



House Bill No. 5524

Public Act No. 24-151

**AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE
AND CONCERNING PROVISIONS RELATED TO STATE AND
MUNICIPAL TAX ADMINISTRATION, GENERAL GOVERNMENT
AND SCHOOL BUILDING PROJECTS.**

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

Section 1. (*Effective July 1, 2024*) The State Bond Commission shall have power, in accordance with the provisions of this section and sections 2 to 7, inclusive, of this act, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate not exceeding \$100,100,000.

Sec. 2. (*Effective July 1, 2024*) The proceeds of the sale of bonds described in sections 1 to 7, inclusive, of this act, to the extent hereinafter stated, shall be used for the purpose of acquiring, by purchase or condemnation, undertaking, constructing, reconstructing, improving or equipping, or purchasing land or buildings or improving sites for the projects hereinafter described, including payment of architectural, engineering, demolition or related costs in connection therewith, or of payment of the cost of long-range capital programming and space utilization studies as hereinafter stated:

(a) For the Office of Legislative Management: Alterations, renovations and restoration of the State Capitol and Legislative Office

House Bill No. 5524

Building, including interior and exterior restoration and compliance with the Americans with Disabilities Act, not exceeding \$45,000,000.

(b) For the Department of Administrative Services:

(1) Reimbursement for environmental remediation at the former Long Lane School in Middletown, in accordance with public act 99-26, not exceeding \$14,100,000;

(2) Renovations and improvements for an opportunity center, not exceeding \$1,000,000.

(c) For the Labor Department: Alterations, renovations and improvements to buildings and grounds, including utilities, mechanical systems and energy conservation projects, not exceeding \$5,000,000.

(d) For the Department of Energy and Environmental Protection: For programs to support solid waste reduction strategies, not exceeding \$10,000,000.

(e) For the Department of Correction: Alterations, renovations and improvements to the Manson Youth Institution in Cheshire, not exceeding \$5,000,000.

(f) For the Judicial Department: Acquisition and development of a secure residential treatment center, not exceeding \$20,000,000.

Sec. 3. (*Effective July 1, 2024*) All provisions of section 3-20 of the general statutes or the exercise of any right or power granted thereby which are not inconsistent with the provisions of sections 1 to 7, inclusive, of this act are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to sections 1 to 7, inclusive, of this act and temporary notes issued in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time

House Bill No. 5524

renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds.

Sec. 4. (*Effective July 1, 2024*) None of the bonds described in sections 1 to 7, inclusive, of this act shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization, which is signed by the Secretary of the Office of Policy and Management or by or on behalf of such state officer, department or agency and stating such terms and conditions as said commission, in its discretion, may require.

Sec. 5. (*Effective July 1, 2024*) For the purposes of sections 1 to 7, inclusive, of this act, "state moneys" means the proceeds of the sale of bonds authorized pursuant to said sections 1 to 7, inclusive, or of temporary notes issued in anticipation of the moneys to be derived from the sale of such bonds. Each request filed as provided in section 4 of this act for an authorization of bonds shall identify the project for which the proceeds of the sale of such bonds are to be used and expended and, in addition to any terms and conditions required pursuant to said section 4, shall include the recommendation of the person signing such request as to the extent to which federal, private or other moneys then available or thereafter to be made available for costs in connection with any such project should be added to the state moneys available or becoming available hereunder for such project. If the request includes a recommendation that some amount of such federal, private or other moneys should be added to such state moneys, then, if and to the extent directed by the State Bond Commission at the time of authorization of such bonds, such amount of such federal, private or other moneys then available, or thereafter to be made available for costs in connection with such project, may be added to any state moneys available or becoming available hereunder for such project and shall be used for such project.

House Bill No. 5524

Any other federal, private or other moneys then available or thereafter to be made available for costs in connection with such project shall, upon receipt, be used by the State Treasurer, in conformity with applicable federal and state law, to meet the principal of outstanding bonds issued pursuant to sections 1 to 7, inclusive, of this act, or to meet the principal of temporary notes issued in anticipation of the money to be derived from the sale of bonds theretofore authorized pursuant to said sections 1 to 7, inclusive, for the purpose of financing such costs, either by purchase or redemption and cancellation of such bonds or notes or by payment thereof at maturity. Whenever any of the federal, private or other moneys so received with respect to such project are used to meet the principal of such temporary notes or whenever principal of any such temporary notes is retired by application of revenue receipts of the state, the amount of bonds theretofore authorized in anticipation of which such temporary notes were issued, and the aggregate amount of bonds which may be authorized pursuant to section 1 of this act, shall each be reduced by the amount of the principal so met or retired. Pending use of the federal, private or other moneys so received to meet principal as hereinabove directed, the amount thereof may be invested by the State Treasurer in bonds or obligations of, or guaranteed by, the state or the United States or agencies or instrumentalities of the United States, shall be deemed to be part of the debt retirement funds of the state, and net earnings on such investments shall be used in the same manner as the moneys so invested.

Sec. 6. (*Effective July 1, 2024*) Any balance of proceeds of the sale of said bonds authorized for any project described in section 2 of this act in excess of the cost of such project may be used to complete any other project described in said section 2, if the State Bond Commission shall so determine and direct. Any balance of proceeds of the sale of said bonds in excess of the costs of all the projects described in said section 2 shall be deposited to the credit of the General Fund.

House Bill No. 5524

Sec. 7. (*Effective July 1, 2024*) The bonds issued pursuant to this section and sections 1 to 6, inclusive, of this act shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 8. (*Effective July 1, 2024*) The State Bond Commission shall have power, in accordance with the provisions of this section and sections 9 to 15, inclusive, of this act, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding \$30,000,000.

Sec. 9. (*Effective July 1, 2024*) The proceeds of the sale of the bonds described in sections 8 to 15, inclusive, of this act shall be used for the purpose of providing grants-in-aid and other financing for the projects, programs and purposes hereinafter stated:

(a) For the Office of Policy and Management: For transit-oriented development and predevelopment activities, not exceeding \$2,000,000.

(b) For the Department of Economic and Community Development: Grants-in-aid to nonprofit organizations sponsoring cultural and historic sites, not exceeding \$12,000,000.

(c) For the Department of Housing: Grants-in-aid to nonprofit organizations for capital improvements to facilities that are used to house the homeless or provide services to the homeless pursuant to section 56 of this act, not exceeding \$15,000,000.

(d) For the Department of Aging and Disability Services: Grants-in-aid for aging in place, not exceeding \$1,000,000.

House Bill No. 5524

Sec. 10. (*Effective July 1, 2024*) All provisions of section 3-20 of the general statutes or the exercise of any right or power granted thereby which are not inconsistent with the provisions of sections 8 to 15, inclusive, of this act are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to sections 8 to 15, inclusive, of this act and temporary notes issued in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said sections 8 to 15, inclusive, and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds.

Sec. 11. (*Effective July 1, 2024*) None of the bonds described in sections 8 to 15, inclusive, of this act shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization, which is signed by the Secretary of the Office of Policy and Management or by or on behalf of such state officer, department or agency and stating such terms and conditions as said commission, in its discretion, may require.

Sec. 12. (*Effective July 1, 2024*) For the purposes of sections 8 to 15, inclusive, of this act, "state moneys" means the proceeds of the sale of bonds authorized pursuant to said sections 8 to 15, inclusive, or of temporary notes issued in anticipation of the moneys to be derived from the sale of such bonds. Each request filed as provided in section 11 of this act for an authorization of bonds shall identify the project for which the proceeds of the sale of such bonds are to be used and expended and, in addition to any terms and conditions required pursuant to said section 11, include the recommendation of the person signing such request as to the extent to which federal, private or other moneys then available or thereafter to be made available for costs in connection with any such project should be added to the state moneys available or

House Bill No. 5524

becoming available under said sections 8 to 15, inclusive, for such project. If the request includes a recommendation that some amount of such federal, private or other moneys should be added to such state moneys, then, if and to the extent directed by the State Bond Commission at the time of authorization of such bonds, such amount of such federal, private or other moneys then available or thereafter to be made available for costs in connection with such project may be added to any state moneys available or becoming available hereunder for such project and be used for such project. Any other federal, private or other moneys then available or thereafter to be made available for costs in connection with such project upon receipt shall, in conformity with applicable federal and state law, be used by the State Treasurer to meet the principal of outstanding bonds issued pursuant to said sections 8 to 15, inclusive, or to meet the principal of temporary notes issued in anticipation of the money to be derived from the sale of bonds theretofore authorized pursuant to said sections 8 to 15, inclusive, for the purpose of financing such costs, either by purchase or redemption and cancellation of such bonds or notes or by payment thereof at maturity. Whenever any of the federal, private or other moneys so received with respect to such project are used to meet the principal of such temporary notes or whenever the principal of any such temporary notes is retired by application of revenue receipts of the state, the amount of bonds theretofore authorized in anticipation of which such temporary notes were issued, and the aggregate amount of bonds which may be authorized pursuant to section 8 of this act shall each be reduced by the amount of the principal so met or retired. Pending use of the federal, private or other moneys so received to meet the principal as directed in this section, the amount thereof may be invested by the State Treasurer in bonds or obligations of, or guaranteed by, the state or the United States or agencies or instrumentalities of the United States, shall be deemed to be part of the debt retirement funds of the state, and net earnings on such investments shall be used in the same manner as the moneys so invested.

House Bill No. 5524

Sec. 13. (*Effective July 1, 2024*) The bonds issued pursuant to sections 8 to 15, inclusive, of this act shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 14. (*Effective July 1, 2024*) In accordance with section 9 of this act, the state, through the state agencies specified in said section 9, may provide grants-in-aid and other financings to or for the agencies for the purposes and projects as described in said section 9. All financing shall be made in accordance with the terms of a contract at such time or times as shall be determined within authorization of funds by the State Bond Commission.

Sec. 15. (*Effective July 1, 2024*) In the case of any grant-in-aid made pursuant to subsection (a), (b), (c) or (d) of section 9 of this act that is made to any entity which is not a political subdivision of the state, the contract entered into pursuant to section 9 of this act shall provide that if the premises for which such grant-in-aid was made ceases, within ten years of the date of such grant, to be used as a facility for which such grant was made, an amount equal to the amount of such grant, minus ten per cent per year for each full year which has elapsed since the date of such grant, shall be repaid to the state and that a lien shall be placed on such land in favor of the state to ensure that such amount shall be repaid in the event of such change in use, provided if the premises for which such grant-in-aid was made are owned by the state, a municipality or a housing authority, no lien need be placed.

Sec. 16. Subsections (a) and (b) of section 4-66c of the 2024 supplement to the general statutes are repealed and the following is substituted in

House Bill No. 5524

lieu thereof (*Effective July 1, 2024*):

(a) For the purposes of subsection (b) of this section, the State Bond Commission shall have power, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate [two billion five hundred forty-four million four hundred eighty-seven thousand five hundred forty-four dollars, provided one hundred million dollars of said authorization shall be effective July 1, 2024] two billion six hundred forty-four million four hundred eighty-seven thousand five hundred forty-four dollars. All provisions of section 3-20, or the exercise of any right or power granted thereby, which are not inconsistent with the provisions of this section, are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section, and temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of said bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization, which is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission in its discretion may require. Said bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the Treasurer shall pay such principal and interest as the same become due.

House Bill No. 5524

(b) (1) The proceeds of the sale of said bonds, to the extent hereinafter stated, shall be used, subject to the provisions of subsections (c) and (d) of this section, for the purpose of redirecting, improving and expanding state activities which promote community conservation and development and improve the quality of life for urban residents of the state as hereinafter stated: (A) For the Department of Economic and Community Development: Economic and community development projects, including administrative costs incurred by the Department of Economic and Community Development, not exceeding sixty-seven million [five hundred ninety-one thousand] eight hundred forty-one thousand six hundred forty-two dollars, one million dollars of which shall be used for a grant to the development center program and the nonprofit business consortium deployment center approved pursuant to section 32-411; (B) for the Department of Transportation: Urban mass transit, not exceeding two million dollars; (C) for the Department of Energy and Environmental Protection: Recreation development and solid waste disposal projects, not exceeding one million nine hundred ninety-five thousand nine hundred two dollars; (D) for the Department of Social Services: Child day care projects, elderly centers, shelter facilities for victims of domestic violence, emergency shelters and related facilities for the homeless, multipurpose human resource centers and food distribution facilities, not exceeding thirty-nine million one hundred thousand dollars, provided four million dollars of said authorization shall be effective July 1, 1994; (E) for the Department of Economic and Community Development: Housing projects, not exceeding three million dollars; (F) for the Department of Housing: Homeownership initiative in collaboration with one or more local community development financial institutions in qualified census tracts for the purpose of construction or redevelopment, performed by developers or nonprofit organizations residing in that municipality, which leads to new homeownership opportunities for residents of such qualified census tracts, not exceeding twenty million dollars; (G) for the Office of Policy and Management: (i) Grants-in-aid to municipalities for

House Bill No. 5524

a pilot demonstration program to leverage private contributions for redevelopment of designated historic preservation areas, not exceeding one million dollars; (ii) grants-in-aid for urban development projects including economic and community development, transportation, environmental protection, public safety, children and families and social services projects and programs, including, in the case of economic and community development projects administered on behalf of the Office of Policy and Management by the Department of Economic and Community Development, administrative costs incurred by the Department of Economic and Community Development, not exceeding [two billion four hundred nine million eight hundred thousand dollars] two billion five hundred nine million eight hundred thousand dollars, not more than two hundred fifty thousand dollars of which shall be used for a grant to the town of Cromwell for lights at a field used by Little League teams. For purposes of this subdivision, "local community development financial institution" means an entity that meets the requirements of 12 CFR 1805.201, and "qualified census tract" means a census tract designated as a qualified census tract by the Secretary of Housing and Urban Development in accordance with 26 USC 42(d)(5)(B)(ii), as amended from time to time.

