $25,000, the maximum civil penalty that DPH or its licensing boards or commissions may impose, under existing procedures, against individual health care providers. (PA 24-68 lowered this maximum penalty from $25,000 to $10,000.)
EFFECTIVE DATE: July 1, 2025

§ 19 — DPH WORKPLACE VIOLENCE REPORTS

Extends, from January 1 to February 1, the deadline for health care employers to annually report to DPH on workplace violence incidents

The act extends, from January 1 to February 1, the date by which health care employers must annually report workplace violence incidents to DPH. Existing law requires certain health care employers to report to the department on the number of workplace violence incidents that occurred in the prior year on the employer's premises and the specific area or department where they occurred.

The reporting requirement applies to DPH-licensed institutions (e.g., hospitals or nursing homes) with at least 50 full- or part-time employees. It also includes (1) mental health and substance use disorder treatment facilities, (2) Department of Developmental Services-licensed residential facilities for people with intellectual disability, and (3) community health centers.

§ 20 — OXYGEN-RELATED PATIENT CARE

Authorizes MRI and radiologic technicians to perform certain oxygen-related patient care activities in hospitals just as existing law allows for designated licensed health care providers and certified ultrasound, nuclear medicine, and polysomnographic technologists

The act authorizes magnetic resonance imaging (MRI) and radiologic technicians to perform the following oxygen-related patient care activities in hospitals: (1) connecting or disconnecting oxygen supply; (2) transporting a portable oxygen source; (3) connecting, disconnecting, or adjusting the mask, tubes, and other patient oxygen delivery apparatus; and (4) adjusting the oxygen rate or flow consistent with a medical order. Existing law already allows designated licensed health care providers and certified ultrasound, nuclear medicine, and polysomnographic technologists to do these things.

As under existing law, this authorization does not apply to any type of (1) ventilator, (2) continuous positive airway pressure or bi-level positive airway pressure unit, or (3) other noninvasive positive pressure ventilation.

As with the other providers and technologists under existing law, MRI and radiologic technicians may perform these activities only to the extent allowed by hospitals' policies and procedures, including applicable bylaws, rules, and regulations. The hospital must document that each technologist is properly trained, either through (1) his or her professional education or (2) training provided by the hospital. It must also require each technologist to complete annual competency testing.
EFFECTIVE DATE: July 1, 2025

§ 21 — HOSPITAL NURSE STAFFING PLAN COMPLIANCE REPORTS

Changes the dates by which hospitals must biannually report to DPH on their compliance with at least 80% of nurse staffing assignments in their nurse staff plans over the past six months

Existing law requires each hospital to report biannually to DPH whether it has complied with at least 80% of nurse staffing assignments in its nurse staffing plan over the past six months.

The act requires hospitals to report by each (1) January 15 for the most recent six-month period ending January 1 and (2) July 15 for the most recent six-month period ending July 1. Prior law required hospitals to report by each October 1 and April 1.

§ 22 — DCF OUTPATIENT PSYCHIATRIC CLINICS

Specifies that DPH-licensed hospitals are not required to also obtain DCF licensure to provide inpatient or outpatient mental health services to patients of any age

Existing law requires the Department of Children and Families (DCF) to administer an outpatient psychiatric clinic program that provides behavioral health services to children and adolescents under age 18 with psychiatric conditions, and their families. Under the program, DCF licenses community-based psychiatric clinics and designates a subset of them as child guidance clinics that receive DCF grants to help maintain or expand them.

The act specifies that DPH-licensed hospitals are not required to also obtain DCF licensure to provide inpatient or outpatient mental health services to patients of any age.

EFFECTIVE DATE: Upon passage

§ 23 — SHORT FORM DEATH CERTIFICATES

Requires DPH, by January 1, 2026, to establish a process for requesting a short-form death certificate that does not include the decedent's cause of death

The act requires the DPH commissioner, by January 1, 2026, to establish a process for requesting a short-form death certificate for deaths occurring on or after January 1, 2021. The short-form death certificate must exclude the medical certification part of the death certificate that identifies the decedent's cause of death. Under prior law, the state only offered long-form death certificates that included information on the cause of death.

Under the act, requestors may give the short-form death certificate to people or institutions (e.g., banks and financial institutions, mortgage lenders, and the motor vehicles department) that do not need to know the decedent's cause of death.

Existing law generally allows anyone age 18 or older to purchase a certified copy of a death record (CGS § 7-51a).

EFFECTIVE DATE: Upon passage

§§ 24-42 — TECHNICAL REVISIONS

Makes technical changes in various public health and related statutes

The act makes technical changes in various public health and related statutes.

§§ 43 & 44 — INFANT MORTALITY REVIEW PROGRAM DATA SHARING

Allows DPH to disclose Infant Mortality Review Program data to the Child Advocate and, in turn, allows the Child Advocate to disclose to DPH information on infant deaths necessary for each to perform their statutory duties; deems this shared information and data confidential and not subject to further disclosure

The act allows the DPH commissioner to disclose information and data from the Infant Mortality Review Program (see *Background — Infant Mortality Review Program*) to the Child Advocate, if the commissioner deems it necessary for the Child Advocate to perform her statutory duties.

In turn, the act allows the Child Advocate to share information with the DPH commissioner about infant deaths (i.e. those occurring between birth and one year of age) if the Child Advocate determines it is needed for the Infant Mortality Review Program.

Under the act, any data disclosed for these purposes (1) is confidential and not subject to further disclosure, (2) is not admissible as evidence in a court or agency proceeding, and (3) must be used solely for medical or scientific research purposes (CGS § 19a-25).

Background — Infant Mortality Review Program

A 2023 law established an Infant Mortality Review Program within DPH to review medical records and other relevant data on infant deaths. This review is conducted by an Infant Mortality Review Committee and must include information from birth and death records and medical records from health care providers and facilities to make recommendations on reducing health care disparities and identify gaps in, or problems with, health care or service delivery to reduce infant deaths.

By law, pharmacies and health care providers and facilities must give DPH, upon request, access to all medical or other records, including prenatal records, associated with infant death cases under the program's review.

§ 45 — PEDIATRIC HOSPICE WORKING GROUP

Requires the pediatric hospice services working group to make recommendations to establish a (1) Children's Health, Advocacy, Management, and Palliative Care program and (2) Pediatric Palliative and Hospice Care Center of Excellence pilot program; requires the working group chairpersons to report the recommendations to the Public Health Committee by March 1, 2026

The act adds to the required duties of the working group (established under 2024 legislation) on pediatric hospice services within the state.

Previously, the working group was responsible for (1) reviewing existing pediatric hospice services in Connecticut, (2) making recommendations for appropriate levels of these services, and (3) evaluating pediatric hospice care payment and funding options. (The group submitted its report on these matters this March.)

The act specifies that these prior duties applied through March 1, 2025. From then through June 30, 2026, the act requires the working group to also make recommendations to establish (1) a Children's Health, Advocacy, Management, and Palliative Care program and (2) within that program, a Pediatric Palliative and Hospice Care Center of Excellence pilot program, as described in the group's March 2025 report. The recommendations must include the following:

1. appropriations needed to establish the programs;
2. requirements for operating the pilot program, including staff and facility requirements;
3. education and curriculum requirements for nurses participating in the pilot program or providing pediatric palliative or hospice care services; and
4. any licensing or certification requirements needed to operate the pilot program or expand pediatric palliative or hospice care services in Connecticut.

By July 24, 2025, the working group's chairpersons must schedule a meeting to start working on the additional responsibilities described above.

Under the act, the chairpersons must report on the working group's recommendations to the Public Health Committee by March 1, 2026.

EFFECTIVE DATE: Upon passage

§ 46 — CONNECTICUT LIVER HEALTH DAY

Designates each April 19 as Connecticut Liver Health Day to raise awareness of liver health issues

The act requires the governor to proclaim each April 19 as Connecticut Liver Health Day to raise awareness of liver health issues, including metabolic dysfunction-associated steatotic liver disease (MASLD) and metabolic dysfunction-associated steatohepatitis (MASH). Under the act, suitable activities may be held at the State Capitol and elsewhere as the governor designates.

EFFECTIVE DATE: Upon passage

Background — MASLD and MASH

MASLD is a condition in which fat builds up in the liver (among people with low alcohol use). MASH is the advanced stage of MASLD. In some cases, MASH can lead to cirrhosis (advanced scarring), which can progress to liver failure.

MASH was formerly called nonalcoholic steatohepatitis (NASH). MASLD was formerly called nonalcoholic fatty liver disease (NAFLD).

§§ 47 & 48 — STATEWIDE HEALTH INFORMATION EXCHANGE

Requires OHS to study the exclusion of certain patient health information from the exchange; exempts certain providers from having to connect with the exchange; sets patient notification requirements in the case of a data breach, ransomware, or hacking; and prohibits disclosure of protected health information in response to a subpoena, with limited exceptions

The act makes various changes affecting the Statewide Health Information Exchange ("Connie"). Principally, it:

1. requires the Office of Health Strategy (OHS) commissioner to study the exclusion of certain patient health information from the exchange;
2. exempts health care providers who do not actively practice in Connecticut from existing law's requirement to connect with the exchange;
3. requires the exchange, when experiencing a data breach, ransomware, or hacking, to notify affected patients and perform any necessary mitigation on behalf of affected health care providers; and
4. prohibits the exchange (and its vendor) from disclosing protected health information in response to a subpoena unless the disclosure fully complies with applicable federal and state laws on releasing medical records.

EFFECTIVE DATE: October 1, 2025, except the study provision takes effect upon passage.

Study Requirements

The act requires the OHS commissioner to study the exclusion of certain patient health information from the Statewide Health Information Exchange. Specifically, the study must evaluate the following:

1. options allowing a patient a granular choice in selecting which specific types of their health information and medical records to share with the exchange (e.g., the ability to exclude certain information and records associated with a particular health care provider);
2. the operational and financial implications of implementing these options; and
3. an option that allows health care providers to participate in the exchange using only a business associate agreement entered into under HIPAA (i.e. a contract between a HIPAA-covered entity and a business associate that specifies how protected health information will be handled).

Under the act, the study must also (1) examine current procedures allowing patients to opt out of the exchange and determine whether to enhance or improve these procedures by enhancing their transparency and simplifying them and (2) summarize, using publicly available resources, the state's health data sharing landscape and related protections as well as the benefits of provider access to patient health information.

The act requires the commissioner to report the study results to the Public Health Committee by September 30, 2026.

Provider Exemptions From Connecting to the Exchange

By May 3, 2023, existing law generally required all licensed health care providers with an electronic health record system capable of connecting to and participating in the statewide health exchange to apply to begin the process to do so. (Hospitals and clinical laboratories were required to apply by May 3, 2022.) By this same 2023 deadline, providers without such a system had to be capable of sending and receiving secure messages in line with specified federal standards.

Generally, health care providers, no later than 18 months after OHS implements policies and procedures related to exchange participation, must be connected to and actively participating in the exchange. (OHS has not yet implemented these policies and procedures.)

The act exempts health care providers who do not actively practice in Connecticut from the requirement to connect with the exchange. Existing law already exempts providers if they (1) have no patient medical records or (2) are individuals and exclusively practice as employees of an entity covered by HIPAA that is legally responsible for decisions on the safeguarding, release, or exchange of health information and medical records.

Under prior law, participating in the exchange meant actively sharing medical records with the exchange under applicable law, including HIPAA and federal regulations on the confidentiality of substance use disorder patient records. The act instead requires providers to actively share "designated record sets" for this purpose, as defined under HIPAA regulations. Generally, these record sets include medical, billing, payment, claims, health plan enrollment, case management, and other records used wholly or partially by or for a HIPAA-covered entity (e.g., health care provider or health plan) to make decisions about individuals.

Notification of Data Breaches

If the exchange experiences a data breach, ransomware, or hacking, the act requires it to notify affected patients and perform any necessary mitigation on behalf of affected health care providers.

Existing law specifies that health care providers are not liable for any private or public claim related directly to a data breach, ransomware, or hacking experienced by the exchange. But they are liable for any failure to comply with applicable state and federal data privacy and security laws and regulations in sharing information with and connecting to the exchange. The law specifically exempts providers from the requirement to share information with or connect to the exchange if doing so would violate any other law.

§§ 49 & 50 — WORKING GROUP ON SEWAGE DISPOSAL AND RELATED REGULATIONS

Establishes a working group to assess and make recommendations on (1) sewage disposal regulation and (2) balancing housing development costs with protecting public health and the environment; requires the DEEP commissioner to post notice of her intent to amend certain sewerage-related regulations on the eRegulations system by July 1, 2026, and consider the working group's recommendations when adopting the regulations

The act establishes a working group to assess and make recommendations on (1) regulatory requirements for sewage disposal, including nitrogen discharge limits and their impact on housing development, public health, and the environment, and (2) balancing the costs of housing development and a risk-based approach to protecting public health and the environment.

Under the act, the working group chairperson must report the group's assessment and recommendations to the DPH commissioner and the Environment, Housing, and Public Health committees by February 1, 2026.

Additionally, PA 23-207 transferred regulatory authority from the Department of Energy and Environmental Protection (DEEP) to DPH over small community sewerage systems and household and small commercial subsurface sewage disposal systems with daily capacities of up to 10,000 gallons. Prior law required DEEP to amend its regulations by July 1, 2025, to effectuate the transfer. The act instead requires the DEEP commissioner to post notice of her intent to amend these regulations on the eRegulations system by July 1, 2026, and only after the working group has convened. Before amending the regulations, she must consider the working group's recommendations.

EFFECTIVE DATE: Upon passage

Working Group Membership and Leadership

Under the act, the working group may at least include the following state officials: (1) the DEEP, DPH, and housing commissioners or their designees and (2) the Public Health Committee chairpersons and ranking members. The committee chairpersons and ranking members may also appoint the following members to the working group:

1. a representative of an in-state residential construction trade association;
2. representatives of in-state associations representing municipal planners, septic system installers, and professional engineers (one from each type of association);
3. representatives of a local or district health department that (a) includes an area with a coastal boundary, (b) includes an area upland of municipally regulated inland wetlands or inland watercourses, and (c) has no land in a coastal boundary or an upland review area (one from each type of department);
4. experts in coastal environmental science, wetland soil science, and environmental justice (one from each field); and
5. residential building developers with experience in developing an area (a) with coastal land and (b) no coastal boundary (one with each type of development experience).

The act requires the Public Health Committee chairpersons and ranking members to select the working group's chairperson from among its members. The chairperson must schedule and hold the working group's first meeting by June 30, 2025.

Under the act, the Public Health Committee's administrative staff serves in this capacity for the working group.

§ 51 — PRIORITY SCHOOL DISTRICT MENTAL HEALTH PILOT PROGRAM

Requires SDE, within available appropriations, to create a pilot program in priority school districts on mental and behavioral health awareness and treatment using an online tool

The act requires the state Department of Education (SDE), within available appropriations, to create a pilot program to allow at least 100,000 students in priority school districts (see *Background — Priority School Districts*) to use an electronic mental and behavioral health awareness and treatment tool (through a website, mobile application, or other online service). SDE must create the program by January 1, 2026, and select the tool to be used in the program.

EFFECTIVE DATE: Upon passage

Program Components

Under the act, the pilot program's chosen electronic tool must provide mental and behavioral health education resources to promote awareness and understanding of these issues. It also must include peer-to-peer support services, screened by a

moderator to encourage social connection and mutual support among students.

The chosen tool must also include private online sessions with state-licensed mental or behavioral health care providers experienced in delivering services in both rural and urban school districts. These sessions must comply with the state's laws on (1) telehealth and (2) parental consent and notification regarding a minor's outpatient mental health treatment (see *Background — Outpatient Mental Health Treatment for Minors*).

Program Objectives and Reporting

Under the act, during the program's first year, its objectives are to (1) build partnerships between priority school districts and community organizations providing mental and behavioral health care services and (2) launch a digital marketing campaign to raise awareness and engagement among students about these issues.

During the program's second year, its objectives are to (1) refer students to mental and behavioral health care providers, as needed, and (2) enhance students' engagement with mental and behavioral health tools, including coping strategies and clinician support.

By January 1, 2026, and again by January 1, 2027, the act requires the SDE commissioner to report to the Public Health and Education committees on the program's success in achieving these objectives.

Background — Priority School Districts

Priority school districts are districts (1) whose students receive low standardized test scores, (2) that have high levels of poverty, or (3) in the eight towns with the largest populations in the state. There are 16 priority school districts in the 2024-25 school year.

Background — Outpatient Mental Health Treatment for Minors

By law, parental consent or notification is not required for a minor to request and receive outpatient mental health treatment (not including prescribing legend drugs) under certain circumstances. Among other things, the provider must determine that (1) the treatment is clinically indicated, (2) requiring parental consent or notification would cause the minor to reject the treatment, and (3) the minor is mature enough to participate in the treatment productively. Under the law, a provider may notify a parent or guardian of this treatment without the minor's consent or notification if the (1) provider determines that notification or disclosure is necessary for the minor's well-being, (2) treatment is solely for mental health and not for a substance use disorder, and (3) minor is given an opportunity to object to the notification or disclosure.

PA 25-162—sSB 1450
Public Health Committee
Appropriations Committee

AN ACT CONCERNING RECRUITMENT AND RETENTION OF THE HEALTH CARE WORKFORCE

SUMMARY: This act requires the Department of Public Health (DPH) to create, within available appropriations, a loan reimbursement program for health care providers, with some of the awards targeted to primary care providers and those employed in rural communities or at federally qualified health centers (FQHCs).

The act requires DPH, in collaboration with a Connecticut-based educational or educational technology provider and within available appropriations, to create a pilot program providing home-based virtual education to people seeking certification as a nurse's aide or emergency medical technician (EMT). The act specifies that it does not eliminate existing requirements for these people to receive in-person practical training.

It requires the education commissioner to add radiologic technology, nuclear medicine technology, and respiratory care to an existing plan on promoting health care career options to middle and high school students.

Lastly, the act requires DPH, within available appropriations, to create a relocation assistance grant program to recruit athletic trainers from other states to move to Connecticut to work here.

EFFECTIVE DATE: Upon passage, except the provisions on the DPH loan reimbursement program and athletic trainer grant program take effect July 1, 2025.

§ 1 — STUDENT LOAN REIMBURSEMENT GRANT PROGRAM

The act requires DPH, within available appropriations, to create a program that awards loan reimbursement grants to health care providers. The program must be open to DPH-licensed providers employed full-time in the state, but not self-employed providers or sole proprietors of a professional health care practice. DPH must make awards annually, to reimburse recipients for qualifying student loan payments.

Under the act, the DPH commissioner must set the (1) award amounts; (2) program's eligibility requirements, which may include income guidelines; and (3) application process. She must consider workforce shortage areas when developing the eligibility requirements.

DPH must award at least (1) 20% of grants to full-time primary care providers and (2) 20% of grants to providers employed full-time in rural communities or at FQHCs. For this purpose, primary care includes family medicine, general pediatrics, primary care, internal medicine, and primary care obstetrics or gynecology, regardless of board certification.

The act allows DPH to adopt regulations implementing the program.

§ 2 — VIRTUAL EDUCATION PILOT PROGRAM

The act requires DPH, within available appropriations, to create a pilot program providing home-based virtual education for people seeking to become a nurse's aide or EMT. DPH must do so by January 1, 2026, and in collaboration with a Connecticut-based educational provider or educational technology provider.

Under the act, the program must offer courses that meet DPH's training and competency evaluation requirements for nurse's aide registration and EMT certification. The act requires the commissioner to set the program's eligibility criteria and allows her to solicit and accept private funds to implement the program. By January 1, 2027, she must report to the Public Health Committee on the program's outcome.

The act specifies that it does not eliminate specified existing requirements for nurse's aides and EMTs to receive in-person, supervised practical training. This includes requirements under (1) federal regulations on state approval of nurse's aide training programs, (2) state regulations on nursing homes employing nurse's aides, and (3) state law on EMT certification.

§ 3 — HEALTH CARE CAREER PROMOTION

Existing law requires the state's chief workforce officer, in consultation with various stakeholders, to develop a plan to work with high schools in the state to encourage students to pursue high-demand health care professions. The education commissioner, in collaboration with the chief workforce officer, must use this plan in (1) promoting health care professions as career options to middle and high school students and (2) health care job shadowing and internship experiences for high school students.

The act requires the education commissioner, by January 1, 2026, to amend the plan to specifically include promoting the professions of radiologic technology, nuclear medicine technology, and respiratory care through related (1) career day presentations; (2) partnerships with in-state education programs; (3) counseling programs to inform high school students about, and recruit them for, these professions; and (4) job shadowing and internship experiences for high school students.

§ 4 — ATHLETIC TRAINER RELOCATION GRANT PROGRAM

The act requires DPH, by January 1, 2026, and within available appropriations, to create a program that awards relocation assistance grants to athletic trainers who relocate to Connecticut, get licensed here, and work in the state. The commissioner must determine the grant amounts and set the application and eligibility criteria and related forms. She also must require grant recipients to report to her on how they used the funds.

Starting by January 1, 2027, the act requires the commissioner to annually report to the Public Health Committee on the program's impact in recruiting athletic trainers to work in the state.

PA 25-18—sHB 7056
Public Safety and Security Committee

AN ACT CONCERNING FIREARM PERMITS AND TRANSFERS

SUMMARY: Existing law limits the number of pistols and revolvers (i.e. handguns) someone can purchase at retail in a 30-day period to (1) six for certain firearms instructors and (2) three for anyone else without an exemption. This act exempts from these limits firearm transfers to defense contractors, nuclear-powered submarine manufacturers, aerospace companies, or nuclear power generating facilities, that are made through agreements with federal agencies or applicable federal regulations to train armed security force personnel or provide or maintain an armed security force (§ 8).

The act also changes references to certain officials responsible for administering various gun laws at the municipal level. These laws authorize the police chief or, where there is no chief, the municipality's chief executive officer (CEO) (or the resident state trooper or relevant state police officer designated by the municipality's CEO) to perform various firearms permitting and administrative functions. The act collectively refers to these officials as "local permitting authorities," defined as that same series of officials, and uses this term to replace existing references to these officials.

The act also makes numerous technical and conforming changes.
EFFECTIVE DATE: October 1, 2025

BACKGROUND

Defense Contractors

By law and under the act, a "defense contractor" is any contractor, subcontractor, manufacturer, or service company that is a party to a defense contract and has agreed to produce or manufacture weapons or defense equipment under it. A "defense contract" is any contract to produce or manufacture weapons or other defense equipment for the Connecticut or United States military or naval forces.

PA 25-56—sHB 7201
Public Safety and Security Committee

AN ACT CONCERNING A SUPPLEMENTAL PARAMEDIC

SUMMARY: This act authorizes UConn's emergency medical services (EMS) organization, operated by the UConn Storrs campus fire department, to apply to the Department of Public Health (DPH) commissioner for a certificate of authorization as a supplemental paramedic, which the commissioner must issue if certain parameters are met.

Under the act, a "supplemental paramedic" is an EMS organization that (1) holds a DPH-issued certificate of authorization; (2) responds to the victim of a sudden illness or injury when available and called upon; and (3) may transport a patient, provide paramedic service, or operate an ambulance service or paramedic intercept service.

The act also specifies which first responder controls and directs emergency activities when any combination of a primary service area responder (PSAR), supplemental paramedic, and supplemental first responder is on the scene of an emergency medical call. Under the act, the PSAR must control and direct emergency activities, however, if a PSAR is not present, the supplemental paramedic must do so.
EFFECTIVE DATE: October 1, 2025

SUPPLEMENTAL PARAMEDIC APPLICATION

Under the act, UConn's EMS organization may apply to the DPH commissioner for a supplemental paramedic certificate as she prescribes, regardless of existing law's licensure requirements for ambulance and paramedic intercept services. The EMS organization must prove to the commissioner's satisfaction that it meets the minimum training, equipment, and personnel standards and has at least $1 million in liability insurance.

Application Determinations

If the commissioner determines that UConn's EMS organization is qualified to be a supplemental paramedic, the act requires her to issue it a two-year renewable certificate. If she denies the application, she must notify the organization in writing and include the reasons for the denial.

Within 30 days after receiving the denial notice, the organization may request a hearing under the Uniform Administrative Procedure Act. If the commissioner's denial is upheld after a hearing, the organization cannot reapply until one year after the decision was upheld.

Certificate Revocation and Suspension

The act authorizes the DPH commissioner to suspend or revoke the certificate of authorization if the UConn EMS organization (1) fails to maintain the minimum standards and liability insurance requirements described above or (2) violates the state's EMS laws. The act gives the organization an opportunity to demonstrate its compliance with these requirements to keep its certificate of authorization.

PA 25-61—sSB 1239
Public Safety and Security Committee
Appropriations Committee

AN ACT CONCERNING THE FALLEN HERO FUND AND PROVIDING HEALTH INSURANCE COVERAGE TO SURVIVORS OF FIRST RESPONDERS WHO ARE KILLED IN THE LINE OF DUTY

SUMMARY: This act expands the availability of the "Fallen Officer Fund" created by PA 24-27 to include additional first responders and correspondingly renames it the "Fallen Hero Fund." The added first responders include emergency medical technicians (EMTs), firefighters, and paramedics.

As under existing law for police officers, the 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. Existing law requires the comptroller to (1) adopt implementing regulations and (2) annually report on the fund to the Public Safety and Security Committee.

And as under existing law for police officers, 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 (e.g., workers' compensation). The act also allows certain surviving family members who were covered by a municipal first responder's health care benefit plan at the time of the first responder's death to apply for or keep the coverage for one year after the death and to then renew the coverage annually for up to five years.

Lastly, the act makes various technical and conforming changes.

EFFECTIVE DATE: July 1, 2025

FALLEN HERO FUND

The act renames the "Fallen Officer Fund" as the "Fallen Hero Fund." Under existing law, this fund is a non-lapsing fund that 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 to reimburse municipalities (i.e. the employer) for insurance premiums paid on the surviving family's behalf (see below).

Like the law for police officers, the "surviving family" under the act is a surviving spouse, child (whether dependent or not), or parent of a first responder killed in the line of duty, or the most recently listed surviving beneficiary on file with the first responder's employer.

Similarly, "killed in the line of duty" is a first responder's death while performing his or her duties, due to an incident, accident, or violence that caused the death or caused injuries that were its direct or proximate cause, including any death determined to be occupationally related by a workers' compensation insurance carrier, an employer to whom a certificate of self-insurance was issued, or an administrative law judge for workers' compensation purposes. It does not include the death of a first responder through his or her own wanton or willful act.

Added First Responders

The act extends the fund's availability to EMTs, firefighters, and paramedics.