(2) (A) Five million dollars of the grants-in-aid authorized in subparagraph (G)(ii) of subdivision (1) of this subsection may be made available to private nonprofit organizations for the purposes described in said subparagraph (G)(ii). (B) Twelve million dollars of the grants-in-aid authorized in subparagraph (G)(ii) of subdivision (1) of this subsection may be made available for necessary renovations and improvements of libraries. (C) Five million dollars of the grants-in-aid authorized in subparagraph (G)(ii) of subdivision (1) of this subsection shall be made available for small business gap financing. (D) Ten million dollars of the grants-in-aid authorized in subparagraph (G)(ii) of subdivision (1) of this subsection may be made available for regional economic development revolving loan funds. (E) One million four

House Bill No. 5524

hundred thousand dollars of the grants-in-aid authorized in subparagraph (G)(ii) of subdivision (1) of this subsection shall be made available for rehabilitation and renovation of the Black Rock Library in Bridgeport. (F) Two million five hundred thousand dollars of the grants-in-aid authorized in subparagraph (G)(ii) of subdivision (1) of this subsection shall be made available for site acquisition, renovation and rehabilitation for the Institute for the Hispanic Family in Hartford. (G) Three million dollars of the grants-in-aid authorized in subparagraph (G)(ii) of subdivision (1) of this subsection shall be made available for the acquisition of land and the development of commercial or retail property in New Haven. (H) Seven hundred fifty thousand dollars of the grants-in-aid authorized in subparagraph (G)(ii) of subdivision (1) of this subsection shall be made available for repairs and replacement of the fishing pier at Cummings Park in Stamford. (I) Ten million dollars of the grants-in-aid authorized in subparagraph (G)(ii) of subdivision (1) of this subsection shall be made available for development of an intermodal transportation facility in northeastern Connecticut.

Sec. 17. Subsection (a) of section 8-37mm of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate [thirty million] eighteen million three hundred twenty-nine thousand nine hundred ninety-three dollars. [, provided fifteen million dollars of said authorization shall be effective July 1, 2016.]

Sec. 18. Subsections (a) and (b) of section 8-240b of the 2024 supplement to the general statutes are repealed and the following is substituted in lieu thereof (*Effective from passage*):

House Bill No. 5524

(a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate one hundred twenty-five million dollars, provided seventy-five million dollars of said authorization shall be effective July 1, 2024.

(b) The proceeds of the sale of such bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Energy and Environmental Protection for the purpose of financing and awarding grants for retrofitting projects for multifamily residences as provided in section 8-240a. Not more than twenty million dollars of the bonds issued pursuant to this section shall be utilized by said department for grants for such projects.

Sec. 19. Subdivision (10) of subsection (a) of section 10a-109d of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(10) To borrow money and issue securities to finance the acquisition, construction, reconstruction, improvement or equipping of any one project, or more than one, or any combination of projects, or to refund securities issued after June 7, 1995, or to refund any such refunding securities or for any one, or more than one, or all of those purposes, or any combination of those purposes, and to provide for the security and payment of those securities and for the rights of the holders of them, except that the amount of any such borrowing, the special debt service requirements for which are secured by the state debt service commitment, exclusive of the amount of borrowing to refund securities, or to fund issuance costs or necessary reserves, may not exceed the aggregate principal amount of (A) for the fiscal years ending June 30, 1996, to June 30, 2005, inclusive, one billion thirty million dollars, (B) for the fiscal years ending June 30, 2006, to June 30, [2027] 2031, inclusive, three billion [two hundred eighty-three million nine hundred thousand

House Bill No. 5524

dollars] nine hundred eight million nine hundred thousand dollars, and (C) such additional amount or amounts: (i) Required from time to time to fund any special capital reserve fund or other debt service reserve fund in accordance with the financing transaction proceedings, and (ii) to pay or provide for the costs of issuance and capitalized interest, if any; the aggregate amounts of subparagraphs (A), (B) and (C) of this subdivision are established as the authorized funding amount, and no borrowing within the authorized funding amount for a project or projects may be effected unless the project or projects are included in accordance with subsection (a) of section 10a-109e;

Sec. 20. Subsection (a) of section 10a-109e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) The university may administer, manage, schedule, finance, further design and construct UConn 2000, to operate and maintain the components thereof in a prudent and economical manner and to reserve for and make renewals and replacements thereof when appropriate, it being hereby determined and found to be in the best interest of the state and the university to provide this independent authority to the university along with providing assured revenues therefor as the efficient and cost effective course to achieve the objective of avoiding further decline in the physical infrastructure of the university and to renew, modernize, enhance and maintain such infrastructure, the particular project or projects, each being hereby approved as a project of UConn 2000, and the presently estimated cost thereof being as follows:

UConn 2000 Project	Phase I Fiscal Years 1996-1999	Phase II Fiscal Years 2000-2005	Phase III Fiscal Years 2005-[2027] <u>2031</u>
Academic and Research Facilities			450,000,000

House Bill No. 5524

Agricultural Biotechnology Facility	9,400,000		
Agricultural Biotechnology Facility Completion		10,000,000	
Alumni Quadrant Renovations		14,338,000	
Arjona and Monteith (new classroom buildings)			66,100,000
Avery Point Campus Undergraduate and Library Building			35,000,000
Avery Point Marine Science Research Center – Phase I	34,000,000		
Avery Point Marine Science Research Center – Phase II		16,682,000	
Avery Point Renovation		5,600,000	15,000,000
Babbidge Library	0		
Balancing Contingency		5,506,834	
Beach Hall Renovations			10,000,000
Benton State Art Museum Addition		1,400,000	3,000,000
Biobehavioral Complex Replacement			4,000,000

House Bill No. 5524

Bishop Renovation		8,000,000
Budds Building Renovation	2,805,000	
Business School Renovation	4,803,000	
Chemistry Building	53,700,000	
Commissary Warehouse		1,000,000
Deferred Maintenance/ Code Compliance/ ADA Compliance/ Infrastructure Improvements & Renovation Lump Sum and Utility, Administrative and Support Facilities	39,332,000	[805,000,000] <u>863,500,000</u>
Deferred Maintenance & Renovation Lump Sum Balance	104,668,000	
East Campus North Renovations	11,820,000	
Engineering Building (with Environmental Research Institute)		36,700,000
Equine Center	1,000,000	
Equipment, Library Collections & Telecommunications	60,500,000	470,000,000
Equipment, Library		

House Bill No. 5524

Collections & Telecommunications Completion	182,118,146	
Family Studies (DRM) Renovation		6,500,000
Farm Buildings Repairs/ Replacement		6,000,000
Fine Arts Phase II		20,000,000
Floriculture Greenhouse		3,000,000
Gant Building Renovations and <u>New Life Sciences Building</u>		<u>[34,000,000]</u> <u>403,500,000</u>
Gant Plaza Deck	0	
Gentry Completion		10,000,000
Gentry Renovation	9,299,000	
Grad Dorm Renovations	7,548,000	
Gulley Hall Renovation	1,416,000	
<u>Harry A. Gampel Pavilion and</u> <u>Hugh S. Greer Field House</u>		<u>160,000,000</u>
Hartford Relocation Acquisition/Renovation	56,762,020	70,000,000
Hartford Relocation Design	1,500,000	
Hartford Relocation Feasibility Study	500,000	
Heating Plant Upgrade	10,000,000	

House Bill No. 5524

Hilltop Dormitory New	30,000,000	
Hilltop Dormitory Renovations	3,141,000	
Ice Rink Enclosure	2,616,000	
Incubator Facilities		10,000,000
International House Conversion	800,000	
Intramural, Recreational and Intercollegiate Facilities		31,000,000
Jorgensen Renovation		7,200,000
Koons Hall Renovation/ Addition		7,000,000
Lakeside Renovation		3,800,000
Law School Renovations/ Improvements		15,000,000
Library Storage Facility		5,000,000
Litchfield Agricultural Center – Phase I	1,000,000	
Litchfield Agricultural Center – Phase II	700,000	
Manchester Hall Renovation		6,000,000
Mansfield Apartments		

House Bill No. 5524

Renovation	2,612,000		
Mansfield Training School Improvements		27,614,000	29,000,000
Natural History Museum Completion			4,900,000
North Campus Renovation	2,654,000		
North Campus Renovation Completion		21,049,000	
North Hillside Road Completion			11,500,000
North Superblock Site and Utilities	8,000,000		
Northwest Quadrant Renovation	2,001,000		
Northwest Quadrant Renovation		15,874,000	
Observatory			1,000,000
Old Central Warehouse			18,000,000
Parking Garage #3			78,000,000
Parking Garage – North	10,000,000		
Parking Garage – South		15,000,000	
Pedestrian Spinepath		2,556,000	
Pedestrian Walkways		3,233,000	

House Bill No. 5524

Psychology Building Renovation/ Addition		20,000,000
Residential Life Facilities		162,000,000
Roadways	10,000,000	
School of Business	20,000,000	
School of Pharmacy/ Biology	3,856,000	
School of Pharmacy/ Biology Completion	61,058,000	
Shippee/Buckley Renovations	6,156,000	
Social Science K Building	20,964,000	
South Campus Complex	13,127,000	
Stamford Campus Improvements/Housing		13,000,000
Stamford Downtown Relocation – Phase I	45,659,000	
Stamford Downtown Relocation – Phase II	17,392,000	
Storrs Hall Addition		4,300,000
Student Health Services		12,000,000
Student Union Addition	23,000,000	
Support Facility (Architectural and		

House Bill No. 5524

Engineering Services)		2,000,000
Technology Quadrant – Phase IA	38,000,000	
Technology Quadrant – Phase IB	16,611,000	
Technology Quadrant – Phase II	72,000,000	
Technology Quadrant – Phase III	15,000,000	
Torrey Life Science Renovation <u>and Demolition</u>	17,000,000	<u>25,000,000</u>
Torrey Renovation Completion and Biology Expansion		42,000,000
Torrington Campus Improvements		1,000,000
Towers Renovation	17,794,000	
UConn Products Store		1,000,000
Undergraduate Education Center	650,000	
Undergraduate Education Center	7,450,000	
Underground Steam & Water Upgrade	3,500,000	
Underground Steam & Water Upgrade		

House Bill No. 5524

Completion		9,000,000
University Programs Building – Phase I	8,750,000	
University Programs Building – Phase II Visitors Center		300,000
Waring Building Conversion	7,888,000	
Waterbury Downtown Campus		3,000,000
Waterbury Property Purchase	325,000	
West Campus Renovations		14,897,000
West Hartford Campus Renovations/ Improvements		25,000,000
White Building Renovation	2,430,000	
Wilbur Cross Building Renovation		3,645,000
Young Building Renovation/ Addition		17,000,000
HEALTH CENTER		
CLAC Renovation Biosafety Level 3 Lab		14,000,000
Deferred Maintenance/ Code Compliance/ ADA		

House Bill No. 5524

Compliance/Infrastructure & Improvements Renovation Lump Sum and Utility, Administrative and Support Facilities - Health Center	86,000,000
Dental School Renovation	5,000,000
Equipment, Library Collections and Telecommunications - Health Center	75,000,000
Library/Student Computer Center Renovation	5,000,000
Main Building Renovation	125,000,000
Medical School Academic Building Renovation	9,000,000
Parking Garage - Health Center	8,400,000
Research Tower	60,000,000
Support Building Addition/Renovation	4,000,000
The University of Connecticut Health Center New Construction and Renovation	394,900,000
Planning and Design Costs	25,000,000
Total - Storrs and Regional	

House Bill No. 5524

Campus Project List			[2,583,000,000]
			<u>3,196,000,000</u>
Total – Health Center Project List			786,300,000
TOTAL	382,000,000	868,000,000	[3,394,300,000]
			<u>4,007,300,000</u>

Sec. 21. Section 10a-109f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) The university may, when directed by vote of its board of trustees, borrow money and enter into financing transactions proceedings in anticipation of assured revenues, project revenues or other funding sources in the name of the university, on behalf of the state, and issue securities in connection with such proceedings, as follows: (1) To finance the cost of UConn 2000 or any one project thereof, or more than one, or any combination of projects thereof; (2) to refund securities issued pursuant to sections 10a-109a to 10a-109y, inclusive; and (3) to refund any such refunding borrowings. All securities issued in connection with assured revenues, project revenues, or other funding sources financing transaction proceedings entered into pursuant to this section shall be authorized by a resolution approved by not less than a majority vote of its board of trustees. Nothing in this subsection shall increase the annual or aggregate cap on the amount of securities the special debt service requirements of which are secured by the state debt service commitment pursuant to section 10a-109g.

(b) The board of trustees shall submit each resolution for the issuance of securities approved pursuant to subsection (a) of this section, to the Governor accompanied by a summary report of the estimated total completion costs of projects that will not be completed within the issuance which is the subject of the resolution. The Governor may, not

House Bill No. 5524

later than thirty days after such submission, disapprove such resolution by notifying the board in writing of his disapproval and the reasons for it. If the Governor does not act within such thirty-day period, the resolution is deemed approved.

(c) (1) For purposes of this subsection, "UConn 2000 philanthropic commitments and gifts" means commitments or gifts received by the university or the foundation of the university operating pursuant to section 4-37f designated to support the construction or renovation of a new life sciences building to replace the George Stafford Torrey Life Sciences Building, the North Wing of the Edward V. Gant Science Complex, the Harry A. Gampel Pavilion, the Hugh S. Greer Field House, the Volleyball Center, the Boathouse or the Tennis Courts, or to support operational expenses associated with departments or programs housed in such facilities. "UConn 2000 philanthropic commitments and gifts" shall not include more than twenty million dollars of commitments or gifts made prior to July 1, 2024.

(2) Not later than June 30, 2031, the university or the foundation of the university operating pursuant to section 4-37f shall raise one hundred million dollars of UConn 2000 philanthropic commitments and gifts, at least ten million dollars of which shall be endowed. At least sixty million dollars of such commitments and gifts shall be designated for construction or renovation expenses.

(3) For the fiscal years ending June 30, 2025, to June 30, 2031, inclusive, if the cumulative amount of UConn 2000 philanthropic commitments and gifts received during a specified period in subdivision (4) of this subsection is less than the target milestone applicable to such period as set forth in subdivision (4) of this subsection, the total amount of securities requested by the board of trustees in resolutions during the fiscal year ending June 30, 2025, and each subsequent fiscal year through June 30, 2031, inclusive, pursuant to this subsection for such year, shall not exceed an amount which shall

House Bill No. 5524

be calculated by:

(A) Taking the sum of the annual caps provided in subdivision (1) of subsection (a) of section 10a-109g for the fiscal years ending June 30, 2025, to the then current fiscal year, inclusive, and

(B) Multiplying such sum by a fraction equal to the UConn 2000 philanthropic commitments and gifts received during the specified period divided by the target milestone for the then current fiscal year.

(4) The university shall meet the following target milestones for UConn 2000 philanthropic commitments and gifts during the following periods:

<u>Fiscal Year</u> <u>Ending</u>	<u>Cumulative Target</u> <u>Milestone for UConn</u> <u>2000 Philanthropic</u> <u>Commitments and</u> <u>Gifts</u>	<u>Specified Period to Achieve</u> <u>Target Milestone</u>
<u>June 30, 2025</u>	<u>\$20,000,000</u>	<u>July 1, 2022, to June 30, 2024</u>
<u>June 30, 2026</u>	<u>\$31,500,000</u>	<u>July 1, 2022, to June 30, 2025</u>
<u>June 30, 2027</u>	<u>\$43,000,000</u>	<u>July 1, 2022, to June 30, 2026</u>
<u>June 30, 2028</u>	<u>\$54,500,000</u>	<u>July 1, 2022, to June 30, 2027</u>
<u>June 30, 2029</u>	<u>\$66,000,000</u>	<u>July 1, 2022, to June 30, 2028</u>
<u>June 30, 2030</u>	<u>\$77,500,000</u>	<u>July 1, 2022, to June 30, 2029</u>
<u>June 30, 2031</u>	<u>\$89,000,000</u>	<u>July 1, 2022, to June 30, 2030</u>
<u>June 30, 2032</u>	<u>\$100,000,000</u>	<u>July 1, 2022, to June 30, 2031</u>

(5) On or before September 1, 2024, and annually thereafter, the university shall submit a report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly

House Bill No. 5524

having cognizance of matters relating to higher education and employment advancement and finance, revenue and bonding. Such report shall include the total amount of philanthropic commitments and gifts, including UConn 2000 philanthropic commitments and gifts, received during the prior fiscal year.

Sec. 22. Subdivision (1) of subsection (a) of section 10a-109g of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) (1) The university is authorized to provide by resolution, at one time or from time to time, for the issuance and sale of securities, in its own name on behalf of the state, pursuant to section 10a-109f. The board of trustees of the university is hereby authorized by such resolution to delegate to its finance committee such matters as it may determine appropriate other than the authorization and maximum amount of the securities to be issued, the nature of the obligation of the securities as established pursuant to subsection (c) of this section and the projects for which the proceeds are to be used. The finance committee may act on such matters unless and until the board of trustees elects to reassume the same. The amount of securities the special debt service requirements of which are secured by the state debt service commitment that the board of trustees is authorized to provide for the issuance and sale in accordance with this subsection shall be capped in each fiscal year in the following amounts, provided, to the extent the board of trustees does not provide for the issuance of all or a portion of such amount in a fiscal year, all or such portion, as the case may be, may be carried forward to any succeeding fiscal year and provided further, the actual amount for funding, paying or providing for the items described in subparagraph (C) of subdivision (10) of subsection (a) of section 10a-109d may be

House Bill No. 5524

added to the capped amount in each fiscal year:

Fiscal Year	Amount
1996	\$112,542,000
1997	112,001,000
1998	93,146,000
1999	64,311,000
2000	130,000,000
2001	100,000,000
2002	100,000,000
2003	100,000,000
2004	100,000,000
2005	100,000,000
2006	79,000,000
2007	89,000,000
2008	115,000,000
2009	140,000,000
2010	0
2011	138,800,000
2012	157,200,000
2013	143,000,000
2014	204,400,000
2015	315,500,000
2016	312,100,000
2017	240,400,000
2018	200,000,000
2019	200,000,000
2020	197,200,000
2021	260,000,000
2022	215,500,000
2023	125,100,000
2024	84,700,000

House Bill No. 5524

2025	[44,000,000] <u>122,000,000</u>
2026	[14,000,000] <u>124,000,000</u>
2027	[9,000,000] <u>116,000,000</u>
<u>2028</u>	<u>103,500,000</u>
<u>2029</u>	<u>101,500,000</u>
<u>2030</u>	<u>100,000,000</u>
<u>2031</u>	<u>25,000,000</u>

Sec. 23. Subsection (a) of section 10a-109n of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) For the period from July 1, 2001, to June 30, [2027] 2031, or until completion of the UConn 2000 infrastructure improvement program, whichever is later, the university shall have charge and supervision of the design, planning, acquisition, remodeling, alteration, repair, enlargement or demolition of any real asset or any other project on its campuses.

Sec. 24. Subsection (a) of section 10a-109x of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) Not later than October 1, 1995, and semiannually thereafter, the university shall report to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to the Department of Education, to finance, revenue and bonding, and to appropriations and the budgets of state agencies on the status and progress of UConn 2000. Each report shall include, but not be limited to: (1) Information on the number of projects and securities

House Bill No. 5524

authorized, approved and issued hereunder including, relative to such projects, project costs, timeliness of completion and any problems which have developed in implementation, and a schedule of projects remaining and their expected costs; (2) the amount of revenue available from all sources for such remaining projects and expected receipts for such remaining projects for the succeeding four quarters; (3) the amount of money raised from private sources for the capital and endowment programs and the progress made in the development and implementation of the fund-raising program; and (4) any cooperative activities with other public and independent institutions of higher education commenced in the preceding six months. Each such report shall, for the preceding six-month period, (A) specify the moneys credited to such fund on account of, or derived from, each source of state and federal revenue, (B) specify the amount of investment earnings from the fund, (C) specify the moneys from such fund applied and expended for (i) the payment of debt service requirements, (ii) the payment of the principal of and interest on securities issued hereunder and general obligation bonds of the state issued for university capital improvement purposes, and (iii) each budgeted account under the annual budget appropriation made to the university. The joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding may require the university to appear before the committee to present and comment on any report filed pursuant to this subsection.

Sec. 25. Subsection (b) of section 13b-74 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(b) The purposes for which special tax obligation bonds may be issued pursuant to sections 13b-74 to 13b-77, inclusive, are as follows:

(1) Planning, acquisition, removal, construction, equipping, reconstruction, repair, rehabilitation and improvement of, and

House Bill No. 5524

acquisition of easements and rights-of-way with respect to, state highways and bridges;

(2) Payment of the state's share of the costs of planning, acquisition, removal, construction, equipping, reconstruction, repair, rehabilitation and improvement of, and acquisition of easements and rights-of-way with respect to, (A) state highways, (B) projects on the interstate highway system, (C) alternate highway projects in the interstate highway substitution program, commonly referred to as the interstate trade-in program, (D) state bridges, (E) mass transportation and transit facilities, (F) aeronautic facilities, excluding Bradley International Airport, and (G) waterway projects;

(3) Payment of the state's share of the costs of planning, acquisition, removal, construction, equipping, reconstruction, repair, rehabilitation and improvement of, and acquisition of easements and rights-of-way with respect to, the local bridge program established under sections 13a-175p to 13a-175u, inclusive, and payment of state contributions to the Local Bridge Revolving Fund established under section 13a-175r;

(4) Planning, acquisition, removal, construction, equipping, reconstruction, repair, rehabilitation and improvement of, and acquisition of easements and rights-of-way with respect to, the highway safety program, including the rail-highway crossing, hazard elimination and other highway safety programs on the state highway system;

(5) Planning, acquisition, removal, construction, equipping, reconstruction, repair, rehabilitation and improvement of, and acquisition of easements and rights-of-way with respect to, the maintenance garages and administrative facilities of the Department of Transportation;

(6) Planning, acquisition, removal, construction, equipping, reconstruction, repair, rehabilitation and improvement of, and

House Bill No. 5524

acquisition of easements and rights-of-way with respect to, projects and purposes included in section 13b-57h;

(7) Payment of funds made available to towns, as provided in sections 13a-175a to 13a-175e, inclusive, 13a-175i and 13a-175j, for the purposes set forth in sections 13a-175a, 13a-175d and 13a-175j; [and]

(8) Payment of funds to any municipality or local planning agency for transportation improvements pursuant to section 13a-98n; and

(9) Grants for commercial rail freight lines pursuant to section 13b-236.

Sec. 26. Section 13b-236 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate [twenty-seven] seventeen million five hundred thousand dollars.

(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section and subdivision (3) of subsection (b) of section 46 of public act 23-205, as amended by section 55 of this act, shall be used by the Department of Transportation for a program of competitive grants for commercial rail freight lines operating in the state for improvements and repairs to, and the modernization of, existing rail, rail beds and related facilities. Such program shall include the following: (1) (A) Grants of one hundred per cent of the amount necessary to improve, repair or modernize state-owned rights of way, and (B) grants of seventy per cent of the amount necessary to improve, repair or modernize privately owned rail lines, provided the commissioner may waive the requirement for a thirty per cent matching grant if such

House Bill No. 5524

improvement, repair or modernization demonstrably increases rail freight traffic; and (2) preference for grants shall be given to (A) freight rail projects that improve at-grade rail crossings to eliminate hazards or increase safety, (B) freight rail projects that provide connection to major freight generators, (C) projects that further the goals and objectives of the Department of Transportation's Connecticut State Rail Plan, and (D) freight rail projects that improve freight rail infrastructure by increasing the capacity for rail freight traffic.

(c) All provisions of section 3-20, or the exercise of any right or power granted thereby, which are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section, and temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of said bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization which is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Said bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

House Bill No. 5524

Sec. 27. Subsection (b) of section 17a-250 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) The proceeds of the sale of such bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Commissioner of [Developmental Services] Housing for the grant-in-aid program established pursuant to section 17a-249, for supportive housing for persons with an intellectual disability or other developmental disabilities, including, but not limited to, autism spectrum disorder.

Sec. 28. Subdivision (1) of subsection (e) of section 29-1bb of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(e) (1) An eligible nonprofit organization may receive a grant of not more than fifty thousand dollars pursuant to this section, provided fifty per cent of such grant shall be made available to such eligible nonprofit organization when such eligible nonprofit organization presents to the commissioner a contract in which such eligible nonprofit organization will incur eligible expenses for security infrastructure, and fifty per cent of such grant shall be made available to such eligible nonprofit organization when such eligible nonprofit organization demonstrates to the commissioner that the eligible nonprofit organization has incurred all of the eligible expenses pursuant to such contract. Nothing in this section shall prohibit an eligible nonprofit organization from applying for a federal grant in addition to a grant pursuant to this section, provided such organization shall not receive both a federal grant and a grant pursuant to this section for the same project.

Sec. 29. Subsections (a) and (b) of section 32-39y of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

House Bill No. 5524

(a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate [sixty-four million] twenty million two hundred thousand dollars. [, provided (1) two hundred thousand dollars of such authorization shall be effective July 1, 2021, (2) thirteen million five hundred thousand dollars of such authorization shall be effective July 1, 2022, (3) twenty-three million five hundred thousand dollars of such authorization shall be effective July 1, 2023, (4) thirteen million five hundred thousand dollars of such authorization shall be effective July 1, 2024, and (5) thirteen million five hundred thousand dollars of such authorization shall be effective July 1, 2025.]