By law, an "EMT" is a person certified to practice as an EMT (CGS § 20-206jj(6)). A "firefighter" is any (1) uniformed member of a paid municipal, state, or volunteer fire department and (2) local fire marshal, deputy fire marshal, fire investigator, fire inspector, and certain other classes of inspectors and investigators as determined by the State Fire Marshal and the Codes and Standards Committee (CGS § 7-313g). A "paramedic" is anyone licensed to practice as a paramedic (CGS § 20-206jj(10)).

Payment

The act extends existing law's procedure for payment to a police officer's family to a first responder's family.

Specifically, when the comptroller receives notice from a surviving family member of a first responder killed in the line of duty he must, within available appropriations, pay a lump sum death benefit totaling $100,000 from the fund to the surviving family. Each surviving family is limited to one lump sum death benefit and payments must be made in the order in which notices are received until the amount in the fund is depleted.

Existing law and the act specify that this payment is in addition to any other benefits for which the first responder's surviving family members are eligible and the payments must not be reduced or offset because of these benefits (e.g., workers' compensation or other survivor benefits).

Legislative Report

By law, the comptroller must annually report to the Public Safety and Security Committee a list of the fund expenditures for the prior year, the fund's current balance, and information on additional amounts needed for the fund. Beginning with the July 1, 2026, report, he will include information on expenditures for the additionally covered first responders.

Regulations and Policies and Procedures

Under the act, the comptroller must adopt implementing regulations applicable to the fund and first responders, instead of just police officers as under prior law. This includes application procedures and criteria for awarding grants among surviving family members, with priority given to awards benefiting a dependent child or children and spouse. The comptroller may implement policies and procedures needed to implement the act while in the process of adopting the regulations, as long as he posts a notice of intent to do so on the eRegulations system within 20 days after implementing them. The policies and procedures are valid until the adoption of regulations.

Under the act, a "dependent child" is a first responder's child, whether by blood or adoption, who:

1. is under age 22 and (a) dependent on the first responder'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. is any age and is physically or mentally incapacitated and dependent on the first responder's earnings at the time of the death.

HEALTH INSURANCE

By law, the comptroller must offer "partnership plans" (i.e. health care benefit plans) to nonstate public employers (i.e. any municipality or other political subdivision of the state) and nonprofit employers.

As required under existing law for police officers, the act requires a nonstate public employer that provided coverage under a partnership plan to a first responder who is killed in the line of duty to continue to provide the coverage to the survivors who were covered under the plan at the time of the first responder's death. The coverage must continue for one year after the death and may be renewed annually for up to five years. The nonstate public employer must facilitate the coverage continuation and renewal.

As required under existing law for police officers, under the act, a nonstate public employer that did not provide coverage under a partnership plan to a first responder who is killed in the line of duty must apply for coverage under a partnership plan for, and at the request of, the survivors who were receiving health care benefit coverage through a plan offered to the first responder at the time of the death. The comptroller must accept the application on the terms and conditions applicable to the partnership plan for enrollment and coverage of the survivors for one year. The enrollment and coverage may be renewed annually for up to five years. The nonstate public employer must help with the initiation and renewal of the enrollment and coverage.

The act exempts anyone receiving this coverage from having to pay monthly premiums for these plans and requires the comptroller to reimburse, from the Fallen Hero Fund, any employer making these premium payments.

PA 25-100—sHB 7073
Public Safety and Security Committee

AN ACT CONCERNING POLICE OFFICER REVIEW OF CERTAIN RECORDINGS

SUMMARY: This act changes two sets of laws that authorize certain police officers to review specific recordings from body-worn recording equipment (i.e. body cameras) and dashboard cameras and set deadlines for disclosing the recordings. The act generally reduces which recordings are reviewable and subject to the deadlines and changes when one of the deadlines is triggered. It also makes technical and conforming changes.
EFFECTIVE DATE: October 1, 2025

BODY AND DASHBOARD CAMERA RECORDING REVIEW AUTHORIZATIONS AND RELATED DISCLOSURE DEADLINES

Under prior law, police officers who were giving a formal statement about the use of force or were the subject of a disciplinary investigation in which a body or dashboard camera recording was being considered as part of a review of an incident, had the right to review (1) that recording with his or her attorney or labor representative present and (2) recordings from other body cameras that captured the officer's image or voice during the incident. The act eliminates this exact right and instead (1) gives officers giving formal statements about the use of force the right to review, with their attorney or labor representative present, a recording only if it captured the use of force and (2) allows officers who are the subject of a disciplinary investigation to review a recording only if it is (a) from his or her body camera or a dashboard camera and (b) being considered as part of the investigation.

Prior law set disclosure deadlines for the above body and dashboard camera recordings that were being considered as part of a review of an incident. It required these recordings to be disclosable to the public, upon request, by the earlier of (1) 48 hours after a police officer had reviewed it with his or her attorney or labor representative present or (2) 96 hours after the start of the disciplinary proceeding if the officer did not review it. Under the act, these 48- and 96-hour deadlines only apply to the recordings that officers giving a formal statement about the use of force have a right to review (i.e. recordings that capture the use of force). It also changes the circumstances for triggering the 96-hour deadline to be after a request for a public disclosure of the recording.

The act also modifies a second set of recording review authorizations and disclosure deadlines. Under prior law, if a request was made for public disclosure of a body and dashboard camera recording of an incident about which a police officer had not been asked to give a formal statement about the alleged use of force or a disciplinary investigation had not been initiated, any police officer whose image or voice was captured on the recording had the right to review it with his or her attorney or labor representative present. The act carries forward this review right for officers whose image or voice is captured on a requested recording but limits its application to when a request is made for a recording that captured an alleged use of force and a police officer has not been asked to give a formal statement about the alleged use of force. These recordings under the act are subject to existing deadlines that require they be disclosed to the public by the earlier of (1) 48 hours after an officer's review of it with his or her attorney or labor representative present or (2) 96 hours after the disclosure request.

By law, unchanged by the act and applicable to both sets of disclosure deadlines, recordings of certain scenarios (e.g., encounters with undercover officers or informants and activities in mental health facilities) are, generally, not disclosable and public disclosure may be delayed for up to 144 hours after the recorded event if the officer is not reasonably able to review the recording because of a medical or physical response or an acute psychological stress response to the incident.

PA 25-108—sSB 1320
Public Safety and Security Committee

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE DEPARTMENT OF ADMINISTRATIVE SERVICES REGARDING ACTING BUILDING OFFICIALS, CERTAIN PARKING SPACES AND ELEVATOR CERTIFICATES OF OPERATION

SUMMARY: This act expands the circumstances by which a municipality's chief executive officer can appoint a licensed building official to be an acting building official for up to 180 days to include if the building official has an extended absence of at least 15 consecutive days. Under existing law, an acting building official can also be appointed if the existing building official dies, becomes disabled, is dismissed, retires, or has his or her license revoked.

The act also authorizes the State Building Code to preempt a state law on handicapped parking space sizes if it imposes greater width requirements to accommodate electric vehicle charging stations. Existing law requires handicapped parking spaces to be (1) 15 feet wide including five feet of cross hatch (i.e. space between parking spaces where there is no parking) for passenger vehicles and (2) 16 feet wide including eight feet of cross hatch for passenger vans.

The act also prohibits an elevator or escalator from receiving a certificate of operation renewal from the Department of Administrative Services if it (1) was deemed unfit for operation during its most recent inspection or (2) has any outstanding violation. As under existing law, elevators or escalators must have a certificate to operate and the certificates must be renewed every two years with a renewal fee of $240. Existing law also exempts elevators in private residences from renewal requirements.
EFFECTIVE DATE: October 1, 2025, except the acting building official provision is effective July 1, 2025.

PA 25-123—SB 1490
Public Safety and Security Committee

AN ACT CONCERNING THE SALE OF BATTERY-POWERED SMOKE DETECTORS IN THE STATE

SUMMARY: Beginning October 1, 2025, this act generally bans the sale, offer of sale, and distribution of, smoke detection and warning equipment (smoke detectors) that are only powered by batteries, unless the batteries are nonreplaceable, nonremovable, and able to power the equipment for at least 10 years.

The act's ban does not apply to (1) smoke detectors powered by a building's electrical system, (2) fire alarm systems with smoke detectors, (3) fire alarm devices that connect to a panel, and (4) devices that use a low-power radio frequency wireless communication signal. The act also exempts the sale of smoke detectors that a seller possesses on October 1, 2025, or are part of an order that was placed before that date.

First time violations of the ban are subject to a maximum fine of $100; a subsequent offense is subject to a maximum $500 fine.
EFFECTIVE DATE: Upon passage

PA 25-157—sHB 6859
Public Safety and Security Committee
Appropriations Committee

AN ACT CONCERNING THE DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION'S RECOMMENDATIONS REGARDING FIREARM INFORMATION, SECURITY OFFICERS, FIREARM TRANSFERS AND SCHOOL SECURITY GRANTS AND THE FIRE MARSHAL TRAINING COUNCIL, THE COMMISSION ON FIRE PREVENTION AND CONTROL AND THE CODES AND STANDARDS COMMITTEE

TABLE OF CONTENTS:

§ 1 — IDENTIFICATION AND TRACKING OF SEIZED AND RECOVERED FIREARMS

Requires law enforcement agencies to opt in to share information on recovered firearms through the ATF's eTrace system

§§ 2-4 — SECURITY OFFICERS

Requires security officers to obtain a DESPP permit before they may carry an electronic defense weapon and sets certain requirements for instructors; requires security officer license applicants to complete relevant training if they intend to carry batons or pepper spray; requires licensure renewal applicants to submit fingerprints with the application

§§ 5-7 — TRANSFER OF FIREARMS

Updates documentation requirements for firearm transfers, consolidates the separate process required for the private transfer of long guns into the process for gun dealers, and makes related changes

§§ 8 & 9 — SCHOOL SECURITY GRANT PROGRAM

Requires that applicants for the school security infrastructure grant program conduct a school assessment using guidelines established by DESPP's Division of Emergency Management and Homeland Security; allows, rather than requires, DESPP to use the program's funds for certain communications systems and sets a cap on how much may be spent

§ 10 — FIRE MARSHAL TRAINING COUNCIL

Reduces and adjusts the Fire Marshal Training Council's membership

§ 11 — COMMISSION ON FIRE PREVENTION AND CONTROL

Designates all of the Commission on Fire Prevention and Control's members as voting members and specifically allows the State Fire Marshal to select a designee

§ 12 — CODES AND STANDARDS COMMITTEE WORKING GROUP

Establishes a working group in DAS to study the Codes and Standards committee

SUMMARY: This act makes changes related to (1) the identification and tracking of seized and recovered firearms, (2) security officer credentials and carrying of certain weapons, (3) the sale and transfer of firearms, (4) the school security infrastructure competitive grant program, (5) the Fire Marshal Training Council, and (6) the Commission on Fire Prevention and Control. It also (1) establishes a Codes and Standards Committee-related working group and (2) makes various minor, technical, and conforming changes.
EFFECTIVE DATE: October 1, 2025, unless otherwise specified below.

§ 1 — IDENTIFICATION AND TRACKING OF SEIZED AND RECOVERED FIREARMS

Requires law enforcement agencies to opt in to share information on recovered firearms through the ATF's eTrace system

Under existing law, when a law enforcement agency seizes or recovers a firearm, it must take all appropriate steps to identify and trace its history. The act additionally requires law enforcement agencies to opt in to information sharing through the Bureau of Alcohol, Tobacco, Firearms, and Explosives' (ATF's) National Tracing Center's (NTC's) electronic tracking system (eTrace).

Under the act, a law enforcement agency must:

1. submit all available information on the firearms' identity to eTrace;
2. opt to allow the information to be shared via eTrace; and
3. if the firearm was stolen or missing, enter the information into the Connecticut on-line law enforcement communications teleprocessing system (COLLECT, the Department of Emergency Services and Public Protection's (DESPP) digital tool to access online state and federal law enforcement resources).

Under prior law, agencies had to transmit information to the NTC or enter it into the COLLECT database for transmission to the NTC.

For this provision, a "law enforcement agency" is (1) the state police, (2) any municipal police department, or (3) the police departments of the state colleges and universities.

§§ 2-4 — SECURITY OFFICERS

Requires security officers to obtain a DESPP permit before they may carry an electronic defense weapon and sets certain requirements for instructors; requires security officer license applicants to complete relevant training if they intend to carry batons or pepper spray; requires licensure renewal applicants to submit fingerprints with the application

Electronic Defense Weapons (§ 2)

The act requires security officers to obtain a DESPP special permit before they may carry an electronic defense weapon and authorizes the DESPP commissioner to grant suitable security officers (whether employed by security firms or other entities) these permits. The act generally extends existing law's permitting framework for security officers carrying pistols, revolvers, or other firearms to electronic defense weapons. This includes, among other things:

1. limiting the carrying to work on the employer's premises and traveling to and from work;
2. authorizing the DESPP commissioner to promulgate regulations and requirements for instructors of special permit courses, including who may offer the training and its required hours and contents;
3. requiring instructors, whether they be employees of an association, corporation, or partnership, to be approved by the DESPP commissioner and abide by certain requirements (e.g., submitting a form, paying $40, and meeting certain moral and criminal record-related requirements);
4. establishing that the fees paid are not refundable;
5. setting a $75 fine for violations; and
6. authorizing the commissioner to suspend or revoke special permits upon a finding of a violation and establishing the appeal process.

The act prohibits licensed security services, firms, or corporations from allowing an employee to carry an electronic defense weapon on duty or directly on route unless it obtains proof that the employee has an electronic defense weapon permit. Under the act, the permit fee is $62. It expires at the same time as the person's handgun permit and may be renewed for five-year periods.

To issue the permit, the commissioner must be given proof that the employee has successfully completed a DESPP-approved training course in the safety and use of electronic defense weapons.

The act authorizes the DESPP commissioner to grant employees temporary permits to carry electronic defense weapons while their applications are pending. To be issued a temporary permit, the applicant must have submitted an application and completed the required training courses immediately after being hired.

The act also requires all security officers who carry electronic defense weapons to undergo annual refresher and safety training as directed by the DESPP commissioner.

Electronic defense weapons are weapons that can immobilize a person temporarily through electrical impulse or current and include stun guns and other conductive energy devices.

Carry of Less Lethal Weapons (§§ 3 & 4)

The act generally requires that applicants for a security officer license who intend to carry a less lethal weapon while on duty receive and complete additional DESPP-approved training. The training must teach the security officer how to use less lethal weapons legally and in line with the manufacturer's recommendations. Under the act, a "less lethal weapon" is a baton or oleoresin capsicum spray (i.e. pepper spray).

The act exempts active military members, and veterans within two years after a discharge, from the training requirement if they received equivalent training while serving and apply within two years of their discharge. The same exemption applies under existing law to other training requirements for security officer license applicants.

Existing law requires employees of an association, corporations, and partnerships to receive approval from the commissioner before conducting training and abide by certain requirements (e.g., submitting a form, paying $40, and meeting certain moral and criminal record-related standards). The act extends these same requirements to less lethal weapon training.

Prior law exempted security guards, while performing their work, from the general prohibition on carrying batons or nightsticks (or various other weapons). The act instead exempts less lethal weapons and specifies that it applies to licensed security officers or those authorized to work while their application is pending (see below).

Fingerprints With Renewal Application (§ 3)

By law, applicants for a security officer license or license renewal must submit to a state and national criminal history

records check.

The act requires renewal applicants to submit two sets of their fingerprints with their application. It does so by removing the exemption under prior law. The act also limits the fee exemptions to fingerprinting searches or fingerprinting, rather than other background check associated fees as under prior law.

§§ 5-7 — TRANSFER OF FIREARMS

Updates documentation requirements for firearm transfers, consolidates the separate process required for the private transfer of long guns into the process for gun dealers, and makes related changes

Process of Transferring Handguns (§ 5)

Generally, prior law required handgun buyers (or other transferees) to (1) complete a DESPP firearms purchase application and (2) sign a receipt with specified information after the transaction is approved (e.g., following a background check).

The act instead combines these requirements into one form, referred to as a transfer document. It requires the seller or other transferor to complete the document on a DESPP-provided form. Generally similar to prior law for the receipt, the transfer document must be signed by the buyer and contain the following:

1. the name and address of the transferor and transferee;
2. the date of sale;
3. the handgun's caliber, make, model, and manufacturer's number;
4. a general description of the handgun;
5. the identification number of the transferor's and transferee's handgun permit, permit to sell firearms at retail, or handgun eligibility certificate; and
6. the DESPP authorization number for the transfer.

Prior law required handgun sellers to keep the transaction records for certain minimum periods (application for 20 years and receipt for 5 years). Under the act, if either party to the transfer is a federally licensed firearm dealer (i.e. a federal firearms licensee (FFL)), the dealer must keep the transfer document for at least 20 years (or until they go out of business) and keep the document available during normal business hours for inspection.

As under prior law, the above requirements do not apply to transfers (1) between FFLs, importers, and manufacturers or (2) involving antique handguns.

Transfer of Firearms From Deceased Persons' Estates (§ 5)

Existing law generally prohibits the DESPP commissioner from issuing more than three authorization numbers for the retail sale of handguns to any transferee within a 30-day period (or six authorization numbers if the transferee is a certified firearms instructor).

The act exempts from these limits any firearm transferred by bequest or intestate succession, or to or from a trust upon the death of a testator or settlor.

Process for Transferring Long Guns (§§ 6 & 7)

Under prior law, the procedures for long gun sales and transfers differed for gun dealers versus other sellers. For sales by dealers, the required procedures are like those governing handgun transfers. Private sellers, before transferring a long gun, were required to (1) get a DESPP authorization number or (2) ask a gun dealer to contact DESPP on his or her behalf and obtain the authorization number.

The act eliminates the separate process for sales by non-dealers. Under the act, private long gun transfers must go through the same process as transfers by gun dealers.

Similar to the handgun provisions (see above), the act also combines separate requirements for long gun transaction applications and receipts into one transfer document, with generally similar information and recordkeeping requirements as under prior law for the separate forms. The act's procedures for documenting long gun transactions generally mirror those for handgun transactions.

As under existing law, the above requirements do not apply to long gun transfers (1) to certain parties (e.g., the police); (2) between FFLs, importers, and manufacturers; or (3) involving antique firearms.

As under existing law, an "antique firearm" is any firearm manufactured on or before 1898 and any replica of it, as long as the replica is not designed or redesigned for using rimfire or conventional centerfire fixed ammunition, except for

rimfire or conventional centerfire fixed ammunition that is no longer manufactured in the U.S. and not readily available in the ordinary channels of commercial trade.

§§ 8 & 9 — SCHOOL SECURITY GRANT PROGRAM

Requires that applicants for the school security infrastructure grant program conduct a school assessment using guidelines established by DESPP's Division of Emergency Management and Homeland Security; allows, rather than requires, DESPP to use the program's funds for certain communications systems and sets a cap on how much may be spent

Assessment Guidelines (§ 8)

By law, DESPP, the Department of Administrative Services (DAS), and the State Department of Education (SDE) collectively administer the School Security Infrastructure Grant Program. The program reimburses approved applicants, within certain limits, for developing or improving security infrastructure, related training, or portable entrance security devices. Grants can be given to various entities, such as towns (for their public schools), private schools, and certain licensed childcare centers.

To be eligible, an applicant must, among other things, have a uniform assessment of the schools (or other applicable entities) under its jurisdiction, including security infrastructure. Under prior law, applicants had to use the National Clearinghouse for Educational Facilities' Safe School Facilities Checklist. The act instead requires applicants to use guidelines established by DESPP's Division of Emergency Management and Homeland Security that must be based on best practices for school security infrastructure.

Use of Bonds (§ 9)

Existing law authorizes $107 million in bond funding for the program. Prior law required SDE to use the bond proceeds for the program, except DESPP had to use at least $5 million for school security projects that involve multimedia interoperable communications systems.

Under the act, DESPP may fund the projects from these proceeds, but is not required to do so. If DESPP decides to fund these projects, they may not use more than $5 million.

EFFECTIVE DATE: Upon passage, except the use of bonds provision is effective July 1, 2025.

§ 10 — FIRE MARSHAL TRAINING COUNCIL

Reduces and adjusts the Fire Marshal Training Council's membership

The act reduces the Fire Marshal Training Council's membership from 12 to nine and changes its composition, as shown in the table below. Principally, the act (1) eliminates the members appointed by the governor (two chief elected officials and two public members), Board of Regents for Higher Education (one member), and Board of Trustees for the Community-Technical Colleges (two members) and (2) adds four members appointed by specified entities.

The act allows out-of-state residents to serve on the council by eliminating the requirement that the council's members be state residents. It also allows members to be reimbursed for necessary expenses by eliminating the provision requiring that members serve without compensation. The table below shoes the council's composition under prior law and the act.

Fire Marshal Training Council Composition Under Prior Law and the Act

Prior Law	*Act*
State fire marshal or her designee	State fire marshal or her designee
A Codes and Standards Committee member elected by the committee	A Codes and Standards Committee member elected by the committee
Three members appointed by the Connecticut Fire Marshals Association who are local or deputy fire marshals or fire inspectors (one volunteer, one part-time paid, and one full-time)	Three members designated by the Connecticut Fire Marshals Association, who are local or deputy fire marshals or fire inspectors (one part-time paid and two full-time)
One member appointed by the Board of Regents for Higher Education	One member designated by the Connecticut Chapter of the American Institute of Architects

Prior Law	*Act*
Two members appointed by the Board of Trustees for the Community-Technical Colleges	One member appointed by DAS' Office of Education and Data Management
Two chief elected officials appointed by the governor, one from a municipality with more than 70,000 people and the other from a municipality with less than 70,000 people	One member designated by the Connecticut Conference of Municipalities
Two public members appointed by the governor	One member designated by the Connecticut Council of Small Towns

§ 11 — COMMISSION ON FIRE PREVENTION AND CONTROL

Designates all of the Commission on Fire Prevention and Control's members as voting members and specifically allows the State Fire Marshal to select a designee

By law, beginning July 1, 2025, the Commission on Fire Prevention and Control includes 21 members, including the state fire marshal. The act specifically allows the state fire marshal to select a designee to serve in her place. Under prior law, three members were nonvoting members: (1) the state fire marshal, (2) the Department of Energy and Environmental Protection Forestry Division's forest protection supervisor or designee, and (3) DESPP's State Police Fire and Explosion Investigation Unit's commanding officer or designee. The act makes each a voting member.
EFFECTIVE DATE: July 1, 2025

§ 12 — CODES AND STANDARDS COMMITTEE WORKING GROUP

Establishes a working group in DAS to study the Codes and Standards committee

The act requires the DAS commissioner to convene within the department a working group to study the Codes and Standards Committee. The study must include a review of the committee's membership and procedures for recommending needed changes.

The working group must consist of:

1. four members appointed by the DAS commissioner,
2. one member appointed by the DESPP commissioner,
3. two members designated by the Connecticut Building Officials Association, and
4. two members designated by the Connecticut Fire Marshals Association.

Working group members may not be a current Codes and Standards Committee member.

The working group must submit a report that includes its findings and recommendations to the Public Safety and Security Committee by July 1, 2026. The working group ends on that date or when it submits the report, whichever is later.

By law, the Codes and Standards Committee works with the state building inspector and state fire marshal to enforce the state building and fire codes (CGS § 29-251).
EFFECTIVE DATE: Upon passage

PA 25-160—sHB 7200
Public Safety and Security Committee

AN ACT CONCERNING BLEEDING CONTROL TRAINING AND KITS

SUMMARY: This act allows the Department of Emergency Services and Public Protection (DESPP) to administer a bleeding control trainer qualification program in each district health department. Anyone currently qualified as a bleeding control trainer through this program may provide bleeding control training to members of the public.

The act also prohibits any fee from being charged to any individual or member of the public for participating in (1) any trainer qualification program or (2) a bleeding control training.

Under the act, police officers or probationary candidates who receive bleeding control training from a qualified bleeding control trainer must be given credit for the training toward the basic or review training requirements.

The act also allows the Department of Public Health (DPH) to work with local health departments to install bleeding control kits in certain public places (e.g., public buildings).

EFFECTIVE DATE: July 1, 2025

BLEEDING CONTROL TRAINER QUALIFICATION PROGRAM

Under the act, if DESPP administers the program, the program must (1) use a training model developed by a nonprofit organization that specializes in bleeding control, and (2) provide qualification in bleeding control training to allow participants who successfully complete the program to provide bleeding control training to others.

If DESPP administers the program, each district's health director must determine the program's eligibility criteria. Participants must be members of the following groups within the district:

1. employees of the district health department, youth service bureaus, schools, or municipalities, including municipal social service agencies;
2. employees and volunteers of youth-serving organizations and youth athletic activities operated by businesses, nonprofits, or a municipality; and
3. members of paid municipal or volunteer fire departments, local police departments, and local and regional boards of education.

The trainer qualification program may be included as part of an in-service training program for school employees (e.g., teachers, administrators, paraeducators, nurses, and social workers).

The act allows DESPP to partner with a non-profit that specializes in bleeding control to implement these provisions.

BLEEDING CONTROL KIT

The act allows the DPH commissioner to work with local health departments to install bleeding control kits in (1) public building and (2) places of public accommodation, resort, or amusement. Any installed kit must be centrally located, clearly visible, and easily accessible. The kit may be placed in a cabinet or case that stores an automatic external defibrillator, but the cabinet or case where a kit is placed must be clearly marked as containing a kit.

Under the act, a "bleeding control kit" is a set of materials used to give first aid to a person suffering from serious bleeding or a bleeding emergency, including tourniquets, compression bandages, bleeding control bandages, emergency blankets, latex-free gloves, markers, and scissors. It also includes instructional documents developed by a nonprofit organization that specializes in bleeding control, the U.S. Department of Defense, or a similar agency that describes methods to prevent blood loss following a traumatic event.

The act allows the DPH commissioner to accept donations of bleeding control kits and may use these kits in the places listed above.

PA 25-55—sHB 7162
Transportation Committee
Appropriations Committee

AN ACT REFORMING THE MOTOR VEHICLE TOWING STATUTES

TABLE OF CONTENTS:

§§ 1, 2, 20 & 22 — PRIVATE PROPERTY TOWING

Modifies laws on towing from private property, including requiring (1) a written authorization form for each tow, (2) 14 days' notice before towing a vehicle solely for an expired registration, (3) 72 hours' notice for towing a vehicle solely for an expired residential parking facility permit, and (4) photo documentation of a vehicle before towing it; bans booting on private property

§§ 1 & 3 — PARKING FACILITY SIGNAGE REQUIREMENTS

Extends towing signage requirements to all private parking facilities; modifies the signs' required contents and locations; requires parking facilities to post additional parking rules that may cause a vehicle to be towed

§ 4 — MUNICIPAL TOWING REGULATION

Explicitly allows municipalities to regulate motor vehicle towing, transporting, and storage by towing companies (except for consensual towing and repossession)

§ 5 — TOWING BILL OF RIGHTS

Requires (1) DMV to develop a towing bill of rights, in consultation with the attorney general, and post it online and (2) towing companies to post the bill of rights and make copies available for distribution at their business as well as post it on their websites

§§ 6-8 —TOWING RATES

Requires DMV to establish separate rate schedules for private property trespass towing and police-ordered towing instead of one schedule for all nonconsensual towing; modifies the process for setting rates; requires the rates to be reconsidered and potentially amended every three years

§ 9 — POLICE-ORDERED TOWING COUNCIL

Establishes the Police-Ordered Towing Council and charges it with (1) advising the DMV commissioner on policies affecting police-ordered towing and (2) developing a proposed rate schedule for police-ordered towing, among other things

§ 10 — TEMPORARY TOWING RATES

Starting July 1, 2025, establishes temporary rates for towing medium-duty, heavy-duty, and oversize or overweight vehicles and for the use of a rotator; allows towing companies to charge for equipment in their exceptional services charges

§ 11 — DEALER AND REPAIRER COMPLAINT PROCESS

Codifies provisions that are substantially similar to existing DMV regulations on investigations of consumer complaints against dealers and repairers; explicitly broadens the scope of violations the commissioner may investigate to include violations of towing laws

§§ 12 & 27 — STORAGE AND RELEASE OF VEHICLES SUBJECT TO NONCONSENSUAL TOWING

Modifies laws on releasing towed vehicles, including by requiring towing companies to (1) respond to requests to redeem vehicles or personal property within four hours, (2) allow redemption of all personal property in a vehicle, (3) take credit and debit cards as payment, and (4) accept additional proof of ownership documents

§§ 13 & 14 — VEHICLE DISPOSAL PROCESS

Modifies the vehicle disposal process, including by (1) extending the minimum time that garage owners must hold a vehicle before selling it to 30 or 60 days, depending on vehicle value; (2) requiring towers to send an additional notice of proposed sale to the vehicle owner and lienholder after receiving DMV approval; and (3) specifying a process by which vehicle proceeds escheat to the state

§ 15 — WORKING GROUP ON TOWED VEHICLE DISPOSAL PROCESS

Requires DMV to create a working group to study ways to improve the process for selling or disposing of unclaimed towed vehicles

§§ 16, 19, 21, 25 & 27 — MINOR AND TECHNICAL CHANGES

Makes numerous minor, technical, and conforming changes throughout

§§ 17 & 18 — STATE POLICE TOW ROTATION LIST AND VEHICLE OWNER'S CHOICE OF TOWING COMPANY

Requires, rather than allows, the State Police to establish a rotational system for summoning tow trucks within its patrol jurisdiction; requires police officers to give owners or operators of disabled vehicles the opportunity to choose a towing company

§ 22 — RECORD RETENTION PERIOD

Increases towing companies' minimum record retention requirement from two to three years

§§ 23 & 24 — CIVIL PENALTIES

Increases the maximum civil penalty DMV may impose for violations of dealer and repairer (including towing) laws from $1,000 to $5,000

§ 26 — POLICE-ORDERED TOWING COUNCIL STUDY

Requires the Police-Ordered Towing Council to make recommendations on (1) the timeframe for filing complaints about nonconsensual towing and (2) charging for and resolving disputes over towing services provided by request of police, fire officials or traffic authorities

SUMMARY: This act makes numerous changes to laws on nonconsensual towing and the abandoned vehicle disposal process. Some of the act's changes affect only towing authorized by a property owner or lessee without the vehicle owner's consent (private property tows), but some apply more broadly to all "nonconsensual towing," which is towing that occurs without the vehicle owner or operator's consent whether ordered by private property owners or lessees, police officers, or traffic authorities. A section-by-section analysis of these provisions follows.
EFFECTIVE DATE: October 1, 2025, unless otherwise noted below.

§§ 1, 2, 20 & 22 — PRIVATE PROPERTY TOWING

Modifies laws on towing from private property, including requiring (1) a written authorization form for each tow, (2) 14 days' notice before towing a vehicle solely for an expired registration, (3) 72 hours' notice for towing a vehicle solely for an expired residential parking facility permit, and (4) photo documentation of a vehicle before towing it; bans booting on private property

Overview

By law, private property owners and lessees may use a wrecker service (towing company) to have unauthorized vehicles towed from their property without the vehicle owner's or operator's consent. The act modifies the conditions under which they may do so and adds new conditions and requirements.

The act specifies that these provisions on towing from private property do not apply to (1) towing performed with the owner or operator's consent (i.e. consensual tows) or (2) motor vehicle repossession (except for the requirement to notify

police, which applies under existing law). As under existing law, they also do not apply to authorized emergency vehicles.

Written Authorization

Prior law generally prohibited a vehicle from being towed from private property unless the property's owner or lessee, or their agent, expressly authorized the tow. The act instead requires property owners or lessees (or their agents) to sign, in writing or electronically, a written authorization form for each tow from their property.

Towing Companies as Agents. The act allows towing companies to act as property owners' or lessees' agents only if they execute a contract authorizing them to do so. Under such a contract, a towing company can sign the form, on the property owner's or lessee's behalf, for vehicles that are:

1. illegally parked in an accessible parking space for people with disabilities,
2. in an area reserved for authorized emergency vehicles,
3. within 10 feet of a fire hydrant,
4. blocking access to a building or a parking space on the property,
5. in or obstructing a vehicular traffic aisle, or
6. leaking fluid that presents a hazard or threat.

The act also allows a property owner, through such a contract, to permit a towing company to tow for violations of specific parking rules the owner or lessee establishes, as long as the parking rules are (1) listed in the contract and (2) intended to promote the convenience, safety, or welfare of vehicle operators on the property, preserve the property from abuse, or fairly distribute parking resources.

Form Contents. Under the act, property owners or lessees, or their agents, must provide the written authorization on a Department of Motor Vehicles (DMV)-prescribed form and certify that its contents are true, to the best of their belief, by signing it under penalty of false statement. The form must include the following information:

1. the vehicle's make, model, vehicle identification number, and license plate number;
2. the reason for the tow;
3. the authorizing owner's, lessee's, or agent's name, job title, residential or business address, and phone number;
4. the date and time the authorization was given;
5. confirmation that any required signage was installed; and
6. if the towing company is acting as a property owner or lessee's agent to tow under an established parking rule, a copy of the portion of the contract listing the established parking rules for which a towing company is authorized to tow.

The act also requires towing companies to retain these written authorization forms for at least three years after the tow.

Vehicles With Expired Registrations

The act generally requires 14 days' notice before parking facility (including residential parking facility) owners and lessees, or their agents, may authorize towing a vehicle from the parking facility solely because the vehicle has an expired registration. The notice must be placed in a clearly visible spot on the vehicle's driver-side windshield and include the following information:

1. statements that the vehicle (a) has an expired registration and (b) will be towed from the parking facility without the owner's consent if it remains in or returns to the facility and still has an expired registration and
2. the time and date the (a) notice was affixed to the vehicle and (b) vehicle may be towed, which must be at least 14 days after the notice is placed on the vehicle.

Expired Parking Permits

The act requires 72 hours' notice before residential parking facility owners and lessees, or their agents, may authorize the towing of a vehicle at the parking facility solely due to an expired parking permit. The notice must be placed in a clearly visible spot on the vehicle's driver-side windshield and include the following information:

1. statements that the (a) vehicle's parking permit has expired and (b) vehicle will be towed from the complex without the owner's consent if it remains in or returns to the facility without a valid permit and
2. the time the (a) notice was affixed to the vehicle and (b) vehicle may be towed if it does not have a valid permit, which must be at least 72 hours after the notice is placed on the vehicle.

This provision does not apply to vehicles with temporary or visitor parking permits, as long as the permit clearly states when it expires.

Photo Documentation by Towing Companies

Before connecting a vehicle to a tow truck without the vehicle owner's or operator's consent, the act requires the towing company to take at least two photos of the vehicle with a high enough resolution to clearly show the reason for the tow and the vehicle's condition. Towing companies must retain these photos for at least three years after the tow.

Rebuttable Presumptions of Vehicle Damage or Improper Towing

Under the act, vehicle owners or operators (or their agents), lienholders, and insurance companies acting on the owner's behalf may ask for copies of the (1) written authorization form and (2) photos the act requires towing companies to take. Towing companies must provide these copies at no cost.

The act creates several rebuttable presumptions if a towing company fails to produce the written authorization or photos required. Specifically, it is a rebuttable presumption that the towing company:

1. did not have authorization from a property owner or lessee, if the towing company fails to produce a copy of the written authorization form;
2. damaged the vehicle, if the (a) towing company fails to produce the required photos documenting the vehicle's condition and (b) vehicle is damaged; and
3. towed the vehicle in violation of the laws on towing from private property, if the towing company does not produce a photo documenting the reason for the tow.

Release for Incomplete Tow and Drop Fee

Under the act, if a motor vehicle owner or operator returns before the vehicle is connected to the tow truck, a towing company must stop preparing the vehicle for towing and tell the person that he or she may move the vehicle or resolve the reason for the tow to avoid the tow and towing fee.

If a motor vehicle owner or operator returns after the vehicle is connected to the tow truck but before it is taken from the property, a towing company must stop and inform the person that the vehicle may be released upon payment of a drop fee, established by DMV (see § 7 below). The towing company must take payment in cash or by credit or debit card and immediately release the vehicle and provide a receipt upon payment. If the vehicle owner or operator does not pay the fee, the towing company must proceed with the tow but must give the owner or operator a copy of the towing consumer bill of rights (see § 5 below).

Notification to Police

By law, a towing company must notify the local police department within two hours after towing a vehicle from private property or for a repossession. The act specifies that the company may alternatively inform the resident state trooper serving the municipality and makes conforming changes to provisions requiring the police, within 48 hours of receiving this notice, to take certain steps to determine whether the vehicle was reported stolen.

The act also requires towing companies to tell the local police department or resident state trooper (1) when and where the tow occurred and (2) where the vehicle is stored.

Booting on Private Property

Existing law and the act generally prohibit private property owners and lessees (other than private higher education institutions and secondary schools) from issuing parking citations to or imposing monetary sanctions on vehicles parked on their property. Prior law allowed them to render unauthorized vehicles immovable with a wheel locking device (i.e. "boot"), but the act bans this practice and eliminates related notification requirements and maximum removal fees for booting. As is the case under existing law for the parking ticket prohibition, private higher education institutions or secondary schools are exempt from the ban on booting under the act.

Penalty

As under existing law, a first offense of the above private property towing provisions is an infraction (see Table on Penalties) with a $50 fine, and second or subsequent offenses are misdemeanors, subject to a fine of $50 to $100, up to 30 days in prison, or both.

§§ 1 & 3 — PARKING FACILITY SIGNAGE REQUIREMENTS

Extends towing signage requirements to all private parking facilities; modifies the signs' required contents and locations; requires parking facilities to post additional parking rules that may cause a vehicle to be towed

General Requirements

Prior law required conspicuous signs warning that unauthorized vehicles may be towed to be posted on private commercial properties before property owners or lessees, or their agents, could have unauthorized vehicles towed from there.

The act establishes new signage requirements that apply to all private parking facilities, rather than just private commercial property. "Parking facilities" are lots, garages, parking terminals, and other parking structures or accommodations located on private property, including those located at multifamily dwellings with five or more units, condominiums, or other common interest communities ("residential parking facilities"). (PA 25-159, § 62, specifies that these signage provisions do not apply to parking facilities located at multi-family dwellings with four or fewer units.)

It also (1) requires that signs be in place for at least 48 hours before a vehicle may be towed from the property and (2) specifically requires towing companies to verify that signage meeting the act's requirement, as described below, is present before they tow a vehicle from a parking facility on a property owner's or lessee's behalf.

Sign Contents and Specifications

As under prior law, these signs must state that unauthorized vehicles may be towed and indicate any costs or fees that might be charged. The act additionally requires the signs to (1) bear the international towing symbol, (2) state that towing is at the owner's expense, and (3) be at least 12 inches long and 18 inches wide. The act eliminates prior law's requirement that the signs indicate where a towed vehicle will be stored and how it can be redeemed and instead requires the signs to include (1) the name, address, and phone number for the towing company that performs the towing or (2) a phone number that a motor vehicle owner or operator can call to locate their vehicle and get information on how to redeem it.

Sign Locations

Generally, the act requires these warning signs to be placed at the parking facility's entrances. But in cases where certain areas are restricted in an otherwise unrestricted parking facility, the signs must be placed either (1) on the right or left side of each entrance to a designated area or group of restricted parking spaces or (2) at the end of each restricted parking space so that the sign faces the front of the vehicle in the space. If the property owner or lessee, or their agent, imposes additional restrictions on individually signed spots, the signs must indicate that the space is reserved for a specific unit number, person, or type of person.

Parking Rules

In addition to the general parking facility signage requirements, the act requires parking facility owners or lessees, or their agents, to post conspicuous signs listing the violations that would cause a vehicle to be towed from the parking facility. Any rules must be to promote the convenience, safety, or welfare of drivers on the facility, preserve the facility from abuse, or fairly distribute parking resources.

Exceptions

Prior law made exceptions to the signage requirements, allowing property owners or lessees to have vehicles towed without installing signage if they were:

1. illegally parked in an accessible parking space for people with disabilities,
2. in an area reserved for authorized emergency vehicles,
3. within 10 feet of a fire hydrant, or
4. blocking building access or entry or exit from the property.

The act retains these exceptions and adds additional exceptions for vehicles (1) blocking access to reserved parking areas, (2) obstructing vehicular traffic aisles, (3) leaking fluid that presents a hazard or a threat, or (4) parked in an area not designated for parking.

Prior law allowed property owners or lessees to have an unauthorized vehicle towed without having installed signage if the vehicle was left for more than 48 hours. The act eliminates this exception and replaces it with one that allows towing without signage after 48 hours' notice. Under the act, parking facility owners or lessees, or their agents, may place a written notice on a vehicle stating (1) that the vehicle will be towed if it remains parked at the facility; (2) the time the notice was placed; and (3) the time the vehicle will be towed, which must be at least 48 hours after the notice is placed. The notice must be placed in a conspicuous location on the windshield near the driver's side. This exception does not apply to residential parking facilities (see below).

Penalties

As under prior law, a first offense of the signage requirement is an infraction with a $50 fine, and second or subsequent offenses are misdemeanors, subject to a fine of $50 to $100, up to 30 days in prison, or both.

§ 4 — MUNICIPAL TOWING REGULATION

Explicitly allows municipalities to regulate motor vehicle towing, transporting, and storage by towing companies (except for consensual towing and repossession)

The act explicitly allows municipalities to regulate motor vehicle towing, transporting, and storage provided by towing companies (other than consensual towing or repossession) through ordinances enacted by their legislative bodies. Ordinances adopted under the act may regulate nonconsensual towing and parking facility and residential parking facility management, as long as they are not inconsistent with state law. The act specifies that if a vehicle is towed from one municipality to another, and both have towing ordinances, the ordinance for the municipality the vehicle was towed from applies.

EFFECTIVE DATE: Upon passage

§ 5 — TOWING BILL OF RIGHTS

Requires (1) DMV to develop a towing bill of rights, in consultation with the attorney general, and post it online and (2) towing companies to post the bill of rights and make copies available for distribution at their business as well as post it on their websites

By September 1, 2025, the act requires the DMV commissioner, in consultation with the attorney general, to develop a consumer bill of rights regarding towing ("towing bill of rights") in both English and Spanish and make it available for public dissemination.

The towing bill of rights must include at least the following:

1. a summary of a vehicle owner's or operator's rights and responsibilities if his or her vehicle is towed,
2. when a towing company must be available to redeem vehicles or personal property,
3. the towing and storage rates and other fees that towing companies may charge,
4. a description of the records and photos a vehicle owner or operator may request from the towing company,
5. a warning that towing companies may sell unclaimed towed vehicles under the law's vehicle disposal process (see below), and
6. information on filing a consumer complaint with DMV.

Starting October 1, 2025, the act requires DMV and the attorney general to include the towing bill of rights on their respective websites.

Under the act, starting October 1, 2025, towing companies must post the towing bill of rights at their places of business and make copies available to distribute to customers who visit there. If a towing company has a website, it must post the bill of rights on the website starting on the same date.

The act requires the commissioner, at a minimum, to revise the bill of rights each time he publishes a new rate schedule for private property trespass towing or police-ordered towing.

EFFECTIVE DATE: Upon passage

§§ 6-8 —TOWING RATES

Requires DMV to establish separate rate schedules for private property trespass towing and police-ordered towing instead of one schedule for all nonconsensual towing; modifies the process for setting rates; requires the rates to be reconsidered and potentially amended every three years

Overview

Prior law required the DMV commissioner to establish a schedule of uniform rates and charges ("rate schedule") for nonconsensual towing and transporting and for motor vehicle storage, and those rates had to be just and reasonable. The law did not specify the structure of the rate schedule, and the commissioner had discretion over which rates and charges to include. In practice, the commissioner set (1) a flat tow charge for light-duty vehicles, plus a mileage charge for transporting; (2) an hourly rate for medium- and heavy-duty towing, including any transporting; and (3) a schedule of storage charges based on vehicle length and the type of facility (e.g., whether it is inside or outside). The towing rates applied to all kinds of nonconsensual towing, including towing performed at accident scenes.

The act instead requires the commissioner to establish two rate schedules, one for private property trespass towing (i.e. nonconsensual tows from private property) and one for police-ordered towing. It also creates new processes for setting the schedules and requires DMV to adopt rates for vehicle storage, a drop fee, and an after-hours redemption fee.

Private Property Trespass Towing Rates, Storage Rates, and Drop and After-hours Redemption Fees (§ 7)

Rates and Fees. The act requires the commissioner to establish the following rates and fees, which must take effect January 1, 2026:

1. flat rates for private property trespass towing of (a) light-duty vehicles, which have a gross vehicle weight rating (GVWR) of less than 10,000 pounds; (b) medium-duty vehicles, which have a GVWR of 10,000 pounds to 26,000 pounds; and (c) heavy-duty vehicles, which have a GVWR greater than 26,000 pounds;
2. a fee for additional labor;
3. a drop fee;
4. a mileage fee;
5. storage rates; and
6. an after-hours redemption fee.

Under the act, the flat towing rates include the first two miles of transportation the towing company performs. The act prohibits towing companies from charging a mileage fee for more than 13 additional miles for a private property trespass tow. The act also specifies that the storage rates and after-hours redemption fees apply to all nonconsensual towing, not just private property trespass towing.

Once the rate schedule is published, the act prohibits towing companies from charging more than the rates listed in the schedule or for services not included in the schedule.

Factors Considered in Rates. Under prior law, the commissioner had discretion over which factors he considered and incorporated into the rates and charges he set. The law specified that he could consider, among other things, the following factors when setting and amending the rates and charges: (1) the consumer price index (CPI), (2) rates set by other jurisdictions, (3) charges for towing and transportation services provided through automobile clubs, and (4) rates published in standard service manuals. DMV regulations also allow the commissioner to consider the towing and recovery industry's operating costs (Conn. Agencies Regs., § 14-63-36a). In a 2021 decision, the Appellate Court affirmed the commissioner's discretion to weigh these factors as he sees fit (see *Background — DMV Commissioner's Discretion in Rate Setting: Towing & Recovery Professionals of Connecticut, Inc.* v. *Department of Motor Vehicles*).

The act limits this discretion by (1) requiring that the rate schedule reflect the reasonable operating costs of towing companies that perform nonconsensual towing and storage; (2) requiring, rather than allowing, the commissioner to consider specified factors when setting the rates; and (3) modifying those factors.

Under the act, the commissioner must at least consider (1) the U.S. Department of Transportation's transportation producer price index; (2) rates set by other jurisdictions; and (3) the cost of fuel, wreckers, motor vehicle parts, equipment, personnel, workers' compensation insurance, unemployment compensation, and insurance premiums.

Rate Reconsideration and Adjustment. Under prior law, the commissioner had to reconsider the rate schedule upon a licensed towing company's petition (at most once every two years) and amend it if he determined, after considering the factors specified in law, that the rates were no longer just and reasonable. The act instead requires the commissioner to automatically reconsider the schedule every three years. The commissioner may amend the rate schedule if he determines that the rates are no longer just and reasonable or do not reflect the reasonable operating costs for towing companies that

do private property trespass towing. If he amends the schedule, it takes effect on the January 1 following the public hearing (see below).

Public Hearing. As under prior law, DMV must hold a public hearing to get information to establish the schedule. The act requires DMV to hold a public hearing for the initial rate schedule by November 1, 2025. The hearing for the first rate reconsideration must be held between July 1, 2028, and October 1, 2028, and then every three years after that.

Rates in Effect on October 1, 2025. The act specifies that the light duty towing and storage rates in effect on October 1, 2025, remain in effect through December 31, 2025, and towing companies cannot charge more than these rates during that time. The act establishes temporary rates for medium- and heavy-duty towing, which take effect starting July 1, 2025 (see § 10).

Police-Ordered Towing Rates (§ 8)

The act also requires the commissioner to establish a rate schedule for police-ordered towing, which must include the following:

1. base hourly rates for towing (a) light-, medium-, and heavy-duty vehicles, and (b) oversize or overweight motor vehicles;
2. an hourly rate for winching vehicles located off the highway;
3. hourly rates for each type of specialized towing equipment not included in the base rate;
4. hourly rates for labor not included in the base rate; and
5. an administrative service charge.

The act requires DMV to specify the services and equipment included in the base rate. Once the rate schedule is published, it prohibits towing companies from charging more than the rates listed in the schedule or for services not included in the schedule.

Factors Considered in Rates. As is the case for the private property trespass towing schedule, the rates must be just and reasonable and reflect towing companies' operating costs. The act requires the commissioner, when setting rates, to at least consider (1) the transportation producer price index; (2) rates set by other jurisdictions; (3) rates for consensual towing; (4) the cost of equipment required to be on the State Police tow rotation list; and (5) workers' compensation insurance, unemployment compensation, and insurance premium costs.

Process. Under the act, the Police-Ordered Towing Council (see below) establishes an initial proposed schedule and submits it to the commissioner. Within 90 days after receiving the proposed schedule, DMV must hold a public hearing and establish and publish a rate schedule. If the commissioner amends the proposed schedule, he must provide a written statement.

EFFECTIVE DATE: October 1, 2025, except that the provisions on private property trespass towing rates are effective July 1, 2025.

Background — DMV Commissioner's Discretion in Rate Setting: Towing & Recovery Professionals of Connecticut, Inc. v. *Department of Motor Vehicles*

In 2018, DMV increased base towing rates and storage fees, generally reflecting the rise in the CPI since the last increase in 2007. In determining the increases, the hearing officer considered evidence from the towing industry on vehicle costs, real estate taxes, and workers' compensation, among other things, but decided to give more weight to factors listed in statute (namely, the CPI).

In response to DMV's 2018 decision, the Towing & Recovery Professionals of Connecticut filed an administrative appeal challenging the commissioner's consideration of statutory and regulatory factors and its weighing of evidence. When the appeal reached the Appellate Court, it held that, given the inclusion of the word "may," both the statute and regulation give the commissioner discretion to consider and weigh the factors that he sees fit (*Towing and Recovery Professionals of Connecticut, Inc.* v. *Department of Motor Vehicles*, 205 Conn. App. 368 (2021), *cert. denied*, 338 Conn. 910 (2021)).

§ 9 — POLICE-ORDERED TOWING COUNCIL

Establishes the Police-Ordered Towing Council and charges it with (1) advising the DMV commissioner on policies affecting police-ordered towing and (2) developing a proposed rate schedule for police-ordered towing, among other things

The act establishes a 12-member Police-Ordered Towing Council and charges it with (1) advising the DMV commissioner on policies affecting police-ordered towing and (2) developing a proposed rate schedule for police-ordered

towing. It places the council within DMV for administrative purposes only.

Membership

Under the act, the council consists of the transportation, emergency services and public protection, energy and environmental protection, and insurance commissioners (or their designees), plus the following members appointed by the governor:

1. three representatives of an in-state organization representing towing and recovery professionals,
2. two representatives of an in-state organization representing the commercial trucking industry,
3. one representative from the insurance industry,
4. one representative of an association of police chiefs in the state, and
5. one representative of an association of fire chiefs in the state.

The act requires the governor to make appointments by August 1, 2025, and fill any vacancies within 30 days after they occur. Each appointed member serves for a three-year term and may serve until a successor is appointed. The governor must appoint the chairperson, and the chairperson must convene the first meeting by September 15, 2025.

Proposed Rate Schedule and Other Duties

The act requires the council, by January 1, 2026, to submit to the DMV commissioner a proposed police-ordered towing rate schedule. In developing the schedule, the council must consider the factors the act requires the DMV commissioner to consider when setting a rate schedule.

Between June 1, 2028, and September 1, 2028, and every three years after that, the council must review the rate schedule, consider adjustments, and submit any recommended adjustments to DMV. The council must also:

1. recommend specific procedures for determining whether a service performed by a towing company providing medium- and heavy-duty towing was required;
2. request information from other parties to assist with its work and, in its discretion, hold public hearings to get information; and
3. make additional recommendations to DMV as it deems appropriate.

EFFECTIVE DATE: July 1, 2025

§ 10 — TEMPORARY TOWING RATES

Starting July 1, 2025, establishes temporary rates for towing medium-duty, heavy-duty, and oversize or overweight vehicles and for the use of a rotator; allows towing companies to charge for equipment in their exceptional services charges

Hourly Rates

Starting July 1, 2025, the act overrides the existing DMV-established rate schedule for certain towing services and sets temporary rates that remain in effect until the DMV commissioner adopts new private property trespass towing and police-ordered towing rate schedules, as applicable, under the process the act establishes.

Under the act, the following maximum hourly rates may be charged for nonconsensual towing (including recovery), calculated according to DMV regulations:

1. for medium-duty vehicles, $400 per hour (previously, the rate was $240);
2. for heavy-duty vehicles, $700 per hour (previously, the rate was $390);
3. for oversize or overweight vehicles, $1,500 (previously, the heavy-duty vehicle charge applied); and
4. for the use of a rotator, $1,275 per hour (the prior rate schedule did not have a rate for a rotator).

The act defines a rotator as a wrecker (tow truck) that (1) consists of a rotating superstructure, adjusting boom, operating machinery, and one or more operator's stations mounted on a frame attached to a truck chassis and (2) has the ability to lift, lower, and swing loads.