(b) The proceeds of the sale of such bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by (1) CTNext for [the purpose of recapitalizing the innovation place program established under section 32-39k for existing and new innovation places, provided (1) two hundred thousand dollars shall be used for] an economic feasibility study of certain lands in Trumbull in the fiscal year commencing July 1, 2021, and (2) [ten million dollars shall be deposited in the fiscal year commencing July 1, 2023, in] by CTNext, or the Department of Economic and Community Development as a successor agency to CTNext, for the CTNext Fund established under section 32-39i [for general operational purposes] and for the purposes described in said section.

Sec. 30. Subsection (b) of section 32-235 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Economic and Community Development (1) for the purposes of

House Bill No. 5524

sections 32-220 to 32-234, inclusive, including economic cluster-related programs and activities, and for the Connecticut job training finance demonstration program pursuant to sections 32-23uu and 32-23vv, provided (A) three million dollars shall be used by said department solely for the purposes of section 32-23uu, (B) not less than one million dollars shall be used for an educational technology grant to the deployment center program and the nonprofit business consortium deployment center approved pursuant to section 32-41l, (C) not less than two million dollars shall be used by said department for the establishment of a pilot program to make grants to businesses in designated areas of the state for construction, renovation or improvement of small manufacturing facilities, provided such grants are matched by the business, a municipality or another financing entity. The Commissioner of Economic and Community Development shall designate areas of the state where manufacturing is a substantial part of the local economy and shall make grants under such pilot program which are likely to produce a significant economic development benefit for the designated area, (D) five million dollars may be used by said department for the manufacturing competitiveness grants program, (E) one million dollars shall be used by said department for the purpose of a grant to the Connecticut Center for Advanced Technology, for the purposes of subdivision (5) of subsection (a) of section 32-7f, (F) fifty million dollars shall be used by said department for the purpose of grants to the United States Department of the Navy, the United States Department of Defense or eligible applicants for projects related to the enhancement of infrastructure for long-term, on-going naval operations at the United States Naval Submarine Base-New London, located in Groton, which will increase the military value of said base. Such projects shall not be subject to the provisions of sections 4a-60 and 4a-60a, (G) two million dollars shall be used by said department for the purpose of a grant to the Connecticut Center for Advanced Technology, Inc., for manufacturing initiatives, including aerospace and defense, and (H) four million dollars shall be used by said department for the purpose of

House Bill No. 5524

a grant to companies adversely impacted by the construction at the Quinnipiac Bridge, where such grant may be used to offset the increase in costs of commercial overland transportation of goods or materials brought to the port of New Haven by ship or vessel, (2) for the purposes of the small business assistance program established pursuant to section 32-9yy, provided fifteen million dollars shall be deposited in the small business assistance account established pursuant to said section 32-9yy, (3) to deposit twenty million dollars in the small business express assistance account established pursuant to section 32-7h, (4) to deposit four million nine hundred thousand dollars per year in each of the fiscal years ending June 30, 2017, to June 30, 2019, inclusive, and June 30, 2021, and nine million nine hundred thousand dollars in the fiscal year ending June 30, 2020, in the CTNext Fund established pursuant to section 32-39i, which shall be used by CTNext to provide grants-in-aid to designated innovation places, as defined in section 32-39j, planning grants-in-aid pursuant to section 32-39l, and grants-in-aid for projects that network innovation places pursuant to subsection (b) of section 32-39m, provided not more than three million dollars be used for grants-in-aid for such projects, and further provided any portion of any such deposit that remains unexpended in a fiscal year subsequent to the date of such deposit may be used by CTNext for any purpose described in subsection (e) of section 32-39i, (5) to deposit two million dollars per year in each of the fiscal years ending June 30, 2019, to June 30, 2021, inclusive, in the CTNext Fund established pursuant to section 32-39i, which shall be used by CTNext for the purpose of providing higher education entrepreneurship grants-in-aid pursuant to section 32-39g, provided any portion of any such deposit that remains unexpended in a fiscal year subsequent to the date of such deposit may be used by CTNext for any purpose described in subsection (e) of section 32-39i, (6) for the purpose of funding the costs of the Technology Talent Advisory Committee established pursuant to section 32-7p, provided not more than ten million dollars may be used on or after July 1, 2023, for such purpose, (7) to provide (A) a grant-in-aid to the Connecticut Supplier

House Bill No. 5524

Connection in an amount equal to two hundred fifty thousand dollars in each of the fiscal years ending June 30, 2017, to June 30, 2021, inclusive, and (B) a grant-in-aid to the Connecticut Procurement Technical Assistance Program in an amount equal to three hundred thousand dollars in each of the fiscal years ending June 30, 2017, to June 30, 2021, inclusive, (8) to deposit four hundred fifty thousand dollars per year, in each of the fiscal years ending June 30, 2017, to June 30, 2021, inclusive, in the CTNext Fund established pursuant to section 32-39i, which shall be used by CTNext to provide growth grants-in-aid pursuant to section 32-39g, provided any portion of any such deposit that remains unexpended in a fiscal year subsequent to the date of such deposit may be used by CTNext for any purpose described in subsection (e) of section 32-39i, (9) to transfer fifty million dollars to the Labor Department which shall be used by said department for the purpose of funding workforce pipeline programs selected pursuant to section 31-11rr, provided, notwithstanding the provisions of section 31-11rr, (A) not less than five million dollars shall be provided to the workforce development board in Bridgeport serving the southwest region, for purposes of such program, and the board shall distribute such money in proportion to population and need, and (B) not less than five million dollars shall be provided to the workforce development board in Hartford serving the north central region, for purposes of such program, (10) to transfer twenty million dollars to Connecticut Innovations, Incorporated, provided ten million dollars shall be used by Connecticut Innovations, Incorporated for the purpose of the proof of concept fund established pursuant to subsection (b) of section 32-39x and ten million dollars shall be used by Connecticut Innovations, Incorporated for the purpose of the venture capital fund program established pursuant to section 32-41oo, (11) to provide a grant to The University of Connecticut of eight million dollars for the establishment, development and operation of a center for sustainable aviation pursuant to subsection (a) of section 10a-110o, and (12) for up to twenty million dollars in investments in federally designated opportunity zones through an

House Bill No. 5524

impact investment firm including, subject to the approval of the Governor, funding from the Economic Assistance Revolving Fund, established pursuant to section 32-231. Not later than thirty days prior to any use of unexpended funds under subdivision (4), (5) or (8) of this subsection, the CTNext board of directors shall provide notice of and the reason for such use to the joint standing committees of the General Assembly having cognizance of matters relating to commerce and finance, revenue and bonding.

Sec. 31. Section 1 of public act 13-239, as amended by section 214 of public act 15-1 of the June special session, section 161 of public act 16-4 of the May special session and section 491 of public act 17-2 of the June special session, is amended to read as follows (*Effective July 1, 2024*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections 2 to 7, inclusive, of public act 13-239, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding [\$297,885,986] \$298,007,634.

Sec. 32. Subdivision (4) of subsection (l) of section 2 of public act 13-239, as amended by section 27 of public act 18-178, is amended to read as follows (*Effective July 1, 2024*):

(4) At Middlesex Community College: Renovations and additions to the Wheaton and Snow Classroom Buildings, not exceeding [\$4,800,000] \$4,921,648.

Sec. 33. Section 1 of public act 15-1 of the June special session, as amended by section 196 of public act 16-4 of the May special session, section 522 of public act 17-2 of the June special session and section 75 of public act 20-1, is amended to read as follows (*Effective July 1, 2024*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections 2 to 7, inclusive, of public act 15-

House Bill No. 5524

1 of the June special session, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate not exceeding [~~\$349,413,300~~] \$350,421,300.

Sec. 34. Subdivision (4) of subsection (n) of section 2 of public act 15-1 of the June special session, as amended by section 338 of public act 22-118, is amended to read as follows (*Effective July 1, 2024*):

(4) At Gateway Community College: For acquisition, design and construction of facilities for workforce development programs, including such programs for the transportation, alternative energy, advanced manufacturing and health sectors, not exceeding [~~\$28,800,000~~] \$29,808,000;

Sec. 35. Section 20 of public act 15-1 of the June special session, as amended by section 207 of public act 16-4 of the May special session and section 534 of public act 17-2 of the June special session, is amended to read as follows (*Effective July 1, 2024*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections 21 to 26, inclusive, of public act 15-1 of the June special session, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding [~~\$275,372,176~~] \$276,583,746.

Sec. 36. Subdivision (5) of subsection (n) of section 21 of public act 15-1 of the June special session is amended to read as follows (*Effective July 1, 2024*):

(5) At Asnuntuck Community College: Alterations renovations and improvements for expansion of library and student services, not exceeding [~~\$3,800,000~~] \$5,011,570.

Sec. 37. Section 377 of public act 17-2 of the June special session, as amended by section 75 of public act 21-111, is amended to read as

House Bill No. 5524

follows (*Effective July 1, 2024*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections 378 to 383, inclusive, of public act 17-2 of the June special session, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate not exceeding [~~\$235,836,905~~] \$239,336,905.

Sec. 38. Subdivision (5) of subsection (i) of section 378 of public act 17-2 of the June special session is amended to read as follows (*Effective July 1, 2024*):

(5) Norwalk Community College: Alterations, renovations and improvements to the B wing building, not exceeding [~~\$18,600,000~~] \$22,100,000;

Sec. 39. Subsection (c) of section 397 of public act 17-2 of the June special session is amended to read as follows (*Effective from passage*):

(c) For the Military Department: Acquisition of property for development of readiness centers, [in Litchfield county,] not exceeding \$2,000,000.

Sec. 40. Section 407 of public act 17-2 of the June special session, as amended by section 35 of public act 18-178, section 81 of public act 21-111 and section 71 of public act 23-205, is amended to read as follows (*Effective July 1, 2024*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections 408 to 414, inclusive, of public act 17-2 of the June special session, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding [~~\$184,000,000~~] \$182,000,000.

Sec. 41. Subdivision (2) of subsection (a) of section 408 of public act

House Bill No. 5524

17-2 of the June special session is repealed. (*Effective July 1, 2024*)

Sec. 42. Section 1 of public act 20-1, as amended by section 339 of public act 22-118, is amended to read as follows (*Effective July 1, 2024*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections [307 to 312] 2 to 7, inclusive, of [this act] public act 20-1, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate not exceeding [\$198,450,000] \$199,944,240.

Sec. 43. Subdivision (4) of subsection (j) of section 2 of public act 20-1 is amended to read as follows (*Effective July 1, 2024*):

(4) Naugatuck Valley Community College: Design for the renovation of Kinney Hall, not exceeding [\$6,000,000] \$7,494,240.

Sec. 44. Subdivision (2) of subsection (o) of section 2 of public act 23-205 is amended to read as follows (*Effective July 1, 2024*):

(2) Advanced manufacturing and emerging technology programs, including at Tunxis Community College, not exceeding \$4,000,000;

Sec. 45. Subdivision (4) of subsection (a) of section 13 of public act 23-205 is amended to read as follows (*Effective from passage*):

(4) Grants-in-aid for the development of an advanced manufacturing facility in the Hartford region, not exceeding \$15,000,000;

Sec. 46. Section 20 of public act 23-205 is amended to read as follows (*Effective July 1, 2024*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections 21 to 26, inclusive, of [this act] public act 23-205, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the

House Bill No. 5524

aggregate not exceeding [\$520,345,000] \$514,345,000.

Sec. 47. Subdivision (2) of subsection (1) of section 21 of public act 23-205 is amended to read as follows (*Effective July 1, 2024*):

(2) Advanced manufacturing and emerging technology programs, including at Tunxis Community College, not exceeding [\$3,000,000] \$7,000,000;

Sec. 48. Subdivision (4) of subsection (1) of section 21 of public act 23-205 is amended to read as follows (*Effective July 1, 2024*):

(4) All universities: Deferred maintenance, code compliance and infrastructure improvements, not exceeding [\$65,200,000] \$60,200,000;

Sec. 49. Subdivision (6) of subsection (1) of section 21 of public act 23-205 is amended to read as follows (*Effective July 1, 2024*):

(6) All community colleges: Deferred maintenance, code compliance and infrastructure improvements, not exceeding [\$27,600,000] \$22,600,000;

Sec. 50. Section 31 of public act 23-205 is amended to read as follows (*Effective July 1, 2024*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections 32 to 38, inclusive, of [this act] public act 23-205, from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding [\$306,000,000] \$321,000,000.

Sec. 51. Subdivision (6) of subsection (b) of section 32 of public act 23-205 is amended to read as follows (*Effective July 1, 2024*):

(6) Microgrid and resilience grant and loan pilot program, not exceeding [\$25,000,000] \$40,000,000;

House Bill No. 5524

Sec. 52. Section 45 of public act 23-205 is amended to read as follows (*Effective July 1, 2024*):

The State Bond Commission shall have power, in accordance with the provisions of this section and sections 46 to 50, inclusive, of [this act] public act 23-205, from time to time to authorize the issuance of special tax obligation bonds of the state in one or more series and in principal amounts in the aggregate, not exceeding [\$1,530,772,000] \$1,642,372,000.