Services Included in Hourly Rate. The act specifies that the hourly rate covers:

1. up to 15 minutes for services reasonably necessary to restore the towing site to its original condition, or to restore it as directed by a police officer, traffic authority, or local fire official;
2. up to 15 minutes for time the towing company spent at the site waiting to perform any portion of the nonconsensual towing due to an order of a police officer or traffic authority;
3. hand tools, wrenches, sockets, and timbers, used in the towing or recovery of a motor vehicle;

4. air fittings and hoses used in towing or recovery under 100 feet;
5. disconnecting batteries;
6. pry bars, reflectors, wheel chocks or scotch blocks, up to two snatch blocks, cargo retraining straps, and chain and binders used in conjunction with wrecker cables; and
7. preparing a motor vehicle for towing.

DMV regulations list similar services included in "tow charges" (Conn. Agency Regs., § 14-63-36b).

Exceptional Services

In addition to base hourly rates, DMV regulations allow towing companies to charge for "exceptional services," which is using special equipment, such as cutting torches, air compressors, and other equipment not generally required for nonconsensual towing at accident scenes. DMV regulations require that these charges be itemized according to the company's posted hourly labor charge (Conn. Agency Regs., § 14-63-36c). Although the Appellate Court held in 2024 that this regulation does not allow exceptional service charges to include charges for equipment, the Supreme Court recently reversed this judgement (see *Background — Exceptional Services: Modzelewski's Towing & Storage, Inc.* v. *DMV Commissioner*).

Under the act, the charge for exceptional services may include the hourly charge for labor and the use of equipment to perform the services, as long as the services are itemized, reasonable, and necessary to perform nonconsensual towing.

End Date

The act specifies that the provisions in this section expire when the DMV commissioner publishes a new police-ordered towing rate schedule. Presumably, this does not apply to the temporary rates, which expire when DMV publishes the private property trespass towing or police-ordered towing rates, as applicable.

EFFECTIVE DATE: July 1, 2025

Background — Exceptional Services: Modzelewski's Towing & Storage, Inc. v. *DMV Commissioner*

In 2024, the Appellate Court considered a DMV hearing officer's decision to impose civil penalties on a towing company and order restitution for certain violations, including improperly charging for exceptional services by including an equipment charge. The court held that the regulations only permit charging for exceptional services according to the approved hourly labor charge, and there is no support in existing DMV regulations for a towing company to include an equipment charge in its rate for exceptional services. In September 2025, the Connecticut Supreme Court concluded that the Appellate Court was incorrect in this determination and instead held that DMV regulations allow towing companies to charge fees for exceptional services based on the cost of special equipment used to provide the services (*Modzelewski's Towing & Storage, Inc.* v. *DMV Commissioner*, 353 Conn. 486 (2025)).

§ 11 — DEALER AND REPAIRER COMPLAINT PROCESS

Codifies provisions that are substantially similar to existing DMV regulations on investigations of consumer complaints against dealers and repairers; explicitly broadens the scope of violations the commissioner may investigate to include violations of towing laws

The act codifies provisions that are substantially similar to existing DMV regulations on investigations of consumer complaints against dealers and repairers (see Conn. Agencies Regs., §§ 14-63-45b & -45c). (By law, towing companies must have a dealers' or repairers' license.) It also broadens the scope of violations the commissioner may investigate to explicitly include violations of towing laws.

Among other things, the act codifies provisions that:

1. specify what must be included in a complaint, including a statement of facts accompanied by supporting evidence, like the written authorization to tow required under the act;
2. require DMV to notify the customer and the dealer or repairer, within 14 days after receiving the complaint, that the complaint was received, what matters it covers, and that it will be investigated;
3. specify the scope of DMV's investigation and the procedure for handling incomplete and unsubstantiated complaints; and
4. give DMV several options to resolve substantiated complaints, including mediation or an administrative hearing under the Uniform Administrative Procedure Act.

If DMV finds a towing company violated the laws, the act also specifically allows the DMV commissioner to recommend that the Department of Emergency Services and Public Protection remove a medium- or heavy-duty towing company from the State Police tow rotation list in addition to any enforcement action currently authorized (e.g., civil penalties and restitution orders).

The act also (1) eliminates a statutory provision that requires the DMV commissioner to retain unresolved complaints on a dealer or repairer's records until the dealer or repairer provides evidence satisfactory to the commissioner that the claim is resolved or no longer pending and (2) broadly allows the commissioner to adopt regulations to implement these provisions.

§§ 12 & 27 — STORAGE AND RELEASE OF VEHICLES SUBJECT TO NONCONSENSUAL TOWING

Modifies laws on releasing towed vehicles, including by requiring towing companies to (1) respond to requests to redeem vehicles or personal property within four hours, (2) allow redemption of all personal property in a vehicle, (3) take credit and debit cards as payment, and (4) accept additional proof of ownership documents

Availability for Vehicle Redemption

The act repeals prior law on storing and releasing motor vehicles towed from private property and enacts new requirements that explicitly apply to all towing companies performing nonconsensual towing. As under prior law, the act requires the (1) companies to store towed vehicles at their business site in a secured lot and (2) site to be open from 8:00 a.m. to 5:00 p.m. Monday through Friday.

Prior law required that towing companies be reasonably available on weekends and holidays for vehicle redemption purposes. Under DMV regulations, a towing company must allow a vehicle owner, lending institution, or other authorized person to redeem a vehicle at any time if the towing company (1) performs or contracts to perform towing for compensation outside of its hours of operation or (2) advertises to the public it is available to tow outside of its hours of operation (Conn. Agencies Regs., § 14-63-37a). The towing company must release the vehicle within a reasonable amount of time after someone requests it, and a person is deemed to have made a request to release his or her vehicle by appearing at the business in person or by calling the towing company at its advertised phone number.

The act instead generally requires towing companies to allow vehicle owners or others they authorize to redeem their vehicle or personal property within four hours after making a request, if the request is not made during the towing companies' hours of operation. Towing companies must maintain an advertised phone number to take requests 24 hours a day to redeem vehicles and remove personal property. But the act specifies that lending institutions or people these institutions authorize may only redeem vehicles during towing companies' operating hours.

The act codifies the provision in regulations allowing towing companies to charge a fee for releasing a vehicle outside its hours of operation. Under the act, DMV must set a maximum amount for this fee (see § 7, above).

The act also specifically prohibits charging a storage fee for any day that a towing company does not make the vehicle available for redemption.

Access to Personal Property

Under existing law, towing companies have a lien on vehicles they tow for their towing and storage charges. The act specifies that towing companies do not have a lien on personal property stored in a vehicle subject to nonconsensual towing, and they must permit vehicle owners, or people the owners authorize, to access the vehicle and remove personal property during the towing company's hours of operation or, outside of these hours, within four hours after making a request to remove property. DMV regulations only required towing companies to allow retrieval of property essential to someone's health or welfare (Conn. Agencies Regs., § 14-63-37b).

Proof of Ownership

Under existing law, towing companies must release a vehicle towed from private property to its owner or another authorized person upon demand if the owner or other authorized person (1) presents proof of registration and (2) pays the towing and storage costs.

The act expands the documentation that an owner or authorized person (including, under the act, a lienholder) may provide to include a certificate of title, a bill of sale, a lease for the motor vehicle, or other reasonable proof of ownership. The towing company must release the vehicle even if the address on the documentation is different from the owner's or authorized person's current address.

Accepted Forms of Payment

The act requires towing companies to (1) accept payment for nonconsensual towing and storage charges by cash, credit card, and debit card and (2) keep sufficient cash at their offices to give change to a vehicle owner, or another authorized person, at the time of payment. If payment is made by a credit or debit card, the card holder must appear at the towing company's office and sign a receipt.

Right to Inspect and Itemized Receipt

Under existing law, vehicle owners and other authorized individuals have the right to inspect a vehicle towed from private property before redeeming the vehicle. Towing companies must give an itemized receipt to the person who paid the towing and storage costs and cannot require an owner or authorized person to sign a general release of liability. The act extends these provisions to all nonconsensual tows.

Penalties

Under the act, a first offense of these requirements is an infraction with a $50 fine, and second or subsequent offenses are a class D misdemeanor (see Table on Penalties).

§§ 13 & 14 — VEHICLE DISPOSAL PROCESS

Modifies the vehicle disposal process, including by (1) extending the minimum time that garage owners must hold a vehicle before selling it to 30 or 60 days, depending on vehicle value; (2) requiring towers to send an additional notice of proposed sale to the vehicle owner and lienholder after receiving DMV approval; and (3) specifying a process by which vehicle proceeds escheat to the state

Applicability

Existing law establishes a process through which garage owners may sell or otherwise dispose of vehicles that remain unclaimed after being towed there, without the owner's consent, under direction from a property owner or lessee, police officers, or traffic authorities.

The act (1) makes a number of changes to the process; (2) specifies that the process applies to vehicles subject to nonconsensual towing and abandoned vehicles ordered removed by a police officer, DMV inspector, or parking authority (this was generally the case under prior law); and (3) specifies that the garage owners subject to these requirements include towing companies.

Timeframe for Disposal

Prior law required garage owners, before they could sell an unclaimed vehicle, to hold it for at least (1) 15 days, if the vehicle's market value was $1,500 or less, or (2) 45 days, if the vehicle's market value was more than $1,500. The act extends the minimum amount of time they must hold it to 30 days and 60 days, respectively, but allows garage owners to start the process of selling (e.g., by submitting forms to vehicle owners and DMV) after 15 or 45 days, as applicable.

Under existing law, unchanged by the act, garage owners may not start this process if there is a pending hearing. (By law, hearings apply only to tows ordered by police or traffic authorities.)

Determining Vehicle Market Value

Under DMV regulations and agency practice, a vehicle's market value is its average trade-in value in the National Automobile Dealers Association (NADA) used car guide, eastern edition.

The act allows garage owners, when determining the vehicle's value, to deduct for an observed defect or a missing major component part (e.g., engine, hood, or fender).

Abandoned Vehicles

Under existing law, when police or traffic authorities order a tow of an abandoned vehicle, the police department or authority must notify the vehicle owner and any lienholders about the tow within 48 hours if the vehicle appears on DMV's

records. The act additionally requires towing companies who take these vehicles into custody to make a reasonable effort to identify the vehicle owners and lienholders and send them the same notice.

Notice and Process for Disposal

Under existing law, if a vehicle remains unclaimed 48 hours after the tow, the towing company, or the appropriate state or municipal agency in the case of police- or traffic-authority ordered tows, must send a notice of tow to the owner and all lienholders on record. In order to sell or dispose of the vehicle, the act, as under prior law, requires garage owners to send notices to vehicle owners and lienholders at specified times and outlines the steps they must follow to sell or otherwise dispose of a vehicle.

The table below compares the process under prior law and the act. Additional information on some provisions is provided below.

Vehicle Disposal Process Under Prior Law vs. Act

Procedural Step	*Prior Law*	*Act*
Initiating process to sell stored vehicle (at least 15 days or 45 days after a tow, as applicable)	Garage owner initiated process to sell vehicle by sending "notice of intent to sell" to the owner and lienholder and providing a copy to DMV. Notice had to specify the vehicle's identifying information; the time, date, and place of its sale; and that any proceeds that exceed the garage's charges will be available to claim for one year after the sale date.	Garage owner must send the notice, which must include additional specified information on vehicle value and the vehicle disposal process (see below). In addition to the information required under prior law, garage owners must include a copy of the towing bill of rights with the notice they give to the vehicle's owner and lienholder. Garage owners must also provide any other information DMV requires, such as photographs of the stored vehicle.
DMV approval of the sale	DMV had to approve the notice of intent to sell and, if approved, issue the garage owner an affidavit of compliance. DMV had to send an affidavit of compliance to the garage owner after approving the sale.	In addition to the requirements under prior law, DMV may send a copy of the notice of intent to sell electronically to the vehicle's owner or lienholder. DMV must check for active consumer complaints from the vehicle owner before approving a sale and may not approve a sale or issue an affidavit of compliance if a related complaint is unresolved.
After receiving DMV approval to sell	Garage owner could sell vehicle once five days had passed since notifying the owner about the intent to sell.	Garage owner must instead send the vehicle owner and lienholder a notice of proposed sale with the date, time, and place of sale. Five days after this notice, the garage owner may sell the vehicle as long as at least 30 or 60 days, as applicable, have passed.

Procedural Step	Prior Law	Act
After selling	Within 15 days after selling, garage owner had to report the sale to DMV with the buyer's name and address, the sales price, and the amount of storing, towing, and repair charges. Garage owner had to hold any proceeds above what it was owed for towing charges at its place of business for a year to be claimed by the owner. If the owner did not claim them, they escheated to the state.	In addition to reporting the sale to DMV, the garage owner generally must (1) mail any proceeds that exceed its charges to the vehicle owner (as described below) and (2) notify DMV that it did so. Proceeds unclaimed one year after the sale date continue to escheat to the state.

Notices of Intent to Sell and Proposed Sale

The act requires the notice of intent to sell to also include, in addition to the information required under prior law, (1) the vehicle's retail market value, as determined by the garage; (2) that the vehicle will be sold if it is not claimed in time and may still be claimed up until the point the vehicle is sold; and (3) that additional proceeds will be mailed after the sale. The act eliminates the requirement that this notice include the time, date, and place of the sale, but requires a new notice with this information later in the process (see below). The act also explicitly subjects notices of intent to sell that are filed with the commissioner to disclosure under the Freedom of Information Act.

The act requires garage owners to send a new, additional notice of proposed sale after receiving approval to sell from DMV. The garage owner may sell the vehicle five business days after sending the notice. But the act also specifies that garage owners may not sell the vehicle until at least five business days have passed since sending the notice of intent to sell.

Limitation on Storage Costs

Prior law authorized the DMV commissioner to limit the number of days of storage a garage owner could charge for beyond the initial 30 days (for vehicles valued $1,500 or less) and 60 days (for vehicles valued over $1,500). The act eliminates this authorization and instead limits storage charges after the initial 30 or 60 days, as applicable, to up to 10 days after a garage owner receives approval to sell the vehicle from DMV (i.e. the affidavit of compliance).

Distribution of Proceeds

As under prior law, the act requires garage owners to report the vehicle's sales price; storing, towing, and repair charges, if any; expenses related to the sale; any proceeds; and other information on the vehicle and the buyer to DMV within 15 days after the sale.

Under prior law, the garage owner had to hold any sale proceeds that remained after subtracting the amount due to the garage owner or an officer who put the vehicle into storage, and all the expenses related to the sale, and give the proceeds to the vehicle's owner or representative if claimed within one year from the sale. The act instead requires the garage owner to deposit the sale proceeds in an escrow account and pay them to the owner or his or her legal representative if they are claimed within one year from the sale.

Under the act, as under prior law, if the vehicle sale proceeds are not claimed by an owner or a lienholder after one year, the proceeds escheat to the state. The act specifies that they escheat to the state as unclaimed property, and the garage owner is subject to applicable state law on escheats, including all obligations applicable to unclaimed property holders. Within 10 days after filing any required report and escheating any funds to the state, the garage owner must give the DMV commissioner evidence that the report has been submitted and the funds have escheated.

§ 15 — WORKING GROUP ON TOWED VEHICLE DISPOSAL PROCESS

Requires DMV to create a working group to study ways to improve the process for selling or disposing of unclaimed towed vehicles

The act requires the DMV commissioner, or his designee, to convene a working group to study the disposal process for unclaimed towed vehicles.

The working group must study at least the following:

1. alternative methods for selling unclaimed vehicles or disposing of them that (a) balance towing companies' interests in managing their storage sites with motor vehicle owners' interest and (b) ensure vehicles are sold as close as possible to fair market value;
2. issues concerning lienholders who do not redeem vehicles after inspecting them at the towing company's storage site;
3. alternatives to the statutory timeframes for unclaimed vehicle disposal and estimating vehicles' fair market value;
4. ways to modernize and improve the vehicle auction process, including legislative recommendations to do so; and
5. best practices in other states for unclaimed vehicle disposal.

The working group consists of the DMV commissioner, or his designee, plus the following members appointed by the commissioner: (1) two DMV employees, (2) three towing industry representatives, and (3) two consumer advocates. Initial appointments must be made by August 1, 2025, and any vacancies must be filled by the appointing authority. The act also allows the group to consult with any other agencies, officials, or interested parties that the group deems appropriate.

The commissioner (or his designee) serves as chairperson and must schedule the council's first meeting by September 1, 2025. DMV serves as administrative staff to the working group.

By February 1, 2026, the act requires the working group to submit a report on its findings to the Transportation Committee. The working group terminates when it submits its report or on February 1, 2026, whichever is later.

EFFECTIVE DATE: Upon passage

§§ 16, 19, 21, 25 & 27 — MINOR AND TECHNICAL CHANGES

Makes numerous minor, technical, and conforming changes throughout

The act makes numerous minor and technical changes in these sections and conforming changes throughout.

§§ 17 & 18 — STATE POLICE TOW ROTATION LIST AND VEHICLE OWNER'S CHOICE OF TOWING COMPANY

Requires, rather than allows, the State Police to establish a rotational system for summoning tow trucks within its patrol jurisdiction; requires police officers to give owners or operators of disabled vehicles the opportunity to choose a towing company

The act requires, rather than allows, the State Police to establish a rotational system for summoning tow trucks within its patrol jurisdiction (tow rotation list), which it already has done in practice.

The act codifies an existing State Police regulation giving owners and operators of disabled vehicles the opportunity to select a towing company. Under the act, as under existing regulations, if the vehicle owner or operator is on the scene and able to respond, the state police officer must ask if the owner or operator wants to choose a towing company. If he or she does want to, and the chosen towing company is on the tow rotation list, the officer must notify the chosen service. If the towing company does not answer or cannot respond within the timeframe established in regulation (30 minutes, or 20 minutes for limited-access highways), the officer must move on to the next towing company on the list (Conn. Agencies Regs., §§ 29-23a-5 & -7).

The act also similarly requires municipal police officers to ask whether owners and operators of disabled vehicles wish to select a towing company in cases where they are on the scene and able to respond. If the owner or operator selects a towing company and the company is on the municipality's tow rotation list (if it has one), the officer must notify the chosen company. If the towing company does not answer or cannot respond timely, as determined by the officer, the officer must either call the next towing company on the list or a towing company the officer selects.

§ 22 — RECORD RETENTION PERIOD

Increases towing companies' minimum record retention requirement from two to three years

Existing law requires towing companies to store various records pertaining to their business and the vehicles they tow. The act extends, from two to three years, the period of time towing companies must retain required records and make them available for inspection by law enforcement or DMV.

§§ 23 & 24 — CIVIL PENALTIES

Increases the maximum civil penalty DMV may impose for violations of dealer and repairer (including towing) laws from $1,000 to $5,000

The act increases, from $1,000 to $5,000, the maximum civil penalty that the DMV commissioner may impose on licensed dealers and repairers for violating the dealer and repairer laws. By law, towing companies must hold a dealer's or repairer's license to be able to operate.

§ 26 — POLICE-ORDERED TOWING COUNCIL STUDY

Requires the Police-Ordered Towing Council to make recommendations on (1) the timeframe for filing complaints about nonconsensual towing and (2) charging for and resolving disputes over towing services provided by request of police, fire officials or traffic authorities

The act requires the Police-Ordered Towing Council to make recommendations on the following:

1. limiting the period of time a person has to file a complaint with DMV about nonconsensual towing;
2. ensuring towing companies may charge for equipment and labor specifically requested by a police officer, traffic authority, or fire official during the provision of a police-ordered tow; and
3. ways to document towing services that were requested and provided and to resolve related disputes.

The council must report its recommendations to the Transportation Committee by February 1, 2026.

EFFECTIVE DATE: July 1, 2025

PA 25-65—sSB 1377
Transportation Committee

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE DEPARTMENT OF TRANSPORTATION AND CONCERNING TRANSPORTATION NETWORK COMPANIES AND DRIVERS, THE PROJECTION OF A LASER AT AN AIRCRAFT OR FLIGHT PATH, AUTOMATED TRAFFIC ENFORCEMENT SAFETY DEVICES, SMALL HARBOR IMPROVEMENT PROJECTS, THE CONNECTICUT PUBLIC TRANSPORTATION COUNCIL, BUS PUBLIC TRANSPORTATION SERVICES AND THE NAMING OF CERTAIN ROADS AND BRIDGES

TABLE OF CONTENTS:

§§ 1 & 2 — CONNECTICUT PLANE COORDINATE SYSTEM

Replaces the Connecticut coordinate systems by establishing a new Connecticut Plane Coordinate System based on National Geodetic Survey updates to the National Spatial Reference System

§ 3 — LIGHT RAIL AND BUS RAPID TRANSIT SIGNALS

Requires light rail and bus rapid transit operators to comply with light rail transit signals when they are in place

§ 4 — PARKING DISTANCE FROM CROSSWALKS AND CERTAIN SIGNS

Increases, generally from 25 to 30 feet, the distance from an intersection or marked crosswalk (or stop and yield signs) within which vehicles are prohibited from parking

§§ 4 & 31 — PARKING NEAR A FIRE HYDRANT

Establishes a fine of up to $200 for subsequent violations of existing law's prohibition on vehicles parking within 10 feet of a fire hydrant

§ 5 — SERVICE SIGNS ON LIMITED ACCESS HIGHWAYS

Allows "EV CHARGING" to be included on limited access highway specific service signs

§§ 6-8 — FEDERAL SURFACE TRANSPORTATION FUNDING

Allows DOT to take certain actions related to federal surface transportation funding that a municipality receives directly

§§ 9-11 — RAILROAD FACILITY SURVEYS AND RAIL ENTRY PERMITS

Allows the DOT commissioner or his agents to enter private property to conduct certain railroad facilities-related surveys or testing; additionally allows the commissioner to issue entry permits to anyone seeking nonexclusive, temporary access to state-owned property that supports rail operations

§ 12 — TRANSIT DISTRICT FUNDING

Requires DOT to fund urban transit districts based on a formula set in federal law, as prior law required through FY 24; eliminates a related requirement that DOT establish a grant program to provide additional funding to these transit districts

§§ 13 & 66 — REGIONAL COMMUTER AND FREIGHT MOBILITY DISCUSSIONS REPEAL

Repeals a statute that generally required the governor to have ongoing formal discussions with surrounding states about regional commuter and freight mobility and report on these discussions

§ 14 — HIGHWAY RIGHT-OF-WAY ENCROACHMENT PERMIT FEES

Eliminates a provision of prior law requiring the DOT commissioner to charge fees for certain state highway right-of-way encroachment permit applications that reflect the fees the Massachusetts Department of Transportation charges for these permits

§ 15 — FAILURE TO YIELD TO PEDESTRIANS

Increases, from $500 to $750, the maximum penalty for failure to yield to pedestrians and other related violations

§§ 15 & 66 — SPECIAL CROSSWALK MARKINGS

Eliminates provisions of prior law related to special markings for certain crosswalks

§§ 16-18 — DRIVING IN EXTREME LEFT LANE ON LIMITED ACCESS HIGHWAYS

Extends to all vehicles the prohibition on driving in the extreme left lane on limited access highways with more than two lanes going in the same direction, with certain exceptions; requires (1) OSTA to put up related signage, (2) DOT to implement a related public awareness campaign, and (3) OPM to include related information in its annual report on traffic stops

§ 19 — MOTORCYCLE HELMETS

Increases, from age 18 to 21, the age under which all motorcycle and motor-driven cycle riders (including passengers) must wear a helmet

§ 20 — HELMET REQUIREMENTS FOR CHILDREN RIDING BICYCLES AND SIMILAR VEHICLES

Increases, from age 16 to age 18, the age under which children must wear a helmet while riding a bicycle, electric bicycle, nonmotorized scooter, skateboard, or electric scooter or while using roller skates or roller blades

§ 21 — COMPLETE STREETS IMPLEMENTATION SUPPORT

Requires the DOT commissioner to give technical assistance to municipalities and COGs on adopting and implementing federal Complete Streets standards or policies; allows him to administer municipal grants for supporting public highway improvement projects that incorporate these standards or policies

§ 22 — INTELLIGENT SPEED ASSISTANCE DEVICES STUDY

Requires the Vision Zero Council and the chief state's attorney to jointly study, and make recommendations on, the feasibility of addressing speeding and reckless driving with intelligent speed assistance devices

§ 23 — OPERATOR'S RETRAINING PROGRAM AND RECKLESS DRIVING

Specifically requires drivers to attend an operator's retraining program upon being convicted of reckless driving

§ 24 — CHEAPR ADAPTIVE E-BIKE INCENTIVES

Exempts adaptive e-bikes from the $3,000 MSRP cap and adds residents with physical disabilities to the list of residents who must get priority for vouchers

§§ 25-27 — TRANSPORTATION NETWORK COMPANIES AND DRIVERS

Makes changes in laws on TNCs (e.g., Uber and Lyft), including (1) modifying registration and renewal fees, (2) establishing a new annual reporting requirement, and (3) creating certain requirements related to these companies' drivers

§ 28 — PROJECTING A LASER AT AN AIRCRAFT

Prohibits anyone from intentionally projecting a laser on or at an aircraft or its flight path, with certain exceptions (e.g., police officers performing their official duties); makes violations a class A misdemeanor

§ 29 — SPEED CAMERA EXPANSION PLAN

Requires the DOT commissioner to develop a plan to expand speed camera use on state roads

§ 30 — MUNICIPAL SPEED AND RED LIGHT CAMERA FINE REVENUE REIMBURSEMENT

Explicitly allows municipalities to reimburse a speed or red light camera vendor from fine revenue received through a municipal speed or red light camera program

§§ 32-34 — SMALL HARBOR IMPROVEMENT PROJECTS PROGRAM

Requires CPA to establish SHIPP to award grants for improvements at harbors in the state that are not under CPA's authority (i.e. small harbors); funds the program with an existing $20 million GO bond authorization; broadens the allowable uses of an existing $6.75 million GO bond authorization for port, harbor, and marina improvements

§ 35 — CONNECTICUT PUBLIC TRANSPORTATION COUNCIL

Assigns the Connecticut Public Transportation Council to DOT for administrative purposes only; requires DOT to post certain council reports and records on the department's website (e.g., meeting schedule, agendas, and minutes)

§ 36 — DOT WORK ZONE SPEED CAMERA LOCATIONS

Removes the cap on the number of highway work zones where DOT may simultaneously operate speed cameras under its work zone speed camera program (prior laws capped the number of work zones at 15)

§ 37 — REDUCED FARE FOR PUBLIC BUSES

Requires the DOT commissioner to give up to a 50% fare discount for state-owned or -controlled public buses to veterans, people age 65 or older, people age 18 or younger, and people with disabilities; allows school boards to purchase passes at the discounted rate and provide them to public school students in grades 9-12

§§ 38-65 — BRIDGE AND ROAD NAMING

Names numerous bridges and roads

§ 66 — AUTONOMOUS VEHICLE PILOT PROGRAM REPEAL

Repeals a statute that generally required OPM to create an autonomous vehicle testing pilot program

SUMMARY: This act makes various changes in transportation-related laws. It also makes minor, technical, and conforming changes. A section-by-section analysis follows below.
EFFECTIVE DATE: Various, see below.