Sec. 53. Subdivision (4) of subsection (a) of section 46 of public act 23-205 is amended to read as follows (*Effective July 1, 2024*):

(4) Environmental compliance, soil and groundwater remediation, hazardous materials abatement, demolition, salt shed construction and renovation, storage tank replacement and environmental emergency response at or in the vicinity of state-owned properties or related to Department of Transportation operations, including, but not limited to, the provision of a grant to the Department of Natural Resources and the Environment at The University of Connecticut to conduct a study in accordance with section 63 of this act, not exceeding [\$17,065,000] \$18,665,000;

Sec. 54. Subdivision (7) of subsection (a) of section 46 of public act 23-205 is amended to read as follows (*Effective July 1, 2024*):

(7) Fix-it-First program to repair the state's bridges, not exceeding [\$62,250,000] \$162,250,000;

Sec. 55. Subsection (b) of section 46 of public act 23-205 is amended to read as follows (*Effective July 1, 2024*):

(b) For the Bureau of Public Transportation:

(1) Bus and rail facilities and equipment, including rights-of-way, other property acquisition and related projects, not exceeding

House Bill No. 5524

\$273,450,000;

(2) Northeast Corridor Modernization Match Program, not exceeding \$438,175,000;

(3) Grants for commercial rail freight lines pursuant to section 13b-236 of the general statutes not exceeding \$10,000,000.

Sec. 56. (NEW) (*Effective July 1, 2024*) (a) For each fiscal year in which funding is available, the Department of Housing shall administer a program to provide grants to nonprofit organizations that own and operate facilities that are used to house or provide services to homeless individuals, including, but not limited to, shelters, day shelters, homeless hubs and other facilities, to make capital improvements. Such capital improvements may include, but need not be limited to, renovations, rehabilitations, architectural and engineering costs and any other related costs, but shall not include acquisitions, demolitions, purchases of land or buildings or capital improvements to permanent supportive housing.

(b) Not later than October 1, 2024, the department shall develop eligibility criteria to be used in selecting among applicants for such grants, develop application forms and deadlines and post in a conspicuous location on the department's Internet web site a description of the grant program that includes, but is not limited to, such criteria, forms and deadlines.

(c) Not later than January 1, 2026, and annually thereafter, the department shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to housing and finance, revenue and bonding. Such report shall include information for the preceding calendar year on the number of applications for grants that were received, the number of grants that

House Bill No. 5524

were awarded and a list of the nonprofit organizations that received grants and the amount of such grants.

Sec. 57. (*Effective July 1, 2024*) (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate twenty-five million dollars.

(b) The proceeds of the sale of such bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Energy and Environmental Protection for the purpose of a program to provide rebates, at the point of sale, for the purchase of heat pumps intended for heating systems in the state, pursuant to section 16 of substitute house bill 5004 of the current session, as amended by House Amendment Schedule "A".

(c) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby, that are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section. Temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with section 3-20 of the general statutes and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of such bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization that is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Such bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state

House Bill No. 5524

of Connecticut are pledged for the payment of the principal of and interest on such bonds as the same become due, and accordingly and as part of the contract of the state with the holders of such bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 58. (*Effective July 1, 2024*) (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate ten million dollars.

(b) The proceeds of the sale of such bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Energy and Environmental Protection for the purpose of providing low interest loans for climate resiliency projects pursuant to section 59 of this act.

(c) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby, that are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section. Temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with section 3-20 of the general statutes and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of such bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization that is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its

House Bill No. 5524

discretion, may require. Such bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on such bonds as the same become due, and accordingly and as part of the contract of the state with the holders of such bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 59. (NEW) (*Effective July 1, 2024*) (a) There is established a revolving loan fund to be known as the "Climate Resiliency Revolving Loan Fund". The fund may be funded from the proceeds of bonds issued pursuant to section 58 of this act or from any moneys available to the Commissioner of Energy and Environmental Protection or from other sources. Investment earnings credited to the fund shall become part of the assets of the fund. Any balance remaining in the fund at the end of any fiscal year shall be carried forward in the fund for the next fiscal year. Payments of principal or interest on a low interest loan made pursuant to this section shall be paid to the State Treasurer for deposit in the Climate Resiliency Revolving Loan Fund. The fund shall be used to make low interest loans pursuant to this section and to pay reasonable and necessary expenses incurred in administering loans under this section. The Commissioner of Energy and Environmental Protection may enter into contracts with nonprofit corporations to provide for the administration of the Climate Resiliency Revolving Loan Fund by such nonprofit corporations, provided no low interest loan shall be made from the fund without the authorization of the commissioner as provided in this section.

(b) The Commissioner of Energy and Environmental Protection shall establish a program to provide low interest loans from the fund established in subsection (a) of this section to municipalities and private entities for infrastructure repairs and resiliency projects in response to

House Bill No. 5524

unplanned climate events. Such repairs and projects may not include rehousing or temporary assistance costs. The commissioner shall develop eligibility criteria and application forms to be used in selecting among applicants for such loans. On and after October 1, 2024, the commissioner, or any program administrator the commissioner may designate, shall accept applications from any municipality or private entity for such loans.

(c) On or before January 1, 2025, and annually thereafter, the Commissioner of Energy and Environmental Protection shall file a report, in accordance with the provisions of section 11-4a of the general statutes, with the joint standing committee of the General Assembly having cognizance of matters relating to the environment regarding the status of the program, including information on the number of loans issued, the individual amount of each loan and the total amount of loans issued and any recommendations for legislation related to the program.

Sec. 60. (*Effective July 1, 2024*) (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate three million dollars.

(b) The proceeds of the sale of such bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Emergency Services and Public Protection for the purpose of providing grants to municipalities to purchase unmanned aircraft, accessories or both, pursuant to section 61 of this act.

(c) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby, that are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section. Temporary notes in anticipation of the money to be derived

House Bill No. 5524

from the sale of any such bonds so authorized may be issued in accordance with section 3-20 of the general statutes and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of such bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization that is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Such bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on such bonds as the same become due, and accordingly and as part of the contract of the state with the holders of such bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

Sec. 61. (NEW) (*Effective July 1, 2024*) (a) For purposes of this section:

(1) "Accessories" means devices associated with an unmanned aircraft, including, but not limited to, cameras with night vision, thermal or infrared capabilities and other devices that are necessary for the operation of the unmanned aircraft to fulfill its public safety mission;

(2) "Municipality" has the same meaning as provided in section 7-148 of the general statutes; and

(3) "Unmanned aircraft" means a powered aircraft that (A) uses aerodynamic forces to provide vertical lift, (B) is operated remotely by a pilot in command or is capable of autonomous flight, (C) does not carry a human operator, and (D) can be expendable or recoverable.

House Bill No. 5524

(b) (1) The Department of Emergency Services and Public Protection shall, within available resources, administer a program to provide grants to municipalities to purchase unmanned aircraft, accessories or both. If state or federal law prohibits the purchase of a specific unmanned aircraft based on the country of the unmanned aircraft's manufacture, a municipality may not use a grant issued pursuant to this section to purchase such unmanned aircraft.

(2) Any such grant shall be for up to thirty-three per cent of the cost of such purchase of such unmanned aircraft or accessories.

(c) Not later than January 1, 2025, the department shall develop technical standards for unmanned aircraft and accessories eligible for grants, develop eligibility criteria to be used in selecting among applicants for such grants, develop application forms and deadlines and post in a conspicuous location on the department's Internet web site a description of the grant program that includes, but is not limited to, such standards, criteria, forms and deadlines.

(d) Not later than January 1, 2026, and each year thereafter in which grants are issued, the department shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to public safety and security. Such report shall include information for the preceding calendar year on the number of applications for grants that were received, the number of grants that were awarded and a list of the municipalities that received grants.

Sec. 62. (NEW) (*Effective July 1, 2024*) Not later than September 1, 2024, and every six months thereafter until September 1, 2026, the Department of Housing shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding. Such report shall include for the prior fiscal year,

House Bill No. 5524

and the prior six months, the following information regarding funds obtained by the department pursuant to bond authorizations in section 8-336n of the general statutes, sections 8 to 10, inclusive, and sections 27 to 29, inclusive, of public act 23-205, or any similar public act:

(1) The specific programs for which the department used funds obtained pursuant to said bond authorizations, and the amount from each authorization used for each specific program;

(2) A description of the department's activities that address supportive housing under the programs described in subdivision (1) of this section, and the amount of funds obtained from each authorization used for such activities; and

(3) The amount of funds obtained pursuant to each of said bond authorizations that was provided by the department to the Connecticut Housing Finance Authority for administration of programs related to housing.

Sec. 63. (*Effective July 1, 2024*) The Department of Transportation shall provide a grant from available resources to the Department of Natural Resources and the Environment at The University of Connecticut for the purpose of studying the carbon sequestration by trees and other vegetation along highways and other areas in the state. The Department of Natural Resources and the Environment shall (1) submit an interim report, not later than January 1, 2025, and a final report, not later than July 1, 2025, concerning the department's findings and any recommendations to the joint standing committees of the General Assembly having cognizance of matters relating to transportation and the environment, in accordance with the provisions of section 11-4a of the general statutes, and (2) present either or both such reports at a hearing held jointly by said joint standing committees.

Sec. 64. Section 8-240a of the 2024 supplement to the general statutes

House Bill No. 5524

is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(a) As used in this section:

(1) "Alliance district" has the same meaning as provided in section 10-262u;

(2) "Environmental justice community" has the same meaning as provided in section 22a-20a; and

(3) "Low-income resident" means, after adjustments for family size, individuals or families whose income is not greater than (A) sixty per cent of the state median income, [or] (B) eighty per cent of the area median income for the area in which the resident resides, as determined by the United States Department of Housing and Urban Development, or (C) any other definition of "low-income resident" included in any program in the state that utilizes federal funding, as determined by the Commissioner of Energy and Environmental Protection.

(b) There is established a revolving loan and grant fund to be known as the "Housing Environmental Improvement Revolving Loan and Grant Fund". The fund may be funded from the proceeds of bonds issued pursuant to section 8-240b or from any moneys available to the Commissioner of Energy and Environmental Protection or from other sources. Investment earnings credited to the fund shall become part of the assets of the fund. Any balance remaining in the fund at the end of any fiscal year shall be carried forward in the fund for the next fiscal year. Payments of principal or interest on a low interest loan made pursuant to this section shall be paid to the State Treasurer for deposit in the Housing Environmental Improvement Revolving Loan and Grant Fund. The fund shall be used to make grants or low interest loans pursuant to this section [and] to pay reasonable and necessary [expenses] fees incurred in administering loans under this section. The

House Bill No. 5524

Commissioner of Energy and Environmental Protection may enter into contracts with quasi-public agencies or nonprofit corporations to provide for the administration of the Housing Environmental Improvement Revolving Loan and Grant Fund by such [nonprofit corporations] entity or entities, provided no grant or low interest loan shall be made from the fund without the authorization of the commissioner as provided in this section.

(c) The Commissioner of Energy and Environmental Protection, in collaboration with the Commissioner of Housing, shall establish a pilot program or programs to provide financing or grants from the fund established in subsection (b) of this section for retrofitting projects for multifamily residences located in environmental justice communities or alliance districts that (1) improve the energy efficiency of such residences, which may include, but need not be limited to, the installation of heat pumps, solar power generating systems, improved roofing, exterior doors and windows, improved insulation, air sealing, improved ventilation, appliance upgrades and any electric system or wiring upgrades necessary for such retrofit, (2) remediate health and safety concerns that are barriers to any such retrofit, including, but not limited to, mold, vermiculite, asbestos, lead and radon, or (3) provide services to assist residents and building owners to access and implement the programs established pursuant to this section or other available state or federal programs that enable the implementation of energy efficiency retrofitting.

(d) On and after July 1, [2024] 2025, the Commissioner of Energy and Environmental Protection, or any program administrator the commissioner may designate, shall accept applications, in a form specified by the commissioner, from any owner of a residential dwelling unit for financing or a grant under the program or programs. Any such financing or grant may be awarded to an owner of a residential dwelling unit, [that is (1) not owner-occupied, and (2) occupied by a tenant or, if

House Bill No. 5524

vacant, to be occupied by a tenant not more than one hundred eighty days after the award. If such dwelling unit is not occupied within one hundred eighty days of the award, the owner shall return any funds received by the owner to the commissioner] as defined in section 47a-1.

(e) The Commissioner of Energy and Environmental Protection shall prioritize the awarding of financing or grants for projects that benefit any resident or prospective resident who is a low-income resident.

(f) The Commissioner of Energy and Environmental Protection shall exclude from the program or programs any owner of a residential dwelling unit determined by the Commissioner of Housing to be in violation of chapter 830.

(g) On or before October 1, [2027] 2028, the Commissioner of Energy and Environmental Protection shall file a report, in accordance with the provisions of section 11-4a, with the joint standing committee of the General Assembly having cognizance of matters relating to housing (1) analyzing the success of the pilot program or programs, and (2) recommending whether a permanent program should be established in the state and, if so, any proposed legislation for such program.

(h) The pilot program or programs established pursuant to this section shall terminate on September 30, [2028] 2029.

Sec. 65. Section 20 of public act 24-143 is repealed. (*Effective from passage*)

Sec. 66. Section 7-294rr of the 2024 supplement to the general statutes is repealed. (*Effective July 1, 2024*)

Sec. 67. Section 12-204 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) The commissioner shall, not later than three years after the due

House Bill No. 5524

date for the filing of a return or not later than three years after the date of receipt of such return by the commissioner, whichever period expires later, examine [it] or reexamine such return and, in case any error is disclosed by such examination or reexamination, shall, not later than thirty days after such disclosure, notify the taxpayer of such error.