§§ 1 & 2 — CONNECTICUT PLANE COORDINATE SYSTEM

Replaces the Connecticut coordinate systems by establishing a new Connecticut Plane Coordinate System based on National Geodetic Survey updates to the National Spatial Reference System

Under prior law, the Department of Transportation (DOT) commissioner was responsible for the extension, revision, and maintenance of the Connecticut coordinate systems. (Coordinate systems generally allow geographic datasets to use common locations so that they can be viewed and used together.) The act instead requires the commissioner, or his designee, to adopt and maintain a detailed description of the federal National Oceanic and Atmospheric Administration National Geodetic Survey's (NGS) Connecticut Plane Coordinate System (CPCS) and allows them to publish additional systems. Under the act, the CPCS is identical to NGS's state plane coordinate system for Connecticut.

Prior law generally adopted the 1983 coordinate system established by NGS. The act replaces the Connecticut coordinate systems by establishing a new CPCS based on NGS updates to the National Spatial Reference System (NSRS). NSRS is a consistent coordinate system that defines latitude, longitude, height, scale, gravity, and orientation throughout the United States. (NGS defines and maintains NSRS. It anticipates rolling out an updated NSRS in 2026.)

Under existing law, describing the location of any survey station or land boundary corner in the state using the system of plane coordinates is considered a complete, legal, and satisfactory description. The act requires the method and source for establishing coordinates to be described in the land or deed record. Under the act, whenever land surveys or deeds reference coordinates, a statement of the metadata of observations must be included in the record. "Metadata" is information about the data element that provides its context, such as the geodetic reference system used, applicable epoch, statement of relative accuracy, and observation date.

The act also makes various minor, technical, and conforming changes to implement the new system, including defining axes, coordinates, and units of measurement. It also includes a conforming change specifying that prior law's prohibition on knowingly injuring, destroying, disturbing, or removing any monument established by NGS or Connecticut Geodetic Survey for use in determining spatial locations under the Connecticut coordinate systems or precise elevation data, instead applies to the CPCS (rather than the Connecticut Geodetic Survey and Connecticut coordinate systems). As under existing law, violators may be fined between $2,000 and $5,000.
EFFECTIVE DATE: January 1, 2026

State Mapping Projects

Under the act, after (1) the official NGS release or authorization of any subsequent updates to the CPCS and (2) related approval by the DOT commissioner or his designee, new state mapping projects must be based on the current system (unless a different system is determined to be needed). Mapping coordinates based on the CPCS must state their basis in the metadata (see above).

The act requires any mapping based on a different system to contain projection information and a clear statement of purpose in the metadata about the decision to use the system. When feasible, mapping projects based on different systems should be made available in CPCS unless doing so creates an undue hardship or burden on the project creator.

The act specifies that its provisions do not (1) prohibit appropriate use of other datums, geodetic reference frames, or plane coordinate systems or (2) require revisions to any prepared or recorded survey, mapping project, deed, record, or other document that utilized other, previously state-authorized coordinate systems.

§ 3 — LIGHT RAIL AND BUS RAPID TRANSIT SIGNALS

Requires light rail and bus rapid transit operators to comply with light rail transit signals when they are in place

The act specifies that (1) a "light rail transit signal" has the same meaning as is described in the federal Manual of Uniform Traffic Control Devices for Streets and Highways (MUTCD) and (2) includes bus rapid transit signals. It requires these signals to have multiple lenses showing horizontal, vertical, and diagonal lines. Under the act, light rail and bus rapid transit operators must comply with signals in the following manner when they are in place:

1. a white vertical or diagonal line means they may proceed straight, left, or right;
2. a white horizontal line means they must stop; and
3. a flashing white vertical or diagonal line means they must prepare to stop.

EFFECTIVE DATE: July 1, 2025

§ 4 — PARKING DISTANCE FROM CROSSWALKS AND CERTAIN SIGNS

Increases, generally from 25 to 30 feet, the distance from an intersection or marked crosswalk (or stop and yield signs) within which vehicles are prohibited from parking

The act increases (1) from 25 to 30 feet, the distance from an intersection or a marked crosswalk within which vehicles are prohibited from parking and (2) from 10 to 20 feet, this parking prohibition distance when there is a curb extension (if it has a width at least equal to that of the parking lane). It also specifies that these parking prohibitions do not apply if there is an available marked parking space.

Under the act, beginning October 1, 2025, when markings for an intersection or approach to a marked crosswalk with a nearby marked parking space are installed or reinstalled, the traffic authority with jurisdiction must cause the marked parking space to be installed or reinstalled in a manner that complies with the act's requirements discussed above. The act similarly increases, from 25 to 30 feet, the distance from a stop sign within which vehicles are prohibited from parking, and also applies this requirement to yield signs. It eliminates prior law's exception to this stop sign parking distance requirement for intersections of one-way streets located in New Haven, if the local traffic authority had jurisdiction and allowed it.

As under existing law, (1) certain vehicles are exempt from these parking distance requirements (such as emergency vehicles and maintenance vehicles with flashing lights) and (2) violations are infractions (see Table on Penalties).

EFFECTIVE DATE: October 1, 2025

§§ 4 & 31 — PARKING NEAR A FIRE HYDRANT

Establishes a fine of up to $200 for subsequent violations of existing law's prohibition on vehicles parking within 10 feet of a fire hydrant

The act establishes a fine of up to $200 for subsequent violations of existing law's prohibition on vehicles remaining stationary within 10 feet of any fire hydrant (i.e. one type of "improper parking"). These violations are processed through the Centralized Infractions Bureau. First violations remain infractions (see Table on Penalties), as was the case for all violations under prior law.

EFFECTIVE DATE: October 1, 2025

§ 5 — SERVICE SIGNS ON LIMITED ACCESS HIGHWAYS

Allows "EV CHARGING" to be included on limited access highway specific service signs

The act allows "EV CHARGING," or any other word permitted under the federal MUTCD, to be included on "specific service signs." Under existing law, these are rectangular signs generally visible from limited access highways with (1) the words "GAS," "FOOD," "LODGING," "CAMPING," or "ATTRACTION" and (2) exit directional information for the designated service (including separately attached business sign panels related to the service). Under the MUTCD, to be eligible for an electric vehicle (EV) charging business identification sign panel, a business's chargers must meet certain requirements (such as continuous operation at least 16 hours per day, seven days per week).

Existing law allows the DOT commissioner to enter into an agreement with a qualifying person or company for the erection, maintenance, and removal of a specific service sign within the rights-of-way of state-maintained limited access

highways, other than parkways. (DOT regulations set related parameters, such as application and sign installation requirements.)
EFFECTIVE DATE: July 1, 2025

§§ 6-8 — FEDERAL SURFACE TRANSPORTATION FUNDING

Allows DOT to take certain actions related to federal surface transportation funding that a municipality receives directly

By law, the DOT commissioner may enter into agreements with the U.S. Secretary of Transportation, local officials, or both, for accepting and spending federal and state funding the department receives related to certain roadways and facilities eligible for federal surface transportation funding. This includes using the funding to develop plans and establish programs for, and construct improvements on or to, these roadways and facilities. The act (1) also allows DOT to do so for federal surface transportation funding a municipality receives directly and (2) specifies this federal funding includes any the U.S. Secretary of Transportation allocates to DOT or municipalities under any congressional act providing federal surface transportation funding.

Existing law gives DOT the authority to construct and maintain the improvements of land abutting a federal surface transportation urban program roadway or facility by condemning property or rights of access and exit. The act specifies this authority extends to condemning property for any "federal surface transportation urban program roadway or facility." Under the act, this term includes any state or locally maintained roadway or facility that is eligible for surface transportation urban program funding according to any congressional act providing this funding.
EFFECTIVE DATE: July 1, 2025

§§ 9-11 — RAILROAD FACILITY SURVEYS AND RAIL ENTRY PERMITS

Allows the DOT commissioner or his agents to enter private property to conduct certain railroad facilities-related surveys or testing; additionally allows the commissioner to issue entry permits to anyone seeking nonexclusive, temporary access to state-owned property that supports rail operations

Existing law allows the DOT commissioner, or his agent, to enter private property to conduct surveys, inspections, or geological investigations related to locating, relocating, constructing, or reconstructing any proposed or existing highway (i.e. public road). The act additionally allows the commissioner or his agent to do so for proposed or existing railroad facilities.

The act similarly extends this right of entry, after reasonable notice is provided to the affected property owner, for the purpose of performing tests (such as borings and soundings) needed to accomplish the above objectives with respect to railroad facilities, as existing law permits for highways. As under existing law for highway-related entries, DOT is liable for any resulting damages.

Existing law empowers a railroad company's agents to enter places, as designated by the company's directors, to conduct surveys and determine the location of railroad construction. The act extends this authority to the DOT commissioner and his agents.

The act also allows the DOT commissioner to issue an entry permit, on a form he requires, to anyone seeking nonexclusive, temporary access to state-owned property that supports rail operations (including any rail right-of-way). The permit must specify the permittee's required insurance coverage, as determined by the commissioner in consultation with the state's director of insurance and risk management, and name the state as an additional insured.
EFFECTIVE DATE: July 1, 2025

§ 12 — TRANSIT DISTRICT FUNDING

Requires DOT to fund urban transit districts based on a formula set in federal law, as prior law required through FY 24; eliminates a related requirement that DOT establish a grant program to provide additional funding to these transit districts

The act requires DOT to return to funding urban transit districts based on a formula for urbanized areas set in federal law, as it had been required to do prior to fiscal year (FY) 25. The act eliminates provisions in prior law that (1) froze urban transit districts' funding to their FY 24 level and (2) required DOT to establish a grant program to provide additional funding to these transit districts (see below). Under existing law, unchanged by the act, transit districts located in rural areas are funded based on a federal formula for rural areas.

As discussed above, the act eliminates prior law's provisions related to a DOT grant program to provide urban transit districts with additional funding for certain purposes (such as maintaining and expanding transit services, providing regional services, and upgrading transit-related infrastructure). Prior law required prioritizing grants to transit districts formed by a municipality with a population of at least 100,000 (or with member municipalities with a combined population meeting this threshold). By law, an "urbanized area" must be defined and designated as such under the most recent decennial census and have a population of at least 50,000.
EFFECTIVE DATE: July 1, 2025

§§ 13 & 66 — REGIONAL COMMUTER AND FREIGHT MOBILITY DISCUSSIONS REPEAL

Repeals a statute that generally required the governor to have ongoing formal discussions with surrounding states about regional commuter and freight mobility and report on these discussions

The act repeals a statute (CGS § 13b-79y) that generally required the governor to (1) have ongoing formal discussions with surrounding states about regional commuter and freight mobility and (2) biennially report to the legislature on these discussions and any actions taken or recommended as their result.
EFFECTIVE DATE: July 1, 2025

§ 14 — HIGHWAY RIGHT-OF-WAY ENCROACHMENT PERMIT FEES

Eliminates a provision of prior law requiring the DOT commissioner to charge fees for certain state highway right-of-way encroachment permit applications that reflect the fees the Massachusetts Department of Transportation charges for these permits

The act eliminates a provision of prior law requiring the DOT commissioner to charge fees for certain state highway right-of-way encroachment permit applications that reflect the fees the Massachusetts Department of Transportation charges for these permits. Specifically, the requirement applied to permits for open air theaters, shopping centers, and other major traffic-generating developments.

Under the act, the commissioner may instead establish fees for these permit applications in the same manner existing law allows for state highway right-of-way encroachment permits generally and certificates of operation for open air theaters, shopping centers, and other major traffic-generating developments. Existing law allows the commissioner to (1) adopt regulations establishing reasonable fees for these applications that are submitted to DOT or the Office of the State Traffic Administration (OSTA) but prohibits the fees from exceeding 125% of the estimated related administrative costs and (2) exempt municipalities from the fees.

By law, major traffic-generating developments are those with at least 100,000 square feet of floor area or at least 200 parking spaces (Conn. Agencies Regs., § 14-312-1).
EFFECTIVE DATE: July 1, 2025

§ 15 — FAILURE TO YIELD TO PEDESTRIANS

Increases, from $500 to $750, the maximum penalty for failure to yield to pedestrians and other related violations

The act increases, from $500 to $750, the maximum fine for drivers who:

1. fail to yield (or slow down and stop if necessary) to a pedestrian who is crossing the roadway within a crosswalk or is at the curb indicating intent to cross;
2. pass a vehicle that is stopped at a crosswalk to allow a pedestrian to cross; or
3. fail to slow down or stop and yield to a pedestrian (a) who is blind and carrying a white cane or a red tipped white cane or (b) being guided by a service animal.

EFFECTIVE DATE: October 1, 2025

§§ 15 & 66 — SPECIAL CROSSWALK MARKINGS

Eliminates provisions of prior law related to special markings for certain crosswalks

The act eliminates a provision of prior law specifically allowing local traffic authorities to install specially marked crosswalks near schools. It also repeals a statute (CGS § 14-300a) that required special pedestrian street or sidewalk markings at intersections and streets near projects for, or with a high share of, elderly people.

Existing law allows local traffic authorities to designate crosswalks in compliance with OSTA regulations, which generally require all markings on public roads to comply with the federal MUTCD (Conn. Agencies Regs., § 14-298-600). (In practice, high visibility crosswalks are generally used on public roads.)
EFFECTIVE DATE: October 1, 2025, except the repealer is effective July 1, 2025.

§§ 16-18 — DRIVING IN EXTREME LEFT LANE ON LIMITED ACCESS HIGHWAYS

Extends to all vehicles the prohibition on driving in the extreme left lane on limited access highways with more than two lanes going in the same direction, with certain exceptions; requires (1) OSTA to put up related signage, (2) DOT to implement a related public awareness campaign, and (3) OPM to include related information in its annual report on traffic stops

By law, all vehicles must be driven on the right, with certain exceptions such as passing and on highways divided into three or more lanes (CGS § 14-230(a)).

Existing law prohibits, with certain exceptions, motor vehicles with commercial registrations, motor buses, vehicles with trailers, and school buses from driving in the extreme left lane on limited access highways with three or more lanes going in the same direction. Starting on October 1, 2026, the act prohibits driving any other motor vehicle in the extreme left lane on these highways, with certain limited exceptions. Violations of the act's prohibition are infractions, subject to a fine of $88.

It also requires (1) OSTA to put up related signage, (2) DOT to implement a related public awareness campaign, and (3) the Office of Policy and Management (OPM) to include related information in its annual report on traffic stops.
EFFECTIVE DATE: October 1, 2025, except the public awareness campaign provision is effective July 1, 2025.

Exceptions

The act's prohibition does not apply to vehicles driving in the extreme left lane (1) to pass; (2) on a police officer's direction; (3) when the entrance or exit is on the left (only for the time period reasonably necessary to enter or exit); (4) when the vehicle is an emergency vehicle; (5) when maintaining, repairing, or constructing the highway; or (6) when traffic congestion makes it necessary. Under existing law, unchanged by the act, the prohibition on vehicles with commercial registration and other vehicles does not apply (1) when directed to drive in the extreme left by a police officer or (2) when the entrance or exit is on the left (only for the necessary time period).

Required Signage

The act requires OSTA, beginning October 1, 2026, to put up signs (or cause this to be done) on the limited access highways discussed above that inform drivers about the restriction on using the extreme left lane. These signs must conform to the federal MUTCD.

Public Awareness Campaign

The act requires the DOT commissioner, starting October 1, 2025, to develop and execute a year-long public awareness campaign educating the public about the restriction on, and fines associated with, using the extreme left lane on these highways.

OPM Traffic Stop Report

Existing law requires OPM, within available resources, to (1) review the prevalence and distribution of traffic stops and complaints reported to it, (2) annually report the results and related recommendations to the governor and legislature, and (3) post the report on its website. The act also requires this report to include stops conducted on suspicion of a violation of illegally using the extreme left lane under existing law and the act.
EFFECTIVE DATE: October 1, 2025

§ 19 — MOTORCYCLE HELMETS

Increases, from age 18 to 21, the age under which all motorcycle and motor-driven cycle riders (including passengers) must wear a helmet

The act increases, from age 18 to 21, the age under which all motorcycle and motor-driven cycle riders (including passengers) must wear a helmet meeting federal helmet safety standards. Prior law only required helmets for (1) riders under age 18 and (2) motorcycle instruction permit holders of any age (CGS § 14-40a).

Under the act, as under existing law, violations of the helmet requirement are infractions and subject to at least a $90 fine that applies to riders under age 18. By law, unchanged by the act, a first offense by a motorcycle instruction permit holder is an infraction and subject to a $50 fine, and a subsequent offense is a class D misdemeanor (see Table on Penalties).
EFFECTIVE DATE: October 1, 2025

§ 20 — HELMET REQUIREMENTS FOR CHILDREN RIDING BICYCLES AND SIMILAR VEHICLES

Increases, from age 16 to age 18, the age under which children must wear a helmet while riding a bicycle, electric bicycle, nonmotorized scooter, skateboard, or electric scooter or while using roller skates or roller blades

The act increases, from age 16 to age 18, the age under which children must wear a helmet while (1) riding a bicycle, electric bicycle, nonmotorized scooter, skateboard, or electric scooter or (2) using roller skates or roller blades.

Under existing law, unchanged by the act, this requirement applies when the child is traveling on any portion of a road and at any park or skateboarding park. As under existing law, helmets must meet the minimum specifications established by the American National Standards Institute, the U.S. Consumer Product Safety Commission, the American Society for Testing and Materials, or the Snell Memorial Foundation's Standard for Protective Headgear for Use in Bicycling.

By law, failure to wear a helmet is not considered a violation or an offense and cannot be considered contributory negligence by a parent or a child or be admissible in any civil action. Law enforcement officers may issue a verbal warning to a child's parent or guardian that the child is not complying with the requirement.
EFFECTIVE DATE: October 1, 2025

§ 21 — COMPLETE STREETS IMPLEMENTATION SUPPORT

Requires the DOT commissioner to give technical assistance to municipalities and COGs on adopting and implementing federal Complete Streets standards or policies; allows him to administer municipal grants for supporting public highway improvement projects that incorporate these standards or policies

The act requires the DOT commissioner to provide advice and technical assistance to municipalities and regional councils of governments (COGs) on adopting and implementing Complete Streets standards or policies. It allows the commissioner to administer grants to municipalities for supporting public highway improvement projects that incorporate Complete Streets standards or policies.

The federal Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law, defines Complete Streets standards or policies as those that ensure the safe and adequate accommodation of all users of the transportation system, including pedestrians, bicyclists, public transportation users, children, older individuals, individuals with disabilities, motorists, and freight vehicles (P.L. 117-58, § 11206). IIJA requires states and metropolitan planning organizations to use a portion of their planning and research funds for Complete Streets activities.
EFFECTIVE DATE: July 1, 2025

§ 22 — INTELLIGENT SPEED ASSISTANCE DEVICES STUDY

Requires the Vision Zero Council and the chief state's attorney to jointly study, and make recommendations on, the feasibility of addressing speeding and reckless driving with intelligent speed assistance devices

The act requires the Vision Zero Council (see *Background — Vision Zero Council*) and the chief state's attorney to jointly study, and make recommendations on, the feasibility of addressing speeding and reckless driving with devices that actively monitor and limit a vehicle's speed based on the speed limit where the vehicle is being operated (i.e. intelligent speed assistance devices). In preparing the study, the act allows them to partner with a higher education institution or

national transportation research entity. They must submit their findings and recommendations, including any proposed legislation, to the Transportation Committee by January 15, 2026.

Under the act, the study must at least:

1. determine if there is enough evidence to show whether the devices change driving behavior and improve road safety;
2. consider the different types of devices and their availability, as well as estimate installation and maintenance costs to the driver and to the state; and
3. examine the devices' accuracy and reliability in unsupervised environments and whether they can produce evidence that they have not been bypassed, circumvented, or tampered with.

If the study recommends using the devices in the state, it must also:

1. identify whether installing the device would be (a) mandatory or discretionary and (b) instead of, or in addition to, a penalty or license suspension;
2. indicate the types and number of traffic violations that would require or permit use of the device;
3. discuss whether any installation requirement should apply differently based on the driver's age or driving history; and
4. outline necessary components of a regulatory framework that would be needed to ensure devices were used accurately and properly.

EFFECTIVE DATE: Upon passage

Background — Vision Zero Council

PA 21-28, § 2, established the Vision Zero Council and charged it with developing a statewide policy and interagency approach to eliminating all transportation-related fatalities and severe injuries to pedestrians, bicyclists, transit users, drivers, and passengers. It must consider ways to improve safety in all transportation modes using data, new partnerships, safe planning, and community-based solutions to achieve the goal of zero transportation-related fatalities.

By law, the council is composed of the DOT, Department of Public Health, and Department of Emergency Services and Public Protection commissioners and any other agency commissioners they invite. The council may establish committees to advise it in carrying out its duties.

§ 23 — OPERATOR'S RETRAINING PROGRAM AND RECKLESS DRIVING

Specifically requires drivers to attend an operator's retraining program upon being convicted of reckless driving

The act specifically requires drivers to attend an operator's retraining program upon being convicted of reckless driving. Under existing law, the DMV commissioner may (and does, in practice) require drivers convicted of three moving or suspension violations (or two, for drivers under age 25) to attend the operator's retraining program. Under existing law and the act, reckless driving is considered a "moving violation" for the operator's retraining program. Thus, prior to the adoption of this act, drivers convicted of reckless driving had to attend the program only if they had accumulated moving or suspension violations.

By law, the program completion date stays on a driver's record until 36 months have passed without the driver committing any more moving or suspension violations. If the driver commits another moving or suspension violation during that period, the commissioner must suspend the person's driver's license or operating privilege for (1) 30 days upon a first conviction, (2) 60 days upon a second conviction, and (3) 90 days upon a third or subsequent violation.

EFFECTIVE DATE: October 1, 2025

§ 24 — CHEAPR ADAPTIVE E-BIKE INCENTIVES

Exempts adaptive e-bikes from the $3,000 MSRP cap and adds residents with physical disabilities to the list of residents who must get priority for vouchers

The act exempts adaptive e-bikes from the $3,000 manufacturer's suggested retail price (MSRP) cap for the Connecticut Hydrogen and Electric Automobile Purchase Rebate (CHEAPR) e-bike voucher program, which applies by law until June 30, 2027. Existing law generally requires that an e-bike's MSRP be under the cap to qualify for a voucher under the program. Under the act, adaptive e-bikes with MSRPs above that amount are eligible for a voucher if they are to be used by a resident with a disability.

By law, the Department of Energy and Environmental Protection (DEEP) administers the e-bike voucher program as

part of CHEAPR. The law generally requires DEEP to set most of the program's parameters administratively, including eligibility and voucher amounts, but it (1) sets a minimum voucher amount at $500 and (2) requires DEEP to give priority for vouchers to environmental justice community residents, those with incomes of no more than 300% of the federal poverty level, and those who participate in certain state and federal assistance programs. The act adds residents with physical disabilities to the list of residents who must get priority for vouchers.
EFFECTIVE DATE: July 1, 2025

§§ 25-27 — TRANSPORTATION NETWORK COMPANIES AND DRIVERS

Makes changes in laws on TNCs (e.g., Uber and Lyft), including (1) modifying registration and renewal fees, (2) establishing a new annual reporting requirement, and (3) creating certain requirements related to these companies' drivers

The act makes changes in laws on Transportation Network Companies (TNCs, e.g., Uber and Lyft), including (1) modifying registration and renewal fees, (2) establishing a new annual reporting requirement, and (3) creating certain requirements related to these companies' drivers.

By law, TNCs are business entities that operate in Connecticut and use a digital network (i.e. generally an online-enabled application, website, or system) to connect TNC riders to TNC drivers for prearranged rides.
EFFECTIVE DATE: October 1, 2025

Registration and Annual Renewal Fees

The act replaces prior law's $5,000 initial state registration and annual renewal fees for TNCs with the following fees that vary based on the number of TNC drivers with an active account on a company's digital network at the time of registration or renewal:

1. $5,000 for TNCs with fewer than 50 drivers;
2. $10,000 for those with between 50 and 199 drivers; and
3. $30,000 for those with at least 200 drivers.

As under existing law, these fees are non-refundable and must be submitted with a TNC's registration or renewal form to DOT.

Annual Reporting Requirement

The act requires registered TNCs, starting by January 1, 2026, to annually report to DOT the following information based on aggregate data from the prior year:

1. the average fare collected from TNC riders,
2. the total time TNC drivers spent giving prearranged rides (i.e. starting when a driver accepts a ride request through the digital network and ending when the rider exits the vehicle), and
3. the total compensation paid to drivers for these rides.

Driver-Related Requirements

Real-Time Messaging. The act requires TNCs to provide for real-time messaging, through their digital networks, between the company and its drivers who are using the network. It must be available in both English and Spanish.

Weekly Summaries. Under the act, TNCs must give a weekly summary to each of their drivers about the prearranged rides they completed during the previous week. Specifically, the summary must include the (1) total amount of fares the TNC collected from the driver's prearranged rides, (2) total amount the driver earned, and (3) percentage of the total fares the driver earned.

Retaliation. The act prohibits TNCs from taking or threatening retaliatory action against a TNC driver only because he or she filed a complaint with the company. It specifies that this includes suspending or banning the driver from accessing the TNC's digital network.

Information for New Drivers. Existing law requires TNCs to take certain actions before allowing a person to drive for the company, such as running a background check and sharing information about its insurance coverage for drivers. The act additionally requires TNCs to inform a prospective TNC driver, either electronically or in writing, of the following information:

1. that the driver may enroll in the state's Paid Family and Medical Leave Insurance Program and get related

information from the Paid Family and Medical Leave Insurance Authority,
2. the requirements to qualify to give prearranged rides that start in a neighboring state, and
3. the company's deactivation process for its drivers.

Under the act, "deactivation process" means a TNC's procedures for materially restricting a driver's access to its digital network. This includes blocking access, suspending a driver from the network, or changing a driver's status on the network to make them ineligible to provide prearranged rides.

Background — Related Act

PA 25-168, §§ 228 & 229, requires the comptroller to study the compensation of TNC and third-party delivery company drivers. It also creates a working group on working conditions and compensation for these drivers.

§ 28 — PROJECTING A LASER AT AN AIRCRAFT

Prohibits anyone from intentionally projecting a laser on or at an aircraft or its flight path, with certain exceptions (e.g., police officers performing their official duties); makes violations a class A misdemeanor

The act generally prohibits anyone from intentionally projecting a laser on or at an aircraft or its flight path. It makes violations a class A misdemeanor (see Table on Penalties). The act exempts members of the U.S. and state armed forces and police officers performing their official duties.

Under the act, a laser is any device that (1) projects a beam or point of light by means of light amplification by stimulated emission of radiation or (2) emits light simulating the appearance of a laser.

EFFECTIVE DATE: October 1, 2025

§ 29 — SPEED CAMERA EXPANSION PLAN

Requires the DOT commissioner to develop a plan to expand speed camera use on state roads

The act requires the DOT commissioner to develop a plan to expand speed camera use on state roads and submit the plan and any proposed legislation to the Transportation Committee by February 1, 2026. In developing the plan, the commissioner must consider the Federal Highway Administration's Speed Safety Camera Program Planning and Operations Guide and the National Highway Traffic Safety Administration's High Visibility Enforcement Toolkit.

EFFECTIVE DATE: July 1, 2025

§ 30 — MUNICIPAL SPEED AND RED LIGHT CAMERA FINE REVENUE REIMBURSEMENT

Explicitly allows municipalities to reimburse a speed or red light camera vendor from fine revenue received through a municipal speed or red light camera program

The act explicitly allows municipalities to reimburse a speed or red light camera vendor from fine revenue received through a municipal speed or red light camera program. Existing law allows municipalities to use the revenue to pay costs associated with camera use. The act specifies that these costs include reimbursing a vendor for speed and red light camera design, installation, operation, or maintenance. By law, fine revenue may also be used to improve transportation mobility and invest in transportation infrastructure.

EFFECTIVE DATE: July 1, 2025

§§ 32-34 — SMALL HARBOR IMPROVEMENT PROJECTS PROGRAM

Requires CPA to establish SHIPP to award grants for improvements at harbors in the state that are not under CPA's authority (i.e. small harbors); funds the program with an existing $20 million GO bond authorization; broadens the allowable uses of an existing $6.75 million GO bond authorization for port, harbor, and marina improvements

The act requires the Connecticut Port Authority (CPA) to establish the Small Harbor Improvement Projects Program (SHIPP) to award grants for improvements at harbors in the state that are not under CPA's authority (i.e. small harbors). It funds the program with an existing $20 million general obligation (GO) bond authorization and subjects the bonds to the standard State Bond Commission approval process.

In effect, the act codifies, and provides additional funding for, CPA's existing, substantially similar program of the same name. CPA established SHIPP administratively to distribute bond funds the authority received for ports and harbors not under its control. The act's program differs by, among other things, (1) making private entities eligible for grants and (2) allowing CPA to award the grants to reimburse certain projects. The projects eligible for grants under the act are also substantially similar to those that may be funded through CPA's existing small harbor improvement projects account, which was enacted under PA 24-48 but has not been funded to date.

The act also broadens the allowable uses of an existing $6.75 million GO bond authorization for CPA grants for port, harbor, and marina improvements (including dredging and navigational improvements). Under the act, this authorization may also be used to reimburse for dredging projects at small harbors. By law, at least $5 million of this authorization must be used for ports, harbors, and marinas other than the deep water ports in Bridgeport, New Haven, and New London.
EFFECTIVE DATE: July 1, 2025

Eligible Grantees and Projects

Under the act, CPA must establish and administer SHIPP as a competitive grant program to give funding to municipalities and private entities for small harbor improvement projects to improve the state's economy and infrastructure. CPA must give preference to grant applications submitted by municipalities. (Under the CPA-administered SHIPP, only municipalities were eligible for the grants.)

Under the act, projects funded through SHIPP may include (1) federal and nonfederal dredging projects and (2) private maritime infrastructure projects that have been issued applicable permits and authorizations.

For federal and nonfederal dredging projects, the act allows CPA to award grants to:

1. fully or partially support projects' local and state matching requirements;
2. cover the incremental costs associated with applicable environmental requirements or management practices, including beneficial use;
3. fully or partially cover project costs in the absence of adequate federal funds; and
4. reimburse projects that CPA approved for funding or that began before the funds were disbursed due to time considerations that impacted the flow of commerce at the small harbor (the CPA-administered SHIPP does not provide reimbursements).

Under the act, CPA must develop eligibility criteria for participating in the program and determine the amount a private entity must provide to match any SHIPP grant. Applications must be submitted to the CPA annually, at times and in the way the authority determines.

Bond Authorization

The act funds SHIPP with an existing $20 million GO bond authorization, which prior law required to be used for projects CPA undertakes for ports not located in New Haven, New London, or Bridgeport. Under the act, proceeds from this authorization instead must be deposited into CPA's small harbor improvement projects account and used for SHIPP.

Prior law required these bonds to be authorized through a memorandum of understanding between the State Bond Commission and CPA that would "auto-allocate" the bonds over a five-year period from FY 22 to FY 26. The act instead subjects this authorization to the standard Bond Commission approval process and makes conforming changes.

§ 35 — CONNECTICUT PUBLIC TRANSPORTATION COUNCIL

Assigns the Connecticut Public Transportation Council to DOT for administrative purposes only; requires DOT to post certain council reports and records on the department's website (e.g., meeting schedule, agendas, and minutes)

The act assigns the Connecticut Public Transportation Council (see *Background — Connecticut Public Transportation Council*) to DOT for administrative purposes only (i.e. making it an "APO agency"). By law, an APO agency generally exercises its authority and functions without the approval or control of the state department in which it is located and may also prepare its own budget and hire its own personnel or enter into contracts. The department to which an APO agency is assigned provides administrative support, including record keeping and reporting; disseminates required notices, rules, or orders for the agency; provides staff; and includes the agency's budgetary requests in the departmental budget (CGS § 4-38f).

The act also requires DOT to assist the council in carrying out its responsibilities by posting on the department's website related council reports and records, including its meeting schedule, agendas, minutes, and reports.
EFFECTIVE DATE: July 1, 2025

Background — Connecticut Public Transportation Council

By law, the 15-member Connecticut Public Transportation Council is charged with studying and investigating all aspects of the daily operation of commuter railroad systems and state-funded public transit services (e.g., bus transit), monitoring their performance, and recommending changes to improve their efficiency, equity, and quality. The council serves as an advocate for customers of all commuter railroad systems and state-funded public transit services.

§ 36 — DOT WORK ZONE SPEED CAMERA LOCATIONS

Removes the cap on the number of highway work zones where DOT may simultaneously operate speed cameras under its work zone speed camera program (prior laws capped the number of work zones at 15)

The act removes the cap on the number of highway work zones where DOT may simultaneously operate speed cameras under its work zone speed camera program. Prior law capped the number of work zones at 15.
EFFECTIVE DATE: Upon passage

§ 37 — REDUCED FARE FOR PUBLIC BUSES

Requires the DOT commissioner to give up to a 50% fare discount for state-owned or -controlled public buses to veterans, people age 65 or older, people age 18 or younger, and people with disabilities; allows school boards to purchase passes at the discounted rate and provide them to public school students in grades 9-12

The act requires the DOT commissioner to give up to a 50% fare discount for state-owned or -controlled public buses to veterans, seniors (people age 65 or older), youth (people age 18 or younger), and people with disabilities. It allows the commissioner to require these individuals to (1) get a DOT-issued reduced fare transit identification card and (2) present it to DOT employees or third-party contractors who are responsible for fare inspection duties, to receive the fare discount. (DOT already offers reduced fares for youth, seniors, and people with a qualifying disability on CT Transit and other bus systems operating under contract to DOT; the department requires these individuals to display a state-issued Reduced Fare ID or Medicare card, or may request proof of age for the youth discount.)

The act also allows local or regional school boards to purchase passes for use on these buses at the discounted rate discussed above. School boards may distribute the passes at no cost to public school students in grades 9-12 under their jurisdiction or sell them to these students at cost or for a reduced cost.

Under the act, a "veteran" is anyone honorably discharged or released under honorable conditions, or released with an other than honorable discharge based on a qualifying condition, from active service in the armed forces (i.e. the U.S. Army, Navy, Marine Corps, Coast Guard, Space Force, Air Force, and any of their reserve components, including the Connecticut National Guard when under federal service) (CGS § 27-103).
EFFECTIVE DATE: October 1, 2025

§§ 38-65 — BRIDGE AND ROAD NAMING

Names numerous bridges and roads

The act names and re-names numerous state highway segments and bridges as follows:

1. Bridge No. 01478 carrying Route 174 over the Amtrak Railroad in Newington, the "Francis 'Rip' Callahan Memorial Bridge" (§ 38);
2. State Road 527 (West Street) from the intersection of Route 30 (Hartford Turnpike) traveling in a northerly direction to the intersection with South Street in Vernon, the "Amarjit Singh Buttar Memorial Highway" (§ 39);
3. State Road 508 from the intersection of Route 4 jughandle traveling in a generally easterly direction to the junction of Interstate Route 84 in Farmington, the "Major Robert C. Lehmann Memorial Highway" (§ 40);
4. Bridge No. 03334 on Route 9 South overpassing Floral Park Road in Old Saybrook, the "Jon A. Manafort Memorial Bridge" (§ 41);
5. Route 69 traveling in a generally southerly direction from north of the intersection with Fortuna Street (100 Prospect Road) to south of the intersection of East Mountain Road No. 1 (581 Prospect Road) in Waterbury, the "Corporal Thomas James Cavanaugh Memorial Highway" (§ 42);
6. Route 61 from the Woodbury-Bethlehem town line in a northerly direction to the Bethlehem-Morris town line in Bethlehem, the "Thomas March Memorial Highway" (§ 43);

7. Special Service Road 495 from Miller Avenue southerly to the southbound Route 15 access ramp in Meriden, the "Andrew DiDomenico Memorial Highway" (§ 44);
8. Bridge No. 01241 carrying Jude Lane over Interstate Route 84 eastbound and westbound in Southington, the "State Trooper First Class Aaron M. Pelletier Memorial Bridge" (§ 45);
9. Bridge No. 03929 overpassing U.S. Route 7 in Brookfield, the "Petty Officer 1st Class Jason D. Lewis Memorial Bridge" (§ 46);
10. the bridge located on Route 133 overpassing U.S. Route 7 in Brookfield, the "Lance Corporal John T. Schmidt III Memorial Bridge" (§ 47);
11. Pedestrian Bridge No. 05654 overpassing the Interstate Route 84 eastbound off-ramp and Interstate Route 84 westbound on-ramp in Hartford, the "Major William R. Oefinger Memorial Bridge"(§ 48);
12. Route 10 (Main Street) from the intersection of Meadow Road traveling in a northerly direction to the intersection of Route 4 (Farmington Avenue) in Farmington, the "Farmington Volunteer Fire Department Memorial Highway" (§49);
13. Bridge No. 01707 carrying Wassuc Road over Route 2 in Glastonbury, the "Sergeant Steven Deluzio Memorial Bridge" (§ 50);
14. Route 85 (West Street) from the intersection of School Road traveling in a northerly direction to the junction of State Road 534 in Bolton, the "Sergeant Michael Clark Memorial Highway" (§ 51);
15. Route 17A (Main Street) from the intersection of Bartlett Street traveling in a northerly direction to the intersection of Route 17 (Gospel Lane) in Portland, the "Shaun P. Manning Memorial Highway" (§ 52);
16. U.S. Route 44 (Squaw Hollow Road) from the intersection of Route 89 (Mansfield Road) traveling in an easterly direction to the Ashford-Eastford town line in Ashford, the "Lieutenant Colonel Thomas Knowlton Memorial Highway" (§ 53);
17. Route 160 (Elm Street) from the intersection of Gilbert Avenue traveling in an easterly direction to Route 99 (Silas Deane Highway) in Rocky Hill, the "Carol and Larrye deBear Memorial Highway" (§ 54);
18. Route 67 (Prospect Hill Road) from the intersection of Grove Street traveling in an easterly direction to the New Milford-Bridgewater town line in New Milford, the "George C. Buckbee Sr. Memorial Highway" (§ 55);
19. Route 80 from the traffic circle with Route 79 to the intersection with Buck Hill Road in Madison, the "NMVFC Firefighter Myron Spencer Memorial Highway" (§ 56);
20. Route 63 from the intersection of Route 4 to the Goshen-Litchfield town line in Goshen, the "Staff Sergeant Samuel Ryan Marti Memorial Highway" (§ 57);
21. Route 167 (Bushy Hill Road) from the intersection of Deer Park Road traveling in a northerly direction to the intersection of Stratton Brook Road in Simsbury, the "Sgt. Daniel Crowley Memorial Highway" (§ 58);
22. Route 97 (Hampton Road) from the intersection of Duffy Road traveling in a northerly direction to the intersection of Taft Pond Road in Pomfret, the "State Trooper Irving H. Nelson Memorial Highway" (§ 59);
23. U.S. Route 1 (Post Road) from the end of Bridge No. 06211 traveling in a northerly direction to the beginning of Bridge No. 05858 in Southport, the "George Farley Russell Memorial Highway" (§ 60);
24. Route 3 from the intersection of Elm Street traveling in a generally westerly direction to the Wethersfield-Glastonbury town line in Wethersfield, the "Daniel A. Camilliere Memorial Highway" (§ 61);
25. Bridge No. 05432 carrying Black Rock Turnpike over the MetroNorth Railroad in Fairfield, the "David Campbell Bigelow Memorial Bridge" (§ 62);
26. U.S. Route 5 (Main Street) from the intersection of State Road 517 traveling in a northerly direction to the junction of Interstate Route 84 in East Hartford, the "Melody A. Currey Memorial Highway" (§ 63) (this naming was repealed by PA 25-168, § 168);
27. Route 314 (Berlin Turnpike) from the intersection of Route 15 (Berlin Turnpike) traveling in an easterly direction to the intersection of Jordan Lane in Wethersfield, the "Edward T. Gilligan Memorial Highway" (§ 64); and
28. State Road 633 (South Frontage Road) from the intersection of Mansfield City Road traveling in an easterly direction to State Route 195 (Storrs Road) in Mansfield, the "Goodwin Vinton Memorial Road" (§ 65).

EFFECTIVE DATE: Upon passage

§ 66 — AUTONOMOUS VEHICLE PILOT PROGRAM REPEAL

Repeals a statute that generally required OPM to create an autonomous vehicle testing pilot program

The act repeals a statute (CGS § 13a-260) that generally required OPM, in consultation with certain agencies, to create an autonomous vehicle testing pilot program in certain municipalities selected for participation.

EFFECTIVE DATE: July 1, 2025

PA 25-159—sHB 7160
Transportation Committee
Appropriations Committee

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE DEPARTMENT OF MOTOR VEHICLES AND CONCERNING PENALTIES FOR OPERATING A MOTOR VEHICLE AND VESSEL WHILE UNDER THE INFLUENCE OF INTOXICATING LIQUOR OR ANY DRUG, TECHNICAL CORRECTIONS TO THE MOTOR VEHICLE STATUTES, VIDEO PRESENTATION UPON LICENSE RENEWAL, THE HIGHWAY WORK ZONE AND ROADSIDE VEHICLE SAFETY AWARENESS PROGRAM, YELLOW AND BLUE ENVELOPES, ELECTRIC SCOOTERS, ELECTRIC BICYCLES, MOTOR-DRIVEN CYCLES, INSTALLMENT PAYMENT PLANS, LOW-SPEED VEHICLE DEALERS AND FINES FOR VIOLATIONS OF "MOVE OVER" LAW AND AGGRAVATED ENDANGERMENT OF A HIGHWAY WORKER

TABLE OF CONTENTS:

§§ 1 & 2 — BUSINESS ENTITY APPLICATIONS FOR CERTAIN BUSINESS LICENSES

Modifies who must undergo a state and national criminal records check for electronic issuance, car dealer, and repairers licenses by specifying that all those named on the license application must do so

§ 1 — ELECTRONIC ISSUANCE LICENSES

Explicitly prohibits DMV from issuing an electronic issuance license to dealers, motor vehicle leasing or rental companies, or department contractors

§ 3 — DRIVER'S LICENSE RENEWAL WITHOUT PERSONAL APPEARANCE

Makes minor changes to the law permitting renewal of a driver's license without the holder's personal appearance

§§ 4 & 27 — EIGHT-HOUR SAFE DRIVING COURSE

Increases the maximum fee for the eight-hour safe driving course from $150 to $200 and requires any course held through distance learning to require participants to use a camera

§ 5 — COMMERCIAL DRIVER'S LICENSE OR PERMIT RESTORATION

Requires people who had their CDL downgraded or CLP canceled to pay the $175 license restoration fee when seeking to restore the CDL or CLP

§§ 6 & 7 — DEALERS AND REPAIRERS

Modifies the standard for determining when a dealer or repairer can expand an existing licensed location on adjacent property without getting another license and increases the required dealer and repairer record retention period

§§ 8 & 9 — MOTOR VEHICLE RECYCLERS

Requires motor vehicle recyclers to stop operating if their license expires, imposes a late fee for late renewal applications, and prohibits DMV from renewing a license that has been expired for more than 45 days

§§ 10, 20-24 & 62 — MINOR, TECHNICAL, AND CONFORMING CHANGES

Makes several minor, technical, and conforming changes to the motor vehicle statutes

§ 11 — TITLING OLDER VEHICLES

Requires DMV to develop a streamlined process for issuing title certificates at an owner's request for vehicles older than 20 model years and for which a title was not issued upon registration

§§ 12-19 — RECIPROCAL SUSPENSION PENALTIES FOR DRIVING AND BOATING UNDER THE INFLUENCE

Imposes reciprocal credential suspension penalties for convictions of DUI and BUI and related administrative per se violations

§ 25 — VIDEO ON TRAFFIC SAFETY LAWS AT LICENSE RENEWAL

Increases the frequency with which driver's license holders must watch a traffic safety video to every renewal, rather than every other renewal

§§ 26-28 — HIGHWAY WORK ZONE AND ROADSIDE VEHICLE SAFETY AWARENESS PROGRAM

Creates a new DMV-administered highway work zone and roadside vehicle safety awareness program and related requirements; generally requires driver's license applicants and violators of the "move over" law or highway worker endangerment law to take the program and requires suspension of violators' licenses if they commit specified additional violations within a certain time period after completing it

§§ 29-34 — YELLOW ENVELOPES FOR PEOPLE WITH COGNITIVE IMPAIRMENTS OR PHYSICAL DISABILITIES

Requires DMV, in consultation with CWCSEO and other specified entities, to develop yellow envelopes and related public awareness materials for people with cognitive impairments or physical disabilities; requires the envelopes to, among other things, have written information on how first responders can accommodate and effectively interact with these individuals

§§ 35-59 — E-BIKES AND OTHER ONE-, TWO-, AND THREE-WHEELED VEHICLES

Makes various changes related to e-bike modification and labeling, e-bike sales, e-bike use on trails, e-bike violation penalties, and the definitions of motor-driven cycle and electric scooter

§§ 59 & 60 — PAYMENT PLANS FOR MOTOR VEHICLE VIOLATIONS

Requires CIB, starting July 1, 2028, and within available resources, to allow people to pay motor vehicle tickets through a payment plan and sets parameters for administering the plans

§ 60 — DRIVER'S LICENSE SUSPENSION FOR FAILURE TO PAY OR FAILURE TO APPEAR

Requires DMV to send a notice with specified information to anyone whose driver's license may be suspended for failure to pay or appear for certain motor vehicle-related infractions or violations

§ 63 — LOW-SPEED VEHICLE DEALERS

Allows DMV to issue a dealer's license to qualifying LSV dealers that meet certain alternative criteria

§§ 64 & 65 — FINES FOR VIOLATIONS OF "MOVE OVER" LAW OR AGGRAVATED ENDANGERMENT OF A HIGHWAY WORKER

Increases the enhanced penalties for violations of the "move over" law and the law on endangering highway workers that result in the injury or death of an emergency vehicle driver or occupant or a highway worker

SUMMARY: This act makes various changes to motor vehicle laws, including numerous minor, technical, and conforming changes. A section-by-section analysis follows.
EFFECTIVE DATE: Various, see below.

§§ 1 & 2 — BUSINESS ENTITY APPLICATIONS FOR CERTAIN BUSINESS LICENSES

Modifies who must undergo a state and national criminal records check for electronic issuance, car dealer, and repairers licenses by specifying that all those named on the license application must do so

By law, an applicant for a car dealer, repairer, or electronic issuance license may be denied a new or renewal license based on being convicted of, or found civilly liable for, certain crimes or violations. If the license applicant is a business entity, the license may be denied based on the history of certain individuals who own or control the business.

The act changes which individuals' civil and criminal history the Department of Motor Vehicles (DMV) must consider in licensing decisions. Under prior law, it was the applicant or, if the applicant is a business entity, its officers and major stockholders; under the act, it is any individual listed on the license application form. As under existing law, these

individuals must undergo a fingerprint-based state and national criminal records check.
EFFECTIVE DATE: January 1, 2026

§ 1 — ELECTRONIC ISSUANCE LICENSES

Explicitly prohibits DMV from issuing an electronic issuance license to dealers, motor vehicle leasing or rental companies, or department contractors

Existing law generally prohibits anyone from engaging in the business of electronically filing registration or title applications without a DMV-issued electronic issuance license.

The act prohibits DMV from issuing an electronic issuance license to licensed car dealers, leasing and rental companies, and contractors authorized to handle DMV transactions. Existing law, unchanged by the act, allows these entities to use the department's electronic system to register vehicles or issue titles without getting an electronic issuance license.
EFFECTIVE DATE: January 1, 2026

§ 3 — DRIVER'S LICENSE RENEWAL WITHOUT PERSONAL APPEARANCE

Makes minor changes to the law permitting renewal of a driver's license without the holder's personal appearance

Existing law allows the DMV commissioner to renew someone's driver's license without his or her personal appearance under several specified conditions. Under prior law, one condition was that the person must have personally appeared to renew his or her license within the time limitations set in state or federal law. The act changes this requirement to refer specifically to the timeframe set in the federal Real ID regulations (i.e. within 16 years). It also explicitly allows the commissioner to require appearance within a shorter period of time, at his discretion.
EFFECTIVE DATE: July 1, 2025

§§ 4 & 27 — EIGHT-HOUR SAFE DRIVING COURSE

Increases the maximum fee for the eight-hour safe driving course from $150 to $200 and requires any course held through distance learning to require participants to use a camera

By law, youth and adult instruction permit holders must take an eight-hour course on safe driving practices before getting their driver's license. Under existing law, this course can be offered in-person in a group setting, through distance learning, or as a hybrid of both, and any course held fully or partially through distance learning must be taught in real time by a live instructor and have interactive components. The act additionally requires that participants in any distance learning component be required to use a camera.

The act also increases, from $150 to $200, the maximum fee that driving schools and high schools may charge for the eight-hour course.
EFFECTIVE DATE: October 1, 2025, for the fee increase and January 1, 2026, for the camera requirement.

§ 5 — COMMERCIAL DRIVER'S LICENSE OR PERMIT RESTORATION

Requires people who had their CDL downgraded or CLP canceled to pay the $175 license restoration fee when seeking to restore the CDL or CLP

The act requires any commercial driver's license (CDL) holder whose license was downgraded to a class D license to pay the $175 license restoration fee in order to restore their CDL. It requires the same for commercial learner's permit (CLP) holders seeking to restore a cancelled CLP. By law, holders may have their CDL downgraded, or their CLP canceled, for failure to comply with certain requirements, such as the requirement to periodically submit a medical certificate.

Under existing law, this restoration fee applies when someone seeks to restore their license after having it suspended or to restore their CDL after being disqualified from driving a commercial vehicle.
EFFECTIVE DATE: October 1, 2025

§§ 6 & 7 — DEALERS AND REPAIRERS

Modifies the standard for determining when a dealer or repairer can expand an existing licensed location on adjacent property without getting another license and increases the required dealer and repairer record retention period

Licensees Adding Adjacent Land

Existing law generally requires car dealers and repairers to get a separate license from DMV for each place of business they operate, but it makes an exception to this requirement for dealers and repairers that expand a licensed location by adding buildings or certain land.

Under prior law, this exception applied when a dealer or repairer added adjacent land to its place of business, but the law did not further define "adjacent." Under the act, this exemption instead applies only when a dealer adds land directly bordering or sharing a common boundary with the licensed location without any intervening highway or private roadway. Existing law allows the DMV commissioner to require licensees that add buildings or land to their business to show evidence that they comply with municipal zoning requirements, among other things.

Records Retention

By law, dealers and repairers must retain records of purchase, sale, and repair transactions related to motor vehicles or major component parts. The act extends the law's required retention period from two to three years after the transaction. As under existing law, DMV may suspend or revoke a dealer or repairer's license or impose a civil penalty for failing to comply with this requirement. (PA 25-55, §§ 23 & 24, increases the maximum amount of this penalty from $1,000 to $5,000.)

EFFECTIVE DATE: July 1, 2025

§§ 8 & 9 — MOTOR VEHICLE RECYCLERS

Requires motor vehicle recyclers to stop operating if their license expires, imposes a late fee for late renewal applications, and prohibits DMV from renewing a license that has been expired for more than 45 days

By law, motor vehicle recyclers must biennially renew their license. If a recycler's license expires before its renewal is approved by DMV, the act specifies that a recycler must stop operating until DMV receives its renewal application, fee, and surety bond and approves its renewal application.

The act imposes a $100 late fee on renewal applications that are submitted after the license's expiration date. It also prohibits DMV from renewing a recycler's license that has been expired for more than 45 days, but it allows a recycler whose license can no longer be renewed to apply for a new license.

EFFECTIVE DATE: July 1, 2025

§§ 10, 20-24 & 62 — MINOR, TECHNICAL, AND CONFORMING CHANGES

Makes several minor, technical, and conforming changes to the motor vehicle statutes

The act makes several minor, technical, and conforming changes to the motor vehicle statutes. It also specifies that state law on required towing signage for parking facilities, as amended by PA 25-55, does not apply to parking facilities located at multifamily dwellings with four or fewer units.

EFFECTIVE DATE: July 1, 2025, except §§ 10 & 62, which are effective October 1, 2025.

§ 11 — TITLING OLDER VEHICLES

Requires DMV to develop a streamlined process for issuing title certificates at an owner's request for vehicles older than 20 model years and for which a title was not issued upon registration

The act requires DMV to develop a streamlined process for issuing title certificates at an owner's request for vehicles older than 20 model years and for which a title was not issued upon registration. By February 1, 2026, DMV must submit a description of the new process and any legislative recommendations to the Transportation Committee.

EFFECTIVE DATE: Upon passage

§§ 12-19 — RECIPROCAL SUSPENSION PENALTIES FOR DRIVING AND BOATING UNDER THE INFLUENCE

Imposes reciprocal credential suspension penalties for convictions of DUI and BUI and related administrative per se violations

The act imposes reciprocal driver's license, boating certificate, and personal watercraft certificate suspension penalties for convictions of driving under the influence (DUI) and boating under the influence (BUI) and related administrative per se violations.