(1) When it appears that any part of the deficiency for which a deficiency assessment or reassessment is made is due to negligence or intentional disregard of the provisions of this chapter or regulations promulgated thereunder, there shall be imposed a penalty equal to ten per cent of the amount of such deficiency assessment or reassessment, or fifty dollars, whichever is greater.

(2) When it appears that any part of the deficiency for which a deficiency assessment or reassessment is made is due to fraud or intent to evade the provisions of this chapter or regulations promulgated thereunder, there shall be imposed a penalty equal to twenty-five per cent of the amount of such deficiency assessment or reassessment. No taxpayer shall be subject to more than one penalty under this section in relation to the same tax period.

(3) Not later than thirty days after the mailing of such notice, the taxpayer shall pay to the commissioner, in cash or by check, draft or money order drawn to the order of the Commissioner of Revenue Services, any additional amount of tax shown to be due by the examination or reexamination, or shall be paid by the State Treasurer, upon order of the Comptroller, any amount shown to be due it by such examination or reexamination. The failure of the taxpayer to receive any notice required by this section shall not relieve the taxpayer of the obligation to pay the tax or any interest or penalties thereon.

(4) If, before the expiration of the time prescribed by this section for the examination or reexamination of the return or the assessment or reassessment of the tax, both the commissioner and the taxpayer consent

House Bill No. 5524

in writing to such examination, [or] reexamination, assessment or reassessment after such time, the return may be examined or reexamined and the tax may be assessed or reassessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period agreed upon. The commissioner may also in such a case extend the period during which a claim for refund may be made by such taxpayer.

(b) To any taxes [which] that are assessed or reassessed under this section, there shall be added interest at the rate of one per cent per month or fraction thereof from the date when the original tax became due and payable. The amount of any tax, penalty or interest due and unpaid under the provisions of this chapter may be collected under the provisions of section 12-35. The warrant therein provided for shall be signed by the commissioner or [his] the commissioner's authorized agent. The amount of any such tax, penalty or interest shall be a lien on the real estate of the taxpayer from the thirty-first day of December next preceding the due date of such tax until such tax is paid. The commissioner may, at any time after such December thirty-first, record such lien in the records of any town in which the real estate of such company is situated, but no such lien shall be enforceable against a bona fide purchaser or qualified encumbrancer of such real estate. When any tax with respect to which a lien has been recorded under the provisions of this section has been satisfied, the commissioner upon request of any interested party, shall issue a certificate discharging such lien, which certificate shall be recorded in the same office in which the lien was recorded. Any action for the foreclosure of such lien shall be brought by the Attorney General in the name of the state in the superior court for the judicial district in which the property subject to such lien is situated, or, if such property is located in two or more judicial districts, in the superior court for any one such judicial district, and the court may limit the time for redemption or order the sale of such property or make such

House Bill No. 5524

other or further decree as it judges equitable.

Sec. 68. Subsection (a) of section 12-210 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Each newly licensed insurance company incorporated by or organized under the laws of any other state or foreign government shall pay to the Commissioner of Revenue Services, [within forty-five] not later than ninety days [of] after the effective date of such company's initial license to transact business in this state, a tax on the net direct premiums received by such company in the next five preceding calendar years from policies written on property or risks located or resident in this state, except ocean marine insurance, at the rate in effect for each such calendar year.

Sec. 69. Section 12-705 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2025, and applicable to taxable years commencing on or after January 1, 2025*):

(a) (1) Each employer, as defined in section 12-707, maintaining an office or transacting business within this state and making payment of any wages taxable under this chapter to a resident or nonresident individual shall deduct and withhold from such wages for each payroll period a tax computed in such manner as to result, so far as practicable, in withholding from the employee's wages during each calendar year an amount substantially equivalent to the tax reasonably estimated to be due from the employee under this chapter with respect to the amount of such wages during the calendar year. The method of determining the amount to be withheld shall be prescribed by regulations of the Commissioner of Revenue Services adopted in accordance with chapter 54.

House Bill No. 5524

(2) [Each] (A) Except as provided in subparagraph (B) of this subdivision, each payer, as defined in section 12-707, of distributions from a profit-sharing plan, a stock bonus, a deferred compensation plan, an individual retirement arrangement, an endowment or a life insurance contract, or of pension payments or annuity distributions, that [(A)] maintains an office or transacts business within this state [,] and [(B)] makes payment of any amounts taxable under this chapter to a resident individual, shall, upon request by such individual, deduct and withhold an amount from the taxable portion of any such distribution. [a tax computed in such manner as to result, so far as practicable, in withholding from the distributions paid during each calendar year an amount substantially equivalent to the tax reasonably estimated to be due from the payee, as defined in section 12-707, under this chapter with respect to such distributions during the calendar year. The method of determining the amount to be withheld from taxable payments, other than lump sum distributions, shall be determined in accordance with instructions provided by the commissioner. The amount to be withheld from] Such request and the determination of the amount to be withheld shall be made in accordance with regulations promulgated by the commissioner for pension payments and annuity distributions.

(B) With respect to a lump sum distribution, [shall be equal to] if a payee does not make a request to have an amount withheld from such distribution, the payer shall withhold from the taxable portion of the distribution [multiplied by] at the highest marginal rate, except that no withholding shall be required if (i) any portion of the lump sum distribution was previously subject to tax, or (ii) the lump sum distribution is a rollover that is effected as a direct trustee-to-trustee transfer or as a direct rollover in the form of a check made payable to another qualified account. For purposes of this [section] subdivision, "lump sum distribution" means a payment from a payer to a resident payee of an amount exceeding fifty per cent of such resident payee's

House Bill No. 5524

entire account balance or more than five thousand dollars, whichever is less, exclusive of any other tax withholding and any administrative charges and fees.

(3) In no event shall the requirements of this subsection result in nonpayment of any distribution to a resident individual. For the calendar year ending December 31, 2018, no taxpayer shall be assessed interest by the commissioner pursuant to section 12-722 solely on the basis of a payer's failure to comply with the provisions of this subsection.

(b) The commissioner may, if such action is deemed necessary for the protection of the revenue and under such regulations as the commissioner may adopt in accordance with the provisions of chapter 54, require persons other than employers and payers (1) to deduct and withhold taxes from payments made by such persons to residents of this state, nonresidents and part-year residents, (2) to file a withholding return as prescribed by the commissioner, and (3) to pay over to the commissioner, or to a depository designated by the commissioner, the taxes so required to be deducted and withheld, in accordance with a schedule established in such regulations.

(c) The commissioner may adopt regulations providing for withholding from (1) remuneration for services performed by an employee for his or her employer that does not constitute wages, (2) wages paid to an employee by an employer not maintaining an office or transacting business within this state, or (3) any other type of payment with respect to which the commissioner finds that withholding would be appropriate under the provisions of this chapter if the employer and the employee, or, in the case of any other type of payment, the person making and the person receiving such payment, agree to such withholding. Such agreement shall be made in such form and manner as the commissioner may prescribe by regulations adopted in accordance with the provisions of chapter 54. For purposes of this

House Bill No. 5524

chapter, remuneration, wages or other payments with respect to which such an agreement is made shall be regarded as if they were wages paid to an employee by an employer maintaining an office or transacting business within this state to the extent that such remuneration or wages are paid or other payments are made during the period for which the agreement is in effect.

Sec. 70. Section 12-91 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) All farm machinery, except motor vehicles, as defined in section 14-1, to the assessed value of one hundred thousand dollars, any horse or pony [which] that is actually and exclusively used in farming, as defined in section 1-1, when owned and kept in this state by, or when held in trust for, any farmer or group of farmers operating as a unit, a partnership or a corporation, a majority of the stock of which corporation is held by members of a family actively engaged in farm operations, shall be exempt from local property taxation; provided each such farmer, whether operating individually or as one of a group, partnership or corporation, shall qualify for such exemption in accordance with the standards set forth in subsection (d) of this section for the assessment year for which such exemption is sought. Only one such exemption shall be allowed to each such farmer, group of farmers, partnership or corporation. Subdivision (38) of section 12-81 shall not apply to any person, group, partnership or corporation receiving the exemption provided for in this subsection.

(b) Any municipality, upon approval by its legislative body, may provide an additional exemption from property tax for such machinery to the extent of an additional assessed value of [one hundred] two hundred fifty thousand dollars. Any such exemption shall be subject to the same limitations as the exemption provided under subsection (a) of this section and the application and qualification process provided in subsection (d) of this section.

House Bill No. 5524

(c) Any municipality, upon approval by its legislative body, may provide an exemption from property tax for any building used actually and exclusively in farming, as defined in section 1-1, or for any building used to provide housing for seasonal employees of such farmer. The municipality shall establish the amount of such exemption from the assessed value, provided such amount may not exceed [one] five hundred thousand dollars with respect to each eligible building. Such exemption shall not apply to the residence of such farmer and shall be subject to the application and qualification process provided in subsection (d) of this section.

(d) Annually, on or before the first day of November or the extended filing date granted by the assessor pursuant to section 12-42, each such individual farmer, group of farmers, partnership or corporation shall make written application for the exemption provided for in subsection (a) of this section to the assessor or board of assessors in the town in which such farm is located, including therewith a notarized affidavit certifying that such farmer, individually or as part of a group, partnership or corporation, derived at least fifteen thousand dollars in gross sales from such farming operation, or incurred at least fifteen thousand dollars in expenses related to such farming operation, with respect to the most recently completed taxable year of such farmer prior to the commencement of the assessment year for which such application is made, on forms to be prescribed by the Commissioner of Agriculture. Failure to file such application in said manner and form on or before the first day of November shall be considered a waiver of the right to such exemption for the assessment year. Any person aggrieved by any action of the assessors shall have the same rights and remedies for appeal and relief as are provided in the general statutes for taxpayers claiming to be aggrieved by the doings of the assessors or board of assessment appeals.

Sec. 71. (NEW) (*Effective from passage*) Any municipality may, upon approval by its legislative body or, in a municipality where the

House Bill No. 5524

legislative body is a town meeting, by vote of the board of selectmen, provide an exemption from property tax of not less than five per cent and not more than thirty-five per cent of the assessed value, for owner-occupied dwellings, including condominiums, as defined in section 47-68a of the general statutes, and units in a common interest community, as defined in section 47-202 of the general statutes, that are the primary residences of such owners and consist of not more than two units.

Sec. 72. (*Effective July 1, 2024*) Notwithstanding the provisions of subdivision (76) of section 12-81 of the general statutes, any person otherwise eligible for a 2023 grand list exemption pursuant to said subdivision (76) in the town of Litchfield, except that such person failed to file the required exemption application within the time period prescribed, shall be regarded as having filed said application in a timely manner if such person files said application not later than thirty days after the effective date of this section, and pays the late filing fee pursuant to section 12-81k of the general statutes. Upon confirmation of the receipt of such fee and verification of the exemption eligibility of the machinery and equipment included in such application, the assessor shall approve the exemption for such property. If taxes, interest or penalties have been paid on the property for which such exemption is approved, the town of Litchfield shall reimburse such person in an amount equal to the amount by which such taxes, interest or penalties exceed any taxes payable if the application had been filed in a timely manner.

Sec. 73. (*Effective July 1, 2024*) Notwithstanding the provisions of section 12-89 of the general statutes, any person otherwise eligible for a 2021 grand list exemption pursuant to subdivision (58) of section 12-81 of the general statutes in the town of Manchester, except that such person failed to file the required exemption application within the time period prescribed, shall be regarded as having filed such application in a timely manner if such person files such application not later than thirty

House Bill No. 5524

days after the effective date of this section and pays any applicable late filing fee prescribed by the general statutes. Upon confirmation of the receipt of such fee, if applicable, and verification of the exemption eligibility of such property, the assessor shall approve the exemption for such property. If taxes, interest or penalties have been paid on the property for which such exemption is approved, the town of Manchester shall reimburse such person in an amount equal to the amount by which such taxes, interest and penalties exceed any taxes payable if the application had been filed in a timely manner.

Sec. 74. (*Effective July 1, 2024*) Notwithstanding the provisions of subparagraph (A) of subdivision (7) of section 12-81 of the general statutes and section 12-87a of the general statutes, any person otherwise eligible for a 2021 and 2022 grand list exemption pursuant to said subdivision in the city of Meriden, except that such person failed to file the required statements within the time period prescribed, shall be regarded as having filed such statements in a timely manner if such person files such statements not later than thirty days after the effective date of this section and pays the late filing fees pursuant to section 12-87a of the general statutes. Upon confirmation of the receipt of such fees and verification of the exemption eligibility of such property, the assessor shall approve the exemptions for such property. If taxes, interest or penalties have been paid on the property for which such exemptions are approved, the city of Meriden shall reimburse such person in an amount equal to the amount by which such taxes, interest and penalties exceed any taxes payable if the statements had been filed in a timely manner.