Under the administrative per se laws, drivers or boaters may have their credentials suspended for the following reasons, separately from the criminal process: (1) having a blood alcohol content (BAC) in excess of the applicable per se limit (generally, 0.08%); (2) being found, based on a police officer's investigation, to have been driving or boating under the influence of alcohol or drugs; and (3) refusing a chemical test (e.g., a breath test) or the nontestimonial portion of a drug influence evaluation (or DIE, which is an evaluation done by a specially trained police officer to determine a person's impairment from using drugs).

Penalties

The table below shows the penalties that apply under the act for each offense. Generally, the act applies the credential suspension penalties for one offense to the equivalent offense in the other law (e.g., a second DUI offense also subjects a person to the certificate suspension that applies for a second BUI offense). For driver's license suspensions, a required period of ignition interlock device (IID) use applies as a condition of license restoration, regardless of whether the offense triggering the suspension was committed in a motor vehicle or a boat.

Under the act, offenders are subject to a suspension penalty for all three credentials, regardless of whether they currently hold them. If an offender does not have one of the credentials, the suspension applies to a person's operating privilege or right to operate a vessel (effectively, this means the person cannot get the credential for the length of the suspension).

Certificate and License Suspension Penalties Under the Act

Offense (§)		***Driver's License***	***Boating or Personal Watercraft Certificate***
BUI (§ 12), DUI (§ 13), or DUI with a child passenger (§ 18)	First	45 day suspension, plus 1 year IID use	1 year suspension
	Second	45 day suspension, plus 3 years IID use, with operation in the first year limited to certain travel (e.g., to work or school)	3 year suspension (or until age 21, whichever is longer)
	Third and subsequent	Permanent revocation*	Permanent revocation
Administrative Per Se for BUI (§ 14) or DUI (§ 15)	First	Age 21 and over: 45 days, plus 6 months IID use Under age 21: 45 days, plus 1 year IID use Test/DIE Refusal: 45 days, plus 1 year IID use	General: 90 days BAC of 0.16 or more: 120 days Test/DIE Refusal: 6 months
	Second	Age 21 and over: 45 days, plus 1 year IID use Under age 21: 45 days, plus 2 years IID use Test/DIE Refusal: 45 days, plus 2 years IID use	General: 9 months BAC of 0.16 or more: 10 months Test Refusal/DIE: 1 year
	Third and subsequent	Age 21 and over: 45 days, plus 2 years IID use Under age 21: 45 days, plus 3 years IID use	General: 2 years BAC of 0.16 or more: 2 years, 6 months Test/DIE Refusal: 3 years

Offense (§)		*Driver's License*	*Boating or Personal Watercraft Certificate*
		Test/DIE Refusal: 45 days, plus 3 years IID use	
DUI in a school bus or other vehicle designated for carrying children (§ 19)	All	45 day suspension plus 3 years IID use, with operation in the first year limited to certain travel (e.g., to work or school)	1 year suspension

*The offender is eligible for reinstatement after two years. If reinstated, he or she must drive with an IID unless the DMV commissioner lifts this requirement after 15 years.

The act also deems DUI and BUI convictions and per se violations as prior convictions of the equivalent offenses, as shown in the table below.

Offenses Considered Prior Convictions, Prior Law vs. Act

Offense (§)	*Considered a Prior Conviction of the Offense Under Prior Law*	*Considered a Prior Conviction of the Offense Under the Act*
BUI (§ 12)	BUI	BUI and DUI
DUI (§ 13)	DUI, DUI with a child passenger, DUI in a school bus or other vehicle designated for carrying children, 2nd degree manslaughter with a motor vehicle, 2nd degree assault with a motor vehicle, or an offense committed in another state that is equivalent to any of these offenses	DUI, DUI with a child passenger, DUI in a school bus or other vehicle designated for carrying children, 2nd degree manslaughter with a motor vehicle, 2nd degree assault with a motor vehicle, BUI, reckless operation of a vessel while under the influence, or an offense committed in another state that is equivalent to any of these offenses
Administrative Per Se, BUI (§ 14)	BUI administrative per se	BUI and DUI administrative per se
Administrative Per Se, DUI (§ 15)	DUI administrative per se	BUI and DUI administrative per se
DUI with a child passenger (§ 18)	DUI, DUI under age 21, DUI with a child passenger, DUI in a school bus or other vehicle designated for carrying children, 2nd degree manslaughter with a motor vehicle, 2nd degree assault with a motor vehicle, or an offense committed in another state that is equivalent to any of these offenses	DUI, DUI under age 21, DUI with a child passenger, DUI in a school bus or other vehicle designated for carrying children, 2nd degree manslaughter with a motor vehicle, 2nd degree assault with a motor vehicle, BUI, reckless operation of a vessel while under the influence, or an offense committed in another state that is equivalent to any of these offenses

Administration

Under the act, the court must report each DUI and BUI conviction to DMV and the Department of Energy and Environmental Protection (DEEP), and the commissioners must suspend the offender's driver's license and boating or personal watercraft certificate as the act requires.

The act also requires the DMV and DEEP commissioners to notify each other when they suspend a person's driver's license or certificate, and the commissioner receiving the notice must suspend the applicable credential.

Credential Issuance

The act prohibits DMV from issuing a driver's license to anyone whose boating or personal watercraft certificate is suspended or revoked or subject to pending action by DEEP that may result in suspension or revocation due to BUI or reckless operation of a vessel while under the influence. It also prohibits DEEP from issuing a boating certificate to anyone whose driver's license is suspended or revoked, or subject to pending action by DMV that may result in suspension or revocation due to DUI, DUI under age 21, DUI with a child passenger, or DUI in a school bus or other vehicle designated for carrying children.

The act also requires DEEP and DMV to notify each other of any pending actions that may result in suspensions, together with the person's identifying information.

EFFECTIVE DATE: October 1, 2025

§ 25 — VIDEO ON TRAFFIC SAFETY LAWS AT LICENSE RENEWAL

Increases the frequency with which driver's license holders must watch a traffic safety video to every renewal, rather than every other renewal

By law, the DMV commissioner must develop and revise a video about state laws impacting drivers, pedestrians, and bicyclists, as well as ways to drive safely and reduce transportation-related fatalities and severe injuries. The act requires that driver's license holders watch the video each time they renew their license, rather than at every other renewal as under prior law. (Generally, a driver's license must be renewed every eight years.)

EFFECTIVE DATE: July 1, 2025

§§ 26-28 — HIGHWAY WORK ZONE AND ROADSIDE VEHICLE SAFETY AWARENESS PROGRAM

Creates a new DMV-administered highway work zone and roadside vehicle safety awareness program and related requirements; generally requires driver's license applicants and violators of the "move over" law or highway worker endangerment law to take the program and requires suspension of violators' licenses if they commit specified additional violations within a certain time period after completing it

The act creates a new highway work zone and roadside vehicle safety awareness program administered by DMV. Starting January 1, 2026, it generally requires this program to be completed by (1) applicants for a driver's license or learner's permit and (2) drivers convicted of violating the "move over" law or the law on endangering highway workers (see §§ 64 & 65 below).

Specifically, the act requires 16- and 17-year-old driver's license applicants who get a learner's permit on or after January 1, 2026, to submit a program completion certificate to the DMV commissioner, as he prescribes. Beginning on the same date, it also generally applies this requirement to any driver's license applicant who (1) has not previously held a Connecticut license and (2) does not hold a valid license issued by (a) another state or U.S. territory or possession or (b) a foreign country with which the commissioner has an agreement for reciprocal recognition of driver training requirements.

The act establishes program requirements and allows the commissioner to certify organizations (e.g., licensed driving schools) to offer the program. It requires a violator's driving record to reflect program participation for a specified time period and sets license suspension requirements for drivers who commit certain additional violations during this period.

The act also requires the DMV commissioner to adopt regulations to implement the program.

EFFECTIVE DATE: October 1, 2025

Program Requirements

Under the act, the highway work zone and roadside vehicle safety awareness program must at least cover the following material and end with a written or electronic test:

1. principles of safe driving,
2. dangers of highway work zones and risks of driving unsafely in them,
3. testimonials from highway workers and their families,
4. the dangers of vehicles located on the highway shoulder, and
5. proper interactions with emergency vehicles.

DMV and other program providers (see below) may offer it in person, virtually (i.e. through distance learning), or by a combination of both. The virtual option must have interactive components (e.g., mandatory interactions, participation, or testing). The act caps the fee providers may charge for the program at $200.

Program Providers

The act requires DMV to offer the program and allows the commissioner to do so through other organizations (e.g., licensed driving schools) he certifies. He must determine how many program providers are needed.

Under the act, each organization or driving school seeking certification or recertification must apply to DMV as the commissioner prescribes and submit a $350 application fee. Certifications are valid for two years and are not transferable. Additionally, each applicant must:

1. be registered to do business in Connecticut and maintain good standing with the Office of the Secretary of the State;
2. have a permanent place of business in the state where all program records are maintained and accessible to DMV during normal business hours;
3. submit to the DMV commissioner for approval a detailed curriculum and lesson plan (including any changes to them);
4. electronically transmit to the commissioner, at the times and in the form he prescribes, information on enrollment and program completion; and
5. file and maintain a $50,000 surety bond (a) conditioned on compliance with state and federal laws or regulations related to the program and (b) as indemnity for the state's or any person's losses or expenses due to a program provider's acts or omissions.

This bond must be executed in the name of the state for the benefit of any aggrieved party, but the penalty of the bond may only be imposed on the DMV commissioner's order after a hearing.

Under the act, the commissioner has discretion over provider recertification.

Background Check. Before the DMV commissioner certifies an applicant to offer the program, he must investigate the applicant's character, driving history, and criminal history (including its principals and officers, in the case of business entities). The act requires applicants to submit to the commissioner any information on current or past criminal or civil actions.

Driving Records and License Suspension

Under the act, the program requirement and its completion date must be recorded on the driving record of anyone required to attend the program due to a "move over" law or highway worker endangerment law violation, as discussed above. This date must stay on the driver's record until he or she has gone 36 consecutive months without any subsequent (1) moving or suspension violations or (2) violations of the "move over" law.

If a driver commits one of these violations before the 36 months pass, the commissioner must suspend his or her driver's license for (1) 30 days upon a first conviction, (2) 60 days upon a second conviction, and (3) 90 days upon a third or subsequent conviction.

"Moving violations" and "suspension violations" are violations specified in existing law for which the DMV commissioner can require a driver, after committing a certain number of them, to attend a four-hour operator's retraining program. These violations include, for example, speeding and reckless driving.

§§ 29-34 — YELLOW ENVELOPES FOR PEOPLE WITH COGNITIVE IMPAIRMENTS OR PHYSICAL DISABILITIES

Requires DMV, in consultation with CWCSEO and other specified entities, to develop yellow envelopes and related public awareness materials for people with cognitive impairments or physical disabilities; requires the envelopes to, among other things, have written information on how first responders can accommodate and effectively interact with these individuals

The act requires DMV, in consultation with the Commission on Women, Children, Seniors, Equity and Opportunity (CWCSEO) and other specified entities, to develop yellow envelopes and related public awareness materials for people with cognitive impairments or physical disabilities. As required under existing law, DMV similarly offers blue envelopes by request to people with autism spectrum disorder, which (1) include information about improving communication between these individuals and police officers and (2) hold their driver's license, registration, and insurance card (CGS §

14- 11j). (These envelopes are meant to be handed to officers during a traffic stop.)

The act generally requires DMV, by January 1, 2026, to give the yellow envelopes and public awareness materials to its department offices and certain first responders (i.e. law enforcement units, municipal and volunteer fire departments and ambulance services, commercial ambulance and rescue services, emergency medical services (EMS) personnel, and state-operated ambulance and paramedic intercept services). It correspondingly requires these people and entities to give the envelopes and materials, by request and at no cost, to people with a cognitive impairment or physical disability (or their parent, guardian, family member, or driver).

The act requires CWCSEO to coordinate and identify related education and training programs for first responders. It also requires several existing trainings for various first responders to begin providing information about the blue and yellow envelopes.

EFFECTIVE DATE: Upon passage, except the training requirements unrelated to CWCSEO are effective January 1, 2026.

Yellow Envelopes and Public Awareness Materials

The act requires DMV, by January 1, 2026, to take the following actions in consultation with CWCSEO; one state association each of police chiefs, fire chiefs, and EMS personnel; and at least one organization that advocates for people with cognitive impairments or physical disabilities:

1. design yellow envelopes (a) to hold a driver's license, registration, insurance card, and other materials about a person's cognitive impairment or physical disability and (b) with written information on how police, EMS, or firefighters can accommodate and effectively interact with these individuals, and
2. develop brochures about both yellow and blue envelopes, as well as certain other public awareness materials (e.g., lanyards and stickers) that generally have the same information as must be written on these envelopes.

CWCSEO Training Coordination

The act requires CWCSEO to coordinate and identify education and training programs for first responders related to improving their interactions with people with a cognitive impairment, physical disability, or autism spectrum disorder. This includes techniques for handling incidents, promoting accommodations, and enhancing communication. CWCSEO must do so in consultation with (1) at least one organization that advocates for these individuals and offers courses certified by the Police Officer Standards and Training Council; (2) one state association each of police chiefs, fire chiefs, and EMS personnel; and (3) the Office of Emergency Medical Services.

First Responder Trainings

The act also requires several existing trainings for various first responders to provide information about the blue and yellow envelopes, including:

1. the Department of Emergency Services and Public Protection Division of State Police's police basic or field training program, starting by January 1, 2026;
2. the Commission on Fire Prevention and Control's optional fire service training and education program; and
3. certain Department of Public Health-approved training programs available to members of various ambulance, rescue, and paramedic intercept services.

Existing law generally already requires these trainings to include information on techniques for handling incidents involving people with autism spectrum disorder, cognitive impairment, and nonverbal learning disorder.

§§ 35-59 — E-BIKES AND OTHER ONE-, TWO-, AND THREE-WHEELED VEHICLES

Makes various changes related to e-bike modification and labeling, e-bike sales, e-bike use on trails, e-bike violation penalties, and the definitions of motor-driven cycle and electric scooter

The act makes various changes related to the laws governing the manufacture, sale, and use of electric bicycles (e-bikes) and the legal classification of lower speed one-, two-, and three-wheeled vehicles.

Regarding e-bikes, among other things, the act:

1. generally requires anyone who modifies an e-bike to change its motor-powered speed capability or motor engagement to also modify the required label appropriately,
2. prohibits sellers from representing vehicles as e-bikes if they do not meet state law's definition of an e-bike and requires them to disclose the vehicle's likely legal classification to customers,

3. broadly permits class 1 e-bikes on bicycle or multi-use trails or paths, and
4. imposes penalties for several existing e-bike laws.

The act modifies definitions applicable to lower speed one-, two-, and three-wheeled vehicles and clarifies the treatment of electric powered vehicles in these categories by:

1. replacing the definition of "electric foot scooter" with one for "electric scooter" and broadening the definition to also include certain electric scooters designed to be ridden sitting down (e.g., by increasing the scooter weight limit to 100 pounds) and
2. expanding the "motor-driven cycle" definition to include (a) motorized unicycles and (b) vehicles with an electric or hybrid motor, if the motor has a capacity under 50 cubic centimeters (cc), has a wattage of 3,700 watts or less, or produces five-brake horsepower or less.

The act also makes numerous technical and conforming changes, principally related to the electric scooter definition.

EFFECTIVE DATE: October 1, 2025

E-bike Modification and Out-Of-Class Vehicles

E-Bike Classification. Under existing law and unchanged by the act, an e-bike is a bicycle that (1) has operable foot pedals and an electric motor of less than 750 watts and (2) qualifies as a class 1, class 2, or class 3 bicycle (see table below).

E-bike Classes

Class	*Motor Engagement*	*Motor Disengagement*	*Top Speed*
Class 1	Only while the rider uses the foot pedals	When the rider stops pedaling or when it hits the top speed	20 mph
Class 2	While the rider pedals or with a throttle (i.e. they may be powered exclusively by the motor)	When the brakes are applied or when it hits the top speed	20 mph
Class 3	Only while the rider uses the foot pedals	When the rider stops pedaling or when it hits the top speed	28 mph

Vehicles That Are Not E-bikes Under the Law. The act specifies that a vehicle with an electric motor for propulsion is not considered an e-bike under the law if it (1) does not meet the definition of an e-bike as sold or offered for sale or (2) has one or multiple operating modes, a throttle, and the capability to exceed 20 mph on motor power alone in any mode when the throttle is engaged.

It also specifies that these vehicles are not e-bikes under the law if they have been configured or modified by someone (or are designed, manufactured, or intended by the manufacturer, importer, or seller to be configured or modified) to not meet existing law's e-bike definition due to:

1. the inclusion of a mechanical switch or button;
2. a change in the software controlling the electric drive system;
3. the use of a mobile application; or
4. any other means intended by a person, manufacturer, importer, or seller to modify the vehicle, or allow it to be modified, to no longer meet the definition.

Labeling. Existing law requires manufacturers of e-bikes offered for sale in Connecticut to, among other things, (1) attach a label to each e-bike that states the bike's classification, maximum speed, and motor wattage, and (2) ensure that the motor disengages according to the specifications of its classification. The act specifies that the label must be in at least nine-point type size.

Additionally, the act generally requires anyone who modifies an e-bike to change its motor-powered speed capability or motor engagement to also modify the label appropriately. Specifically, if the e-bike no longer meets the definition of an e-bike, the person must remove the label. If the modification changes the e-bike's classification, the person must replace the label with one that accounts for the modification and has the new applicable classification, including its maximum speed and motor wattage.

The act imposes a penalty for violating the labeling requirements of (1) up to $100 for a first offense and (2) $100 to $300 for a subsequent offense.

Prohibition on Misrepresentation and Required Disclosures. The act prohibits sellers of vehicles that have an electric motor but are not considered an "e-bike" under the law (see above) from (1) selling them as e-bikes or (2) offering them for sale if they are labeled as class 1, class 2, or class 3 e-bikes.

The act also requires sellers of these vehicles who describe them as an "electric bicycle," "electric bike," "e-bike," or other similar term, before the time of sale, to give consumers a clear and conspicuous written statement:

1. disclosing the name or classification of the vehicle under state law, or the most likely classification after an intended or anticipated modification described above, and
2. stating that (a) the vehicle does not meet the law's definition of "e-bike," (b) it is subject to applicable motor vehicle laws if used on public roads or lands, and (c) insurance policies may not cover accidents involving the vehicle and owners should contact their insurance company for available property damage and liability insurance coverage.

Under the act, sellers must also include this information in any digital or print advertisements for these vehicles (e.g., social media, e-mail, newspapers, magazines, brochures, and posters).

E-bikes on Trails

The act broadly permits the use of class 1 e-bikes on bicycle or multi-use trails or paths. While e-bikes may generally be ridden wherever regular bicycles are allowed, prior law prohibited the use of both class 1 and 2 e-bikes on bicycle and certain multi-use trails or paths, except where permitted by local ordinance. This included multi-use trails and paths designated for non-motorized traffic and with a natural surface tread made by clearing and grading the soil and without added surfacing materials. Under the act, this restriction applies only to class 2 e-bikes.

By law, unchanged by the act, class 3 e-bikes are prohibited on all bicycle and multi-use trails or paths.

Penalties for E-bike Law Violations

The act imposes a specific penalty for the following e-bike laws by making violations infractions: (1) riding e-bikes where prohibited, including on trails and paths under certain circumstances (as described above); (2) riding a class 3 e-bike under age 16; and (3) riding an e-bike, including as a passenger, without a helmet meeting the law's requirements.

Under prior law, there was no specific penalty for violating these provisions, but riders or passengers may have been subject to the general penalty for vehicle highway use violations that are not designated an infraction or do not have a specified penalty (i.e. a fine of up to $50, CGS § 14-296). By making these violations infractions, the act treats e-bike law violations the same as bicycle and other traffic violations.

Manufacturer Penalties

The act also imposes a penalty on e-bike manufacturers of up to $100 for a first offense, and $100 to $300 for a subsequent offense, for failing to (1) ensure e-bikes they offer for sale in Connecticut comply with applicable federal requirements for bicycles and e-bikes, (2) equip these class 3 e-bikes with a speedometer, and (3) ensure that e-bike motors disengage according to the specifications of their classification. Prior law did not specify a penalty for these violations.

One-, Two-, and Three-wheeled Vehicle Classifications

Motor-Driven Cycles. Under prior law, a "motor-driven cycle" was any of the following with a seat at least 26 inches high and a motor displacing less than 50cc: a (1) motorcycle; (2) motor scooter; or (3) bicycle with attached motor, except electric bicycles. Because cc is a measurement of cylinder volume in an internal combustion engine, this definition only explicitly captured gas-powered vehicles. So, it was unclear under prior law whether a similar electric-powered vehicle was considered a motor-driven cycle or a motorcycle.

The act expands this definition to include vehicles with gasoline, electric, or hybrid motors that have a capacity of less than 50cc, have a wattage of 3,700 watts or less, or produce five-brake horsepower or less, as applicable. It also (1) excludes electric scooters (see below) from the motor-driven cycle definition and (2) incorporates into this definition one-wheeled vehicles "with a floorboard that can be stood upon while riding or with foot rests for the operator" (i.e. motorized unicycles). (These vehicles are not subject to the motor-related or minimum seat height requirements.)

As under existing law, street-legal two- or three-wheeled vehicles that exceed these engine capacities are generally considered motorcycles. Unlike motorcycles, motor-driven cycles do not need to be registered and riders do not need a motorcycle endorsement.

Modification of Electric Foot Scooter Definition. The act replaces the definition of "electric foot scooter" with one for "electric scooter" and broadens the definition to also include certain electric scooters designed to be ridden while sitting down. In doing so, it treats certain low-powered, seated electric scooters in the same way that electric foot scooters are treated under the law.

Under prior law, an electric foot scooter was a device that (1) weighs up to 75 pounds; (2) has two or three wheels, handlebars, and a floorboard that a rider can stand on; (3) is powered by an electric motor and human power; and (4) has a maximum speed of 20 mph on a paved level surface, with or without human propulsion. The act renames these devices "electric scooters" and (1) increases their maximum weight to 100 pounds, (2) eliminates the floorboard requirement and instead requires they be designed to be ridden in either an upright or seated position, and (3) excludes e-bikes and one-wheeled vehicles from the definition.

§§ 59 & 60 — PAYMENT PLANS FOR MOTOR VEHICLE VIOLATIONS

Requires CIB, starting July 1, 2028, and within available resources, to allow people to pay motor vehicle tickets through a payment plan and sets parameters for administering the plans

Installment Plan Overview

Starting July 1, 2028, the act (1) allows anyone charged with a motor vehicle-related infraction or violation processed through the Centralized Infractions Bureau (CIB) to pay under a 12-month installment plan and (2) requires CIB to offer this option, within available resources, on its website. The payment plans must include all fines and related fees or costs, and CIB may accept payments higher than the monthly installment amount. The act allows CIB to assess an additional fee of up to $15 to cover related administrative costs, which must be deposited in the Judicial Data Processing Revolving Fund.

Like payments made through CIB under existing law, agreeing to enter into a payment plan (1) is considered a plea of nolo contendere (no contest) and is not admissible in any civil or criminal proceeding and (2) does not result in the DMV commissioner assessing points against the person's driver's license.

Existing law requires the Judicial Department to provide notice about paying through CIB to law enforcement agencies and direct them to give it to anyone alleged to have committed a motor vehicle infraction or violation when issuing the complaint. Under the act, this notice must have information about the option to pay through an installment payment plan. Additionally, starting on July 1, 2028, the department also must post information about the option to pay through an installment payment plan on its website.

Failure to Make Installment Payments

When a person fails to make a timely payment on an installment plan for the first or second time, the act requires CIB to assess a $15 late fee (deposited in the Judicial Data Processing Revolving Fund) and allow the person an additional 30 days to make the missed payment for each instance. However, for a third missed payment, CIB must end the payment plan and report it to the DMV commissioner in the same way it reports other circumstances for a driver's license suspension (see below).

EFFECTIVE DATE: October 1, 2025

§ 60 — DRIVER'S LICENSE SUSPENSION FOR FAILURE TO PAY OR FAILURE TO APPEAR

Requires DMV to send a notice with specified information to anyone whose driver's license may be suspended for failure to pay or appear for certain motor vehicle-related infractions or violations

Existing law gives the DMV commissioner broad authority to suspend or revoke a driver's license for any cause he deems sufficient. It also establishes a license suspension procedure that requires the court to send a report notifying DMV when someone:

1. is arrested for a violation of any motor vehicle-related statute and willfully fails to appear for a scheduled court appearance;
2. is charged with a motor vehicle-related infraction or violation processed through CIB (or certain other violations) and fails to pay the related fine and any additional fees, or plead not guilty, by the required date or willfully fails to comply with court-set remote events and deadlines or appear for a scheduled court appearance; or
3. fails to pay certain related additional surcharges, fees, and costs.

By department practice, DMV then mails a suspension notice containing certain information and suspends the person's license if he or she does not reopen their case before the suspension date indicated on the notice. The act generally codifies this notice and suspension process, with modifications. Specifically, it requires DMV, after receiving a report from the court (as described above), to send a suspension notice (1) informing the person that his or her license will be suspended within

60 days after the notice date unless the person reopens judgment with the court of jurisdiction during this time period and (2) giving instructions on how to file a motion to reopen and apply for a fee waiver within the court of jurisdiction.
EFFECTIVE DATE: October 1, 2025

§ 63 — LOW-SPEED VEHICLE DEALERS

Allows DMV to issue a dealer's license to qualifying LSV dealers that meet certain alternative criteria

The act allows DMV to issue a dealer's license to qualifying low-speed vehicle (LSV) dealers that meet certain criteria without having to meet certain criteria that apply to dealers under existing law. Specifically, DMV may do this for businesses that (1) merchandise new electric LSVs under a manufacturer's or importer's contract for each make of vehicle prior to July 1, 2025, and (2) incidental to the business, sell used LSVs and repair LSVs.