Sec. 75. (*Effective July 1, 2024*) Notwithstanding the provisions of subsection (c) of subdivision (11) of section 12-81 of the general statutes and section 12-87a of the general statutes, any person otherwise eligible for a 2021 and 2022 grand list exemption in the town of Middletown, except that such person failed to submit evidence of certification

House Bill No. 5524

pursuant to section 12-89a of the general statutes within the time period prescribed by the assessor or board of assessors or failed to file the required statements within the time period prescribed, or both, shall be regarded as having filed such evidence of certification or statements in a timely manner if such person files such evidence of certification or statements, or both, as required by the assessor, not later than thirty days after the effective date of this section and pays the late filing fees pursuant to section 12-87a of the general statutes. Upon confirmation of the receipt of such fees and verification of the exemption eligibility of such property, the assessor shall approve the exemptions for such property. If taxes, interest or penalties have been paid on the property for which such exemptions are approved, the town of Middletown shall reimburse such person in an amount equal to the amount by which such taxes, interest and penalties exceed any taxes payable if the evidence of certification or statements, or both, had been filed in a timely manner.

Sec. 76. (*Effective July 1, 2024*) Notwithstanding the provisions of subdivision (76) of section 12-81 of the general statutes, any person otherwise eligible for a 2022 grand list exemption pursuant to said subdivision (76) in the town of Thomaston, except that such person failed to file the required exemption application within the time period prescribed, shall be regarded as having filed said application in a timely manner if such person files said application not later than thirty days after the effective date of this section and pays the late filing fee pursuant to section 12-81k of the general statutes. Upon confirmation of the receipt of such fee and verification of the exemption eligibility of the machinery and equipment included in such application, the assessor shall approve the exemption for such property. If taxes, interest or penalties have been paid on the property for which such exemption is approved, the town of Thomaston shall reimburse such person in an amount equal to the amount by which such taxes, interest or penalties exceed any taxes payable if the application had been filed in a timely manner.

House Bill No. 5524

Sec. 77. (*Effective July 1, 2024*) Notwithstanding the provisions of subparagraph (A) of subdivision (7) of section 12-81 of the general statutes and section 12-87a of the general statutes, any person otherwise eligible for a 2021 grand list exemption pursuant to said subdivision in the city of Waterbury, except that such person failed to file the required statement within the time period prescribed, shall be regarded as having filed such statement in a timely manner if such person files such statement not later than thirty days after the effective date of this section and pays the late filing fee pursuant to section 12-87a of the general statutes. Upon confirmation of the receipt of such fee and verification of the exemption eligibility of such property, the assessor shall approve the exemption for such property. If taxes, interest or penalties have been paid on the property for which such exemption is approved, the city of Waterbury shall reimburse such person in an amount equal to the amount by which such taxes, interest and penalties exceed any taxes payable if the statement had been filed in a timely manner.

Sec. 78. (*Effective July 1, 2024*) Notwithstanding the provisions of subsection (c) of subdivision (11) of section 12-81 of the general statutes and section 12-87a of the general statutes, any person otherwise eligible for a 2022 grand list exemption in the city of Waterbury, except that such person failed to submit evidence of certification pursuant to section 12-89a of the general statutes within the time period prescribed by the assessor or board of assessors or failed to file the required statement within the time period prescribed, or both, shall be regarded as having filed such evidence of certification or statement in a timely manner if such person files such evidence of certification or statement, or both, as required by the assessor, not later than thirty days after the effective date of this section and pays the late filing fee pursuant to section 12-87a of the general statutes. Upon confirmation of the receipt of such fee and verification of the exemption eligibility of such property, the assessor shall approve the exemption for such property. If taxes, interest or penalties have been paid on the property for which such exemption is

House Bill No. 5524

approved, the city of Waterbury shall reimburse such person in an amount equal to the amount by which such taxes, interest and penalties exceed any taxes payable if the evidence of certification or statement, or both, had been filed in a timely manner.

Sec. 79. (*Effective July 1, 2024*) Notwithstanding the provisions of subdivision (76) of section 12-81 of the general statutes, any person otherwise eligible for a 2023 grand list exemption pursuant to said subdivision (76) in the city of West Haven, except that such person failed to file the required exemption application within the time period prescribed, shall be regarded as having filed said application in a timely manner if such person files said application not later than thirty days after the effective date of this section, and pays the late filing fee pursuant to section 12-81k of the general statutes. Upon confirmation of the receipt of such fee and verification of the exemption eligibility of the machinery and equipment included in such application, the assessor shall approve the exemption for such property. If taxes, interest or penalties have been paid on the property for which such exemption is approved, the city of West Haven shall reimburse such person in an amount equal to the amount by which such taxes, interest or penalties exceed any taxes payable if the application had been filed in a timely manner.

Sec. 80. (*Effective from passage*) Notwithstanding the provisions of section 12-62 of the general statutes or any municipal charter, special act or home rule ordinance, the town of Derby may defer the implementation of the revaluation of real property required for the assessment year commencing October 1, 2024, until the assessment year commencing October 1, 2025, provided such deferral is approved by the legislative body of said town. The rate maker, as defined in section 12-131 of the general statutes, in said town may prepare new rate bills under the provisions of chapter 204 of the general statutes in order to carry out the provisions of this section. Any required revaluation

House Bill No. 5524

subsequent to any deferred implementation of a revaluation pursuant to this section shall recommence at the point in the schedule prescribed pursuant to section 12-62 of the general statutes that said town was following prior to such deferral.

Sec. 81. (*Effective from passage*) Notwithstanding the provisions of section 12-62 of the general statutes or any municipal charter, special act or home rule ordinance, the town of Stratford may defer the implementation of the revaluation of real property required for the assessment year commencing October 1, 2024, until the assessment year commencing October 1, 2025, provided such deferral is approved by the legislative body of said town. The rate maker, as defined in section 12-131 of the general statutes, in said town may prepare new rate bills under the provisions of chapter 204 of the general statutes in order to carry out the provisions of this section. Any required revaluation subsequent to any deferred implementation of a revaluation pursuant to this section shall recommence at the point in the schedule prescribed pursuant to section 12-62 of the general statutes that said town was following prior to such deferral.

Sec. 82. (NEW) (*Effective July 1, 2024*) (a) (1) On and after January 1, 2025, the general administration and responsibility for the proper operation of the Policemen and Firemen Survivors' Benefit Fund under part V of chapter 104 of the general statutes and the municipal employees' retirement system under part II of chapter 113 of the general statutes is vested in a board of trustees to be known as the Connecticut Municipal Employees Retirement Commission. The Connecticut Municipal Employees Retirement Commission shall constitute a successor commission to the Connecticut State Employees Retirement Commission, with respect to the provisions of part V of chapter 104 of the general statutes and part II of chapter 113 of the general statutes, in accordance with the provisions of sections 4-38d and 4-39 of the general statutes. The Connecticut Municipal Employees Retirement

House Bill No. 5524

Commission shall be within the Retirement Services Division of the office of the State Comptroller for administrative purposes only.

(2) The Retirement Services Division shall (A) provide record keeping, reporting and related administrative and clerical functions for the Connecticut Municipal Employees Retirement Commission to the extent deemed necessary by the State Comptroller, (B) disseminate for said commission any required notices or rules or orders adopted, amended or repealed by said commission, and (C) provide staff for said commission subject to the provisions of subdivision (3) of subsection (a) of section 4-38f of the general statutes. The office of the State Comptroller shall include in its budget the Connecticut Municipal Employees Retirement Commission's budgetary request, if any, as a separate part of such budget, exactly as prepared and submitted to the office by said commission.

(3) The State Comptroller shall serve as secretary of the Connecticut Municipal Employees Retirement Commission and provide secretariat support to said commission. The Connecticut Municipal Employees Retirement Commission shall meet at least monthly and shall report to the Governor in accordance with the provisions of section 4-60 of the general statutes.

(b) Notwithstanding the provisions of section 4-9a of the general statutes, the Connecticut Municipal Employees Retirement Commission shall consist of the following:

(1) The State Comptroller, or the State Comptroller's designee, who shall be a nonvoting, ex-officio member and shall preside at meetings of the Connecticut Municipal Employees Retirement Commission;

(2) The State Treasurer, or the State Treasurer's designee, who shall be a nonvoting, ex-officio member;

(3) Four trustees who represent employees and shall be appointed by

House Bill No. 5524

the Governor from a list of four nominees submitted to the Governor by a federation of labor organizations in the state that represent private and public employees and workers in the building trades, (A) one of whom shall be (i) a municipal public safety employee who is a member of the municipal employees' retirement system, or (ii) an elected leader of a labor organization representing such public safety employees, (B) two of whom shall be (i) a municipal employee, other than a public safety employee, who is a member of the municipal employees' retirement system, or (ii) an elected leader of a labor organization representing such municipal employees, and (C) one of whom shall be a retired member of the municipal employees' retirement system;

(4) Four trustees who represent government employers, who shall not be required to represent or be in the active service of a participating municipality, as defined in section 7-425 of the general statutes, (A) one of whom shall represent a municipal employer and shall be appointed by the Governor, with the advice and consent of an organization in the state that represents small towns, (B) two of whom shall represent municipal employers and shall be appointed by the Governor, with the advice and consent of an organization in the state that represents municipalities, and (C) one of whom shall represent municipal housing authorities in the state and shall be appointed by the Governor, with the advice and consent of an organization in the state that represents housing and redevelopment officials in the state;

(5) Two trustees who shall be appointed by the State Comptroller, with the approval by simple majority of the trustees appointed under subdivisions (3) and (4) of this subsection, who possess expertise and experience in financial management, actuarial science or pension management; and

(6) One neutral trustee who shall serve as the chairperson of the Connecticut Municipal Employees Retirement Commission and be appointed by the Governor, with the advice and consent of the trustees

House Bill No. 5524

appointed under subdivisions (3) and (4) of this subsection. The chairperson shall cast a vote on a matter before said commission only in the event of a tie vote.

(c) (1) All initial appointments to the Connecticut Municipal Employees Retirement Commission shall be made not later than October 1, 2024, and shall terminate, except as provided in subdivision (2) of this subsection, on September 30, 2028, regardless of when the initial appointment was made.

(2) Two of the trustees appointed under subdivision (3) of subsection (b) of this section, two of the trustees appointed under subdivision (4) of subsection (b) of this section and one of the trustees appointed under subdivision (5) of subsection (b) of this section, as selected by the appointing authority, shall serve an initial term of two years, which shall terminate on September 30, 2026, regardless of when the initial appointment was made.

(3) Subsequent terms shall be for four years. Any vacancy shall be filled by the appointing authority in accordance with the provisions of subsection (b) of this section. Any vacancy occurring other than by expiration of term shall be filled for the balance of the unexpired term.

(d) (1) Each trustee shall act as a fiduciary with respect to the Policemen and Firemen Survivors' Benefit Fund and the municipal employees' retirement system and the members of said fund and such retirement system. The trustees shall discharge their duties solely in the interest of the members and the beneficiaries and contingent annuitants of said fund and such retirement system, for the exclusive purposes of providing benefits to such members, beneficiaries and annuitants and defraying reasonable expenses of administering said fund and such retirement system.

(2) Each trustee shall, not later than ten days after appointment, take

House Bill No. 5524

an oath of office that so far as it devolves upon the trustee, the trustee will diligently and honestly administer the affairs of the Policemen and Firemen Survivors' Benefit Fund and the municipal employees' retirement system and will not knowingly violate or willingly permit to be violated any provision of law applicable to said fund or such retirement system.

(e) The State Comptroller shall establish an orientation program and fiduciary training for new trustees. Each trustee shall, not later than thirty days after appointment, complete such program and training and shall annually complete continuing education hours, as required by the State Comptroller, in financial management, actuarial science or pension management. The State Comptroller shall publish the activities and courses the State Comptroller deems acceptable for purposes of fulfilling the continuing education requirement under this subsection.

(f) A majority of the members of the Connecticut Municipal Employees Retirement Commission shall constitute a quorum for the transaction of any business, the exercise of any power or the performance of any duty authorized or imposed by law.

(g) The trustees of the Connecticut Municipal Employees Retirement Commission shall serve without compensation, but shall, within the limits of available funds, be reimbursed for expenses necessarily incurred in the performance of their duties.

(h) All assets of the Policemen and Firemen Survivors' Benefit Fund and the municipal employees' retirement system shall be held in trust by the State Treasurer, who shall act as a fiduciary of said fund and such retirement system. The State Treasurer shall manage and control such assets, except as the Connecticut Municipal Employees Retirement Commission or a municipal retirement plan expressly may otherwise provide. The State Treasurer shall discharge the State Treasurer's duties solely in the interest of the members and the beneficiaries and

House Bill No. 5524

contingent annuitants of said fund and such retirement system, for the exclusive purposes of providing benefits to such members, beneficiaries and annuitants, by diversifying the investments of said fund and such retirement system so as to minimize the risk of large losses, unless, under the circumstances, it is clearly prudent not to do so.

(i) The Connecticut Municipal Employees Retirement Commission shall have general supervision of the operation of the Policemen and Firemen Survivors' Benefit Fund and the municipal employees' retirement system and shall conduct the business and activities of said fund and such retirement system in accordance with the provisions of part V of chapter 104 of the general statutes and part II of chapter 113 of the general statutes, as applicable, and applicable law. The Connecticut Municipal Employees Retirement Commission shall act, in conducting the business of said fund and such retirement system, including said commission's supervisory functions: (1) With the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; (2) in accordance with strict fiduciary standards and responsibilities; and (3) in accordance with the provisions of the general statutes and applicable collective bargaining agreements.