Qualifying LSV dealers seeking a license must apply to the commissioner (with a $340 application fee), pass a criminal records check, and furnish a $25,000 surety bond, among other things. Licenses issued under the act are renewed biennially and are not transferable and must be revoked by, and surrendered to, DMV upon the business' sale, transfer, or conveyance.
EFFECTIVE DATE: July 1, 2025

§§ 64 & 65 — FINES FOR VIOLATIONS OF "MOVE OVER" LAW OR AGGRAVATED ENDANGERMENT OF A HIGHWAY WORKER

Increases the enhanced penalties for violations of the "move over" law and the law on endangering highway workers that result in the injury or death of an emergency vehicle driver or occupant or a highway worker

"Move Over" Law

The state's "move over" law requires drivers, when approaching slow or stationary emergency vehicles in the shoulder, lane, or breakdown lane, to (1) immediately slow down to a speed reasonably below the speed limit and (2) if traveling in the lane adjacent to the shoulder or lane with the emergency vehicle, move over one lane unless it would be unsafe to do so. (While these provisions specifically apply on public roads with at least two travel lanes going in the same direction, the requirement to slow down also applies to two-lane roads with undivided traffic proceeding in opposite directions.)

By law, violations are generally infractions; however, drivers are subject to higher fines if the violation results in an emergency vehicle driver's or occupant's injury or death. The act increases the maximum fines for these violations from (1) $2,500 to $5,000 (injury) and (2) $10,000 to $20,000 (death).

Aggravated Endangerment of a Highway Worker

Under existing law, drivers generally commit the offense of endangerment of a highway worker and owe fines (up to $500 for a first offense and $1,000 for subsequent offenses) if they are convicted of any of the following in a highway work zone with a highway worker nearby:

1. exceeding the posted speed limit by at least 15 mph;
2. failing to obey certain traffic control devices for any reason other than an emergency, avoiding an obstacle, or protecting another person's health and safety;
3. driving through or around the work zone in a lane not clearly designated for this use; or
4. physically assaulting, attempting to assault, or threatening a highway worker with a motor vehicle or other instrument.

Drivers commit the offense of "aggravated endangerment of a highway worker" and face higher fines if they are convicted of one of the above offenses that results in a highway worker's serious physical injury or death. The act increases the fines for this offense from (1) a maximum of $5,000 to a maximum of $10,000 (injury) and (2) $10,000 to $20,000 (death).
EFFECTIVE DATE: October 1, 2025

PA 25-15—HB 6442
Veterans' and Military Affairs Committee

AN ACT CONCERNING VARIOUS MEASURES RECOGNIZING AND HONORING THE MILITARY SERVICE OF VETERANS AND MEMBERS OF THE ARMED FORCES IN CONNECTICUT

TABLE OF CONTENTS:

§ 1 — VETERANS' MONTH

Establishes the month of November as Veterans' Month

§ 2 — WOMEN VETERANS' LICENSE PLATES

Requires the DMV commissioner, if requested by a woman veteran or servicemember, to register a motor vehicle and issue a special certificate of registration and a set of license plates commemorating the woman's service

§ 3 — THE BORINQUENEERS LICENSE PLATES

Requires the DMV commissioner to issue commemorative license plates in recognition of "The Borinqueneers" and gives a portion of the fee to the Hispanic-American Veterans of Connecticut, Inc. for bilingual services and assistance to veterans and service members

§ 4 — PURPLE HEART LICENSE PLATES

Allows veterans and servicemembers who get a license plate commemorating the Military Order of the Purple Heart to be reimbursed for the cost of joining a chapter of the order

§ 5 — VETERAN LICENSE AND IDENTIFICATION RENEWAL FEE WAIVERS

Requires DMV to waive, or provide vouchers for waiving, the driver's license or identity card renewal fee for veterans who attend a one-day Stand Down event hosted by DVA

§ 6 — MILITARY AWARDS AND RIBBONS

Authorizes the adjutant general to establish awards or ribbons for members of the state armed forces

§§ 7 & 8 — EDUCATION SERVICES FOR MILITARY-CONNECTED STUDENTS

Requires local and regional school boards to take steps to ensure a minimally disruptive transition of a military-connected student receiving certain services; allows a military-connected student to stay enrolled in their current school when a service member relocates on orders

§ 9 — STUDY OF DENTAL SERVICES FOR VETERANS

Requires the DVA commissioner to evaluate dental services provided to veterans

§ 10 — NURSING HOME WAITING LIST EXCEPTION

Requires nursing homes to admit qualifying veterans under certain conditions, regardless of the waitlist

SUMMARY: This act makes various changes to laws on veterans and veteran benefits, as described below.
EFFECTIVE DATE: July 1, 2025, except the provisions on Veterans' Month and the dental services study are effective upon passage and the provision on the Borinqueneers license plate is effective January 1, 2026.

§ 1 — VETERANS' MONTH

Establishes the month of November as Veterans' Month

The act requires the governor to proclaim November of each year as Veterans' Month in recognition of the service and

sacrifice of those who have served in the armed forces to protect the U.S. and the state. Suitable exercises may be held in the State Capitol and elsewhere as the governor designates.

§ 2 — WOMEN VETERANS' LICENSE PLATES

Requires the DMV commissioner, if requested by a woman veteran or servicemember, to register a motor vehicle and issue a special certificate of registration and a set of license plates commemorating the woman's service

The act requires the Department of Motor Vehicles (DMV) commissioner, at the request of a woman veteran or member of the armed forces, to register a motor vehicle and issue a special certificate of registration and a set of license plates commemorating her service. To qualify, the motor vehicle must be owned or leased by the woman veteran or member for at least one year, and can be one used exclusively for farming purposes by a woman veteran or woman servicemember engaged in agricultural production as a trade or business. By law, veterans, armed forces members, and their surviving spouses can request a special registration certificate and license plates under the same circumstances.

Background — Veterans and the Armed Forces

By law, a "veteran" is anyone honorably discharged or released under honorable conditions, or released with an other than honorable (OTH) discharge based on a qualifying condition, from active service in the armed forces.

A qualifying condition is a (1) post-traumatic stress disorder or traumatic brain injury diagnosis by a licensed health care professional at a U.S. Department of Veterans Affairs (U.S. DVA) facility; (2) military sexual trauma disclosed to such a health care professional; or (3) determination by the Qualifying Review Board that sexual orientation, gender identity, or gender expression was more likely than not the primary reason for the OTH discharge.

By law, the "armed forces" are the U.S. Army, Navy, Marine Corps, Coast Guard, Space Force, Air Force, and any of their reserve components, including the Connecticut National Guard when under federal service (CGS § 27-103).

§ 3 — THE BORINQUENEERS LICENSE PLATES

Requires the DMV commissioner to issue commemorative license plates in recognition of "The Borinqueneers" and gives a portion of the fee to the Hispanic-American Veterans of Connecticut, Inc. for bilingual services and assistance to veterans and service members

The act requires the DMV commissioner, beginning January 1, 2026, to issue commemorative license plates in recognition of the "The Borinqueneers" (the primarily Puerto Rican members of the 65th Infantry Regiment of the U.S. Army who served with distinction). Under the act, the commissioner must determine the design of the plates in consultation with Hispanic-American Veterans of Connecticut, Inc.

The act sets a $60 fee for this plate, in addition to the regular fees for registering a motor vehicle. Under the act:

1. $15 of the fee must be deposited in an account controlled by DMV for the cost of producing, issuing, renewing, and replacing the license plates; and
2. $45 of the fee must be deposited in an account for Hispanic-American Veterans of Connecticut, Inc. for bilingual services and assistance to Connecticut veterans and armed forces members.

The plates must have numbers and letters selected by DMV, but the commissioner may charge a higher fee for license plates with low numbers or (1) the numbers and letters from a previously-issued plate or (2) letters instead of numbers, in addition to the fees set for these registrations by law.

The act prohibits charging additional fees for (1) renewing this license plate or (2) transferring an existing registration to or from a registration with a "The Borinqueneers" plate.

The act also establishes the Hispanic-American Veterans of Connecticut commemorative account as a separate account in the General Fund to receive all of the fees, other than the money designated for DMV's costs, and allows the Hispanic-American Veterans of Connecticut, Inc. to deposit private donations in this account. Under the act, funds in the account must be distributed quarterly by the Office of Policy and Management secretary to Hispanic-American Veterans of Connecticut, Inc., which can use the funds as described above.

The act allows DMV to adopt regulations to set standards and procedures for issuing, renewing, and replacing these license plates.

§ 4 — PURPLE HEART LICENSE PLATES

Allows veterans and servicemembers who get a license plate commemorating the Military Order of the Purple Heart to be reimbursed for the cost of joining a chapter of the order

The act allows veterans and members of the armed forces (see *Background – Veterans and the Armed Forces* above) who get a license plate recognizing the Military Order of the Purple Heart on or after July 1, 2025, to apply to the Department of Veterans Affairs (DVA) commissioner for reimbursement of the cost of joining a chapter of the Military Order of the Purple Heart in order to get the license plate.

The act (1) authorizes the commissioner to determine the application process for reimbursement and (2) requires him to notify the veteran or servicemember about his decision within 60 days after receiving the application and, if approved, reimburse the veteran or servicemember.

§ 5 — VETERAN LICENSE AND IDENTIFICATION RENEWAL FEE WAIVERS

Requires DMV to waive, or provide vouchers for waiving, the driver's license or identity card renewal fee for veterans who attend a one-day Stand Down event hosted by DVA

The act requires, instead of allows, the DMV commissioner to waive the driver's license or identity card renewal or duplication fee for veterans who attend a one-day event hosted by DVA, that offers services, supplies, or assistance to veterans (i.e. Stand Down events).

The act also requires the commissioner to issue a voucher to veterans who apply for their renewals more than six months before their license or card expires. This voucher must waive the fee during the six-month period. (In practice, DMV cannot process renewal applications more than six months before a license's or identity card's expiration date.)

These provisions apply to veterans (see *Background – Veterans and the Armed Forces* above) who are verified by the DVA.

By law, the fee for a renewed license is $96 and $32 for a renewed identity card if they are valid for eight years, but the fees are prorated if the commissioner issues renewed licenses and cards for shorter periods of time (CGS §§ 1-1h & 14-41).

§ 6 — MILITARY AWARDS AND RIBBONS

Authorizes the adjutant general to establish awards or ribbons for members of the state armed forces

Under existing law, state military medals, awards, ribbons, or other honors are generally established legislatively in state statute or authorized federally. Beginning July 1, 2025, the act also authorizes the adjutant general, within available appropriations, to establish awards or ribbons he may bestow on members of the state armed forces, as well as remove any awards or ribbons he creates on or after this date.

The act specifies that the adjutant general cannot remove any state military award, ribbon, or other honor or decoration created by his office before July 1, 2025, or by the legislature.

§§ 7 & 8 — EDUCATION SERVICES FOR MILITARY-CONNECTED STUDENTS

Requires local and regional school boards to take steps to ensure a minimally disruptive transition of a military-connected student receiving certain services; allows a military-connected student to stay enrolled in their current school when a service member relocates on orders

The act requires local and regional school boards to take steps to ensure a minimally disruptive transition of a military-connected student who (1) enrolls at a school after the school year begins and (2) has an individualized education plan (IEP) or 504 plan from a prior school (see *Background*). This applies when the student enrolls due to an armed forces member's military orders or other document directing the servicemember to the state. For these students, the act requires districts to at least (1) transfer records and evaluations; (2) perform a reevaluation; and (3) within 30 school days of the child's enrollment, hold a planning and placement team meeting or a meeting to establish a 504 plan.

Under the act, an armed servicemember's child must be allowed to remain enrolled in a school until the end of the school year if the servicemember relocates on orders and remains in the armed forces; however, a child enrolled in grade 11 may continue to be enrolled in school for an additional school year, while the servicemember remains in the armed

forces.

Background — Individualized Education Plans

Federal regulations require an IEP to include (1) measurable annual goals and how the child's progress toward the goals will be measured; (2) special education and related services the child will receive; and (3) supplementary aids and services the child will receive, which are supports provided in regular education classes and nonacademic settings (34 C.F.R. § 300.320(a)(4)). The included services must be based on peer-reviewed research to the extent practicable and be designed to help the child progress toward his or her annual goals, be involved and make progress in the general education curriculum, participate in extracurricular and nonacademic activities, and be educated with other children with and without disabilities.

Background — 504 Plans

Section 504 of the federal Rehabilitation Act of 1973 protects students with mental or physical disabilities from discrimination in public schools (29 U.S.C. § 794). Students receiving school accommodations under this law have them documented in a written plan, commonly known as a "504 plan."

§ 9 — STUDY OF DENTAL SERVICES FOR VETERANS

Requires the DVA commissioner to evaluate dental services provided to veterans

The act requires the DVA commissioner to evaluate dental services provided to veterans (see *Background – Veterans and the Armed Forces* above) in the state and identify areas for improvement (such as opportunities to expand access to them and increase enrollment in U.S. DVA's dental insurance program).

The commissioner must report on his evaluation, as well as any recommendations for legislation, to the Veterans' and Military Affairs Committee by February 1, 2026.

§ 10 — NURSING HOME WAITING LIST EXCEPTION

Requires nursing homes to admit qualifying veterans under certain conditions, regardless of the waitlist

The act adds an exception to the requirement that a nursing home that accepts state funds to care for indigent people generally admit people from its waiting list in the order that they submitted completed applications. The act's exception requires a nursing home to admit a veteran regardless of the waiting list if the:

1. nursing home has a contract with the U.S. DVA to provide care for veterans and
2. veteran applicant (a) meets the U.S. DVA's service-connected and other applicable eligibility criteria and (b) is eligible for care at the nursing home.

As under existing law, a nursing home must accept certain transfers from a nursing home that is closed or closing, regardless of the list. If a nursing home skips over an applicant on the waiting list, it must, by law, make a dated notation on the list explaining the decision.

PA 25-20—SB 721
Veterans' and Military Affairs Committee

AN ACT DESIGNATING NATIONAL WOMEN VETERANS RECOGNITION DAY

SUMMARY: This act requires the governor to proclaim June 12 of each year as National Women Veterans Recognition Day to recognize the significant contributions of women who bravely and honorably served in the U.S. armed forces. Suitable exercises may be held in the State Capitol and elsewhere as the governor designates.
EFFECTIVE DATE: Upon passage

BACKGROUND

Related Act

PA 25-59 also establishes June 12 as National Women Veterans' Recognition Day.

PA 25-95—HB 6438
Veterans' and Military Affairs Committee
Appropriations Committee

AN ACT CONCERNING ASSORTED PROPOSALS TO RECOGNIZE AND HONOR THE MILITARY SERVICE OF MEMBERS OF THE ARMED FORCES AND VETERANS IN CONNECTICUT

TABLE OF CONTENTS:

§ 1 — JOINT ENLISTMENT ENHANCEMENT PROGRAM

Appropriates $169,000 for FY 26 for the Military Department's Joint Enlistment Enhancement Program

§§ 2-8 — DISREGARDING CERTAIN FEDERAL VETERANS' BENEFITS AND INCOME ELIGIBILITY DETERMINATIONS FOR CERTAIN PUBLIC ASSISTANCE PROGRAMS

Disregards certain federal veterans' benefits when determining income for several means-tested public assistance programs

§§ 9-13 — FEE WAIVERS AT PUBLIC HIGHER EDUCATION INSTITUTIONS

Expands the higher education tuition waiver program for eligible National Guard members and veterans with wartime service to cover (1) higher education extension fees and (2) tuition at Charter Oak State College

§ 14 — VETERAN DISABILITY BENEFIT DISREGARD FOR PUBLIC DEFENDER SERVICES

Requires public defender income eligibility guidelines to disregard service-connected veteran disability benefits

§ 15 — OFFICE OF ADVOCACY AND ASSISTANCE STAFFING

Increases the required number of staff at the OAA from 10 to 19

§ 16 — SMALL BUSINESS EXPRESS PROGRAM PREFERENCE FOR DISABLED VETERAN-OWNED BUSINESSES

Authorizes DECD to give preference to disabled veteran-owned businesses applying for the EXP

§ 17 — VETERAN STUDIES

Requires DVA to enter into an MOU with UConn's School of Public Policy to study (1) veteran property tax exemptions and (2) the municipal veteran representative program, and submit reports on these studies to the legislature by January 1, 2027

§ 18 — STUDY ON UNACCREDITED ASSISTANCE, GUIDANCE, OR ADVICE ON VETERAN BENEFIT MATTERS

Requires the DVA commissioner, in consultation with others, to conduct a study on unaccredited businesses or agents that assist or advise on veteran benefit matters and report to the Veterans' and Military Affairs Committee and the governor by February 1, 2026

SUMMARY: This act makes various changes to state law concerning veteran and military affairs. A section-by-section analysis follows below.

EFFECTIVE DATE: July 1, 2025, and for provisions disregarding veteran disability benefits as income, applicable to applications filed on or after July 1, 2025, except that provisions on the (1) veteran disability benefit waiver for public defender services and (2) disabled veteran preference for the Small Business Express Program (EXP) are effective July 1, 2026.

§ 1 — JOINT ENLISTMENT ENHANCEMENT PROGRAM

Appropriates $169,000 for FY 26 for the Military Department's Joint Enlistment Enhancement Program

The act appropriates $169,000 for FY 26 from the General Fund to the Military Department for the Joint Enlistment Enhancement Program (JEEP). JEEP provides a monetary incentive of $1,000 (or $1,500 for certain in-demand positions) to soldiers, airmen, and retirees who give National Guard recruiters a lead that results in an enlistment.

§§ 2-8 — DISREGARDING CERTAIN FEDERAL VETERANS' BENEFITS AND INCOME ELIGIBILITY DETERMINATIONS FOR CERTAIN PUBLIC ASSISTANCE PROGRAMS

Disregards certain federal veterans' benefits when determining income for several means-tested public assistance programs

To the extent federal law allows, the act requires the Department of Social Services (DSS) commissioner, when determining income for certain means-tested public assistance programs, 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. Under the act, the income disregards apply to the following programs:

1. HUSKY A and D (§§ 2 & 6),
2. Medicare Savings Program (§§ 2 & 5),
3. Connecticut Energy Assistance Program (§ 2),
4. State Supplement Program (§ 3),
5. Temporary Family Assistance (§ 3),
6. State-Administered General Assistance (§ 4),
7. Connecticut Home Care Program for Elders (§ 7), and
8. State-Appropriated Fuel Assistance Program (§ 8).

Under existing law, because a veteran's or surviving spouse's pension payments for disabilities (such as aid and attendance and housebound allowance payments) are not subject to federal or state income tax, they are disregarded when determining eligibility for Medicaid coverage groups that must use federal modified adjusted gross income (MAGI) rules to calculate income limits (such as HUSKY A and D). For coverage groups that do not use MAGI rules (e.g., the Medicare Savings Program), and other assistance programs listed above, prior law only required DSS to disregard aid and attendance benefits.

As under existing law for other income disregards, DSS may apply to the federal Centers for Medicare and Medicaid Services to amend the state Medicaid plan or seek a waiver from federal law, if necessary, to exempt these veterans' benefits.

Background — Aid and Attendance and Housebound Allowance

Individuals receiving a U.S. DVA-administered pension may also receive aid and attendance benefits or housebound allowances, which both provide additional monthly payments. Aid and attendance is for qualified veterans and surviving spouses who need assistance performing daily activities, are bedridden, have limited eyesight, or are in a nursing home due to mental or physical incapacity. Housebound benefits are for individuals who spend most of their time in their homes due to a permanent disability.

§§ 9-13 — FEE WAIVERS AT PUBLIC HIGHER EDUCATION INSTITUTIONS

Expands the higher education tuition waiver program for eligible National Guard members and veterans with wartime service to cover (1) higher education extension fees and (2) tuition at Charter Oak State College

The act expands the higher education tuition waiver program to cover certain extension fees for eligible National Guard members and veterans with wartime service (see *Background — Veterans' Service in Time of War*).

It requires the regional community-technical colleges, the Connecticut State University System, and UConn to waive

fees for educational extension programs, including for courses taken during summer and winter school sessions or intersessions. Prior law required these institutions to waive eligible veterans' and National Guard members' tuition, which did not include these fees.

The act makes various conforming changes, including incorporating these extension fee waivers into the calculation of waiver amounts that the state must annually reimburse to these institutions' operating funds through an appropriation. Under prior law, the reimbursement amount was based only on tuition waivers.

The act also establishes a tuition fee waiver for eligible National Guard members and veterans with wartime service who attend Charter Oak State College, with generally the same eligibility requirements and reimbursement mechanism as the tuition waiver program described above.

Background — Veterans' Service in Time of War

By law, to be eligible for state benefits (including tuition waivers) that require service in a time of war, a veteran must generally have served at least 90 cumulative days during a statutorily defined period of war, as described in the table below. A veteran who served fewer days may qualify if he or she (1) was separated from service earlier because of either a service-connected U.S. DVA-rated disability or an injury incurred or aggravated in the line of duty or (2) served for the duration of a period of war that lasted fewer than 90 days (CGS § 27-103(a)(3)).

The table below shows post-1940 periods of war and service condition criteria for veterans' benefits (CGS § 27-103(a)(4)).

Post-1940 "Periods of War"

Operation	*Covered Period*	*Service Condition*
World War II	12/7/41—12/31/46	Active service during the covered period
Korean conflict	6/27/50—1/31/55	Active service during the covered period
Lebanon conflict	7/1/58—11/1/58 or 9/29/82—3/30/84	Combat or combat-support role in Lebanon during the covered periods
Vietnam era	2/28/61—7/1/75	Active service during the covered period
Grenada invasion	10/25/83—12/15/83	Combat or combat-support role in Grenada during the covered period
Operation Earnest Will (escort of Kuwaiti tankers flying U.S. flag in the Persian Gulf)	7/24/87—8/1/90	Combat or combat-support role in the operation during the covered period
Panama invasion	12/20/89—1/31/90	Combat or combat-support role in the invasion during the covered period
Persian Gulf War	8/2/90 until a date prescribed by the President or law	Active service during the covered period
Afghanistan	10/24/01—8/30/21	Active service during the covered period
Iraq	3/19/03—12/31/11 or 6/1/14—12/9/21	Active service during the covered period

§ 14 — VETERAN DISABILITY BENEFIT DISREGARD FOR PUBLIC DEFENDER SERVICES

Requires public defender income eligibility guidelines to disregard service-connected veteran disability benefits

The act requires the guidelines used to determine whether someone qualifies as an indigent defendant for public defender services to exclude a person's U.S. DVA service-connected disability benefits from consideration.

§ 15 — OFFICE OF ADVOCACY AND ASSISTANCE STAFFING

Increases the required number of staff at the OAA from 10 to 19

The act increases (1) the overall number of required staff at the state Department of Veteran Affairs' (DVA) Office of Advocacy and Assistance (OAA) from 10 to 19 and (2) the number of certain positions that must be hired within the office.

Prior law required that the office employ at least eight veteran services officers (VSO), as well as clerical personnel. The act requires the office to employ at least 14 VSOs and at least three clerical personnel. It does not specify what the remaining two positions must be.

§ 16 — SMALL BUSINESS EXPRESS PROGRAM PREFERENCE FOR DISABLED VETERAN-OWNED BUSINESSES

Authorizes DECD to give preference to disabled veteran-owned businesses applying for the EXP

The act allows the Department of Economic and Community Development (DECD) to give preference to disabled veteran-owned businesses that apply for the Small Business Express Program (EXP). To qualify for this preference, the small business must be majority-owned by one or more disabled veterans with a U.S. DVA disability rating of at least 30%.

By law, to be eligible for EXP financial assistance, a business must (1) employ no more than 100 employees, (2) operate in Connecticut, and (3) be in good standing with all state and local tax payments and with all state agencies.

§ 17 — VETERAN STUDIES

Requires DVA to enter into an MOU with UConn's School of Public Policy to study (1) veteran property tax exemptions and (2) the municipal veteran representative program, and submit reports on these studies to the legislature by January 1, 2027

The act requires DVA to enter into a memorandum of understanding (MOU) with UConn for their School of Public Policy, with the advice of the advisory committee the act creates (see below), to conduct veteran-related studies on (1) veteran property tax exemptions and (2) the municipal veteran representative program. The act also reserves up to $75,000 of DVA's FY 26 appropriations and transfers the funds to UConn for conducting these studies.

Veteran Property Tax Exemption Study

The act requires the School of Public Policy, in consultation with the Veterans' and Military Affairs Committee, to study the projected impact on state and municipal finances of changing (1) the exemption amounts of various veteran property tax exemptions and (2) any limits on the amount of property belonging to or held in trust for an eligible taxpayer in order to qualify for these exemptions. The study must also evaluate modifications to the income-based exemptions and increase factors applicable to these exemptions triggered by property revaluations.

(By law, municipalities must increase these exemption amounts after revaluations that increase their grand lists by a certain amount (i.e. increase factors) (CGS § 12-62g). Additionally, taxpayers that qualify for these exemptions are also entitled to an additional exemption based on income or disability status (CGS § 12-81g).)

By January 1, 2027, the School of Public Policy must report its findings and recommendations for legislation to the Appropriations; Finance, Revenue and Bonding; Planning and Development; and Veterans' and Military Affairs committees.

Municipal Veteran Representative Program Study

The act also requires the School of Public Policy, in consultation with the OAA manager, to study how efficiently municipalities provide assistance under the municipal veteran representative program. The study must identify the program's strengths and limitations and develop solutions to address areas needing improvement, broken down by municipality.

By January 1, 2027, the OAA manager and the School of Public Policy must jointly report on this study and its recommendations for legislation to the Veterans' and Military Affairs Committee.

Advisory Committee

The act requires the DVA commissioner to convene an advisory committee to advise the School of Public Policy in conducting these studies and coordinating their design and scope. The committee's membership is as follows:

1. the commissioner, or his designee;
2. the chairpersons and ranking members of the Veterans' and Military Affairs Committeel;
3. a representative of a statewide organization of municipal leaders;
4. a representative of an association representing assessors' interests; and
5. a veteran representing a veterans' advocacy organization in the state.

§ 18 — STUDY ON UNACCREDITED ASSISTANCE, GUIDANCE, OR ADVICE ON VETERAN BENEFIT MATTERS

Requires the DVA commissioner, in consultation with others, to conduct a study on unaccredited businesses or agents that assist or advise on veteran benefit matters and report to the Veterans' and Military Affairs Committee and the governor by February 1, 2026

The act requires the DVA commissioner, in consultation with the Office of Policy and Management secretary, attorney general, and consumer protection commissioner, to study the impact on Connecticut residents of (1) unaccredited businesses or agents that advise, guide, or assist on veterans benefits matters and (2) their fee structures. The study must also evaluate whether predatory practices exist in providing this advice, guidance, or assistance and whether Connecticut residents have been harmed by these practices. Under the act, "veterans benefits matters" are generally the preparation, presentation, or prosecution of active or potential claims for veteran-related benefits, programs, services, commodities, functions, or statuses authorized under the laws administered by U.S. DVA or DVA.

By February 1, 2026, the DVA commissioner must submit a report to the governor and the Veterans' and Military Affairs Committee detailing the studies' findings and recommendations for legislation to protect state residents from identified predatory practices.