(j) The Connecticut Municipal Employees Retirement Commission may, by resolution or regulation, allocate fiduciary responsibilities and various administrative duties to committees or subcommittees of said commission and may delegate such responsibilities and duties to the Retirement Services Division of the office of the State Comptroller or to other individuals the Connecticut Municipal Employees Retirement Commission deems appropriate or necessary, provided such delegation is consistent with the provisions of this section.

(k) The Connecticut Municipal Employees Retirement Commission may hold hearings when said commission deems them necessary in the

House Bill No. 5524

performance of its duties. The hearings shall be governed by rules and regulations adopted by said commission and said commission shall not be bound by technical rules of evidence.

(l) The Connecticut Municipal Employees Retirement Commission may hire a general counsel who shall serve at the pleasure of said commission, have offices in the Retirement Services Division of the office of the State Comptroller and perform duties as directed by said commission. The Connecticut Municipal Employees Retirement Commission may obtain such additional legal advice and assistance as it deems advisable.

(m) (1) All municipal retirement plans, descriptions and reports and all legal, financial and actuarial documents dealing with the general operations of the Policemen and Firemen Survivors' Benefit Fund and the municipal employees' retirement system shall be available for inspection and copying by members of said fund or such retirement system, as applicable, and their representatives. The cost of any copying shall be borne by the member or representative but shall not exceed twenty-five cents per page.

(2) The Connecticut Municipal Employees Retirement Commission shall notify members of any substantial statutory amendments to the Policemen and Firemen Survivors' Benefit Fund or to the municipal employees' retirement system, not later than two hundred ten days after the effective date of such amendments.

(3) Not later than December 31, 2025, and annually thereafter, the State Treasurer shall publish and forward to the Connecticut Municipal Employees Retirement Commission a consolidated report showing the fiscal transactions of the Policemen and Firemen Survivors' Benefit Fund and the municipal employees' retirement system for the preceding fiscal year, including gain or loss by category of security, a reconciliation of assets showing the progression of the funds of said fund and such

House Bill No. 5524

retirement system from one year to the next, the amount of the accumulated cash and securities of said fund and such retirement system and the last balance sheet showing the financial condition of said fund and such retirement system by means of an actuarial valuation of their assets and liabilities. Assets shall be shown at book and market value and by type or term of investment. Gain or loss shall be reported by category of security type. The reporting requirement under this subdivision shall be satisfied if the State Treasurer completes an Internal Revenue Service form 5500 and submits it to the Connecticut Municipal Employees Retirement Commission, provided the information included therein is sufficient to allow the computation of the investment yields of the funds of said fund and such retirement system on an annual basis.

(n) The Connecticut Municipal Employees Retirement Commission may adopt such regulations, in accordance with the provisions of chapter 54 of the general statutes, as are necessary to carry out the provisions of part V of chapter 104 of the general statutes and part II of chapter 113 of the general statutes and may establish rules and regulations that said commission deems necessary or desirable to facilitate the proper administration of the Policemen and Firemen Survivors' Benefit Fund and the municipal employees' retirement system. Rules and regulations established by the Connecticut Municipal Employees Retirement Commission shall be binding upon all parties dealing with said commission and all persons claiming any benefits from said fund or such retirement system.

Sec. 83. Subsection (a) of section 7-438 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Any member retired under this part who again accepts employment from the state or from any municipality of the state other than a participating municipality, shall continue to receive his or her retirement allowance while so employed, and shall be eligible to

House Bill No. 5524

participate, and shall be entitled to credit, in the state retirement system or such retirement system of such municipality, as applicable, for the period of such [state] employment. [, but he or she shall not be eligible to participate or be entitled to credit in any municipal retirement system for the period of such municipal employment.]

Sec. 84. Subsection (a) of section 7-459b of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) On or after July 1, 2025, the Retirement Commission may create a deferred retirement option plan [and prescribe the manner in which such option plan may be offered to] for members [by] of a municipality participating in the Municipal Employees' Retirement Fund. Any plan created shall permit members of the Municipal Employees' Retirement Fund who are eligible for a service retirement allowance to elect participation in such plan.

Sec. 85. (NEW) (*Effective from passage*) (a) On or after July 1, 2025, the State Comptroller shall create a municipal defined contribution retirement plan and prescribe the manner in which such retirement plan may be adopted by any municipality, as defined in section 7-425 of the general statutes.

(b) Any such retirement plan shall provide that a municipality that adopts such plan shall have the option to transfer to such plan the accounts and assets of any defined contribution retirement plan previously adopted by such municipality. Payroll deductions for each member of the defined contribution plan created under this section shall be made by the appropriate municipal employer.

(c) The State Comptroller shall serve as the administrator of the retirement plan created under this section. The State Comptroller may (1) enter into contractual agreements on behalf of the state with

House Bill No. 5524

members of such plan to defer any portion of such member's compensation from the adopting municipality, (2) make deposits or payments to such plan, subject to the terms of such plan, and (3) contract with a private corporation or private institution for the provision of consolidated billing services and other administrative services for such plan.

Sec. 86. Subsections (a) to (c), inclusive, of section 5-155a of the general statutes are repealed and the following is substituted in lieu thereof (*Effective January 1, 2025*):

(a) The general administration and responsibility for the proper operation of the state employees retirement system is vested in a single board of trustees to be known as the Connecticut State Employees Retirement Commission. Notwithstanding the provisions of section 4-9a, the Retirement Commission shall consist of the following: (1) The Treasurer or a designee, who shall be a nonvoting, ex-officio member; (2) the Comptroller or a designee, who shall be a nonvoting, ex-officio member; (3) six trustees representing employees who shall (A) be appointed by the bargaining agents in accordance with the provisions of applicable collective bargaining agreements, (B) serve three-year terms, and (C) not be members of the same bargaining unit; (4) six management trustees who shall (A) be members of the state employees retirement system, (B) serve three-year terms, and (C) be appointed by the Governor; (5) two actuarial trustees who shall (A) be enrolled actuaries and Fellows of the Society of Actuaries, (B) serve three-year terms, and (C) be appointed by the Governor. One actuarial trustee shall be nominated by the management trustees and one shall be nominated by the trustees representing employees; and (6) one neutral trustee who shall be chairman of the commission and who shall (A) be enrolled in the National Academy of Arbitrators, (B) serve a two-year term, and (C) be nominated by the employee and management trustees and appointed by the Governor. If a vacancy occurs in the office of a trustee, the

House Bill No. 5524

vacancy shall be filled for the unexpired term in the same manner as the office was previously filled. The trustees, with the exception of the chairman and the actuarial trustees, shall serve without compensation but shall be reimbursed in accordance with the standard travel regulations for all necessary expenses that they may incur through service on the commission. The chairman and the actuarial trustees shall be compensated at their normal and usual per diem fee, plus travel expenses, from the funds of the retirement system for each day of service to the commission. Each trustee shall, within ten days after appointment or election, take an oath of office that so far as it devolves upon the trustee, the trustee will diligently and honestly administer the affairs of the commission, and will not knowingly violate or willingly permit to be violated any of the provisions of law applicable to the state retirement system. Each trustee's term shall begin from the date the trustee takes such an oath. [The trustees shall appoint a representative from among the municipalities that have accepted the provisions of part II of chapter 113, who shall serve as a municipal liaison to the commission, at the commission's pleasure and under such terms and conditions as the commission may prescribe.] Each trustee shall be entitled to one vote on the commission. A majority of the commission shall constitute a quorum for the transaction of any business, the exercise of any power or the performance of any duty authorized or imposed by law. The State Employee Retirement Commission shall be within the Retirement Division of the office of the Comptroller for administrative purposes only. The Comptroller shall be the secretary of the commission and shall provide secretariat support to the commission.

(b) The Retirement Commission shall meet at least monthly and shall report to the Governor as provided in section 4-60.

(c) The Retirement Commission shall administer this retirement system [, the municipal employees' retirement system established by part II of chapter 113] and all other state retirement and pension plans

House Bill No. 5524

except the Teachers' Retirement Fund. The Retirement Commission shall have general supervision of the operation of the retirement system, shall conduct the business and activities of the system, in accordance with this chapter and applicable law and each trustee shall be a fiduciary with respect to the retirement system and its members. The Retirement Commission shall authorize the participation in an alternate retirement program by the eligible unclassified employees of the constituent units of the state system of higher education and the central office staff of the Board of Regents for Higher Education. Such program may be underwritten by a life insurance company licensed to do business in this state. In conducting the business of the system, including its oversight functions, the Retirement Commission shall act: (1) With the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; (2) in accordance with strict fiduciary standards and responsibilities; and (3) in accordance with the provisions of the general statutes and applicable collective bargaining agreements.

Sec. 87. Section 7-323a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2025*):

As used in this part: "Municipality" and "legislative body" shall each have the same meaning ascribed to it in section 7-425; "participating municipality" means any municipality which votes to accept the provisions of this part; "fund" means the Policemen and Firemen Survivors' Benefit Fund established by this part; "Retirement Commission" means the [State Retirement Commission created by chapter 66] Connecticut Municipal Employees Retirement Commission established under section 82 of this act; "member" means any active uniformed policeman or active uniformed fireman receiving pay from a participating municipality who has been included by such municipality under the provisions of this part, and "compensation" means one-

House Bill No. 5524

twelfth of the annual rate of pay of a full-time paid policeman or fireman of a participating municipality who is in active service and one-twelfth of the annual rate of pay immediately prior to the retirement of a full-time paid policeman or fireman of a participating municipality who is retired.

Sec. 88. Subdivision (4) of section 7-425 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2025*):

(4) "Retirement Commission" means the [State Retirement Commission created by chapter 66] Connecticut Municipal Employees Retirement Commission established under section 82 of this act;

Sec. 89. Subdivision (2) of section 7-452 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2025*):

(2) "Commission" means the [State] Connecticut Municipal Employees Retirement Commission established under section 82 of this act;

Sec. 90. Section 7-439f of the general statutes is repealed. (*Effective from passage*)

Sec. 91. Section 12-15 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(a) No officer or employee, including any former officer or former employee, of the state or of any other person who has or had access to returns or return information in accordance with subdivision (12) of subsection (b) of this section shall disclose or inspect any return or return information, except as provided in this section.

House Bill No. 5524

(b) The commissioner may disclose:

(1) [returns] Returns or return information to (A) an authorized representative of another state agency or office, upon written request by the head of such agency or office, when required in the course of duty or when there is reasonable cause to believe that any state law is being violated, or (B) an authorized representative of an agency or office of the United States, upon written request by the head of such agency or office, when required in the course of duty or when there is reasonable cause to believe that any federal law is being violated, provided no such agency or office shall disclose such returns or return information, other than in a judicial or administrative proceeding to which such agency or office is a party pertaining to the enforcement of state or federal law, as the case may be, in a form which can be associated with, or otherwise identify, directly or indirectly, a particular taxpayer except that the names and addresses of jurors or potential jurors and the fact that the names were derived from the list of taxpayers pursuant to chapter 884 may be disclosed by the Judicial Branch;

(2) [returns] Returns or return information to the Auditors of Public Accounts, when required in the course of duty under chapter 23;

(3) [returns] Returns or return information to tax officers of another state or of a Canadian province or of a political subdivision of such other state or province or of the District of Columbia or to any officer of the United States Treasury Department or the United States Department of Health and Human Services, authorized for such purpose in accordance with an agreement between this state and such other state, province, political subdivision, the District of Columbia or department, respectively, when required in the administration of taxes imposed under the laws of such other state, province, political subdivision, the District of Columbia or the United States, respectively, and when a reciprocal arrangement exists;

House Bill No. 5524

(4) [returns] Returns or return information in any action, case or proceeding in any court of competent jurisdiction, when the commissioner or any other state department or agency is a party, and when such information is directly involved in such action, case or proceeding;

(5) [returns] Returns or return information to a taxpayer or its authorized representative, upon written request for a return filed by or return information on such taxpayer;

(6) [returns] Returns or return information to a successor, receiver, trustee, executor, administrator, assignee, guardian or guarantor of a taxpayer, when such person establishes, to the satisfaction of the commissioner, that such person has a material interest which will be affected by information contained in such returns or return information;

(7) [information] Information to the assessor or an authorized representative of the chief executive officer of a Connecticut municipality, when the information disclosed is limited to (A) a list of real or personal property that is or may be subject to property taxes in such municipality, or (B) a list containing the name of each person who is issued any license, permit or certificate which is required, under the provisions of this title, to be conspicuously displayed and whose address is in such municipality;

(8) [real] Real estate conveyance tax return information or controlling interest transfer tax return information to the town clerk or an authorized representative of the chief executive officer of a Connecticut municipality to which the information relates;

(9) [estate] Estate tax returns and estate tax return information to the Probate Court Administrator or to the court of probate for the district within which a decedent resided at the date of the decedent's death, or within which the commissioner contends that a decedent resided at the

House Bill No. 5524

date of the decedent's death or, if a decedent died a nonresident of this state, in the court of probate for the district within which real estate or tangible personal property of the decedent is situated, or within which the commissioner contends that real estate or tangible personal property of the decedent is situated;

(10) [returns] Returns or return information to the (A) Secretary of the Office of Policy and Management for purposes of subsection (b) of section 12-7a, and (B) Office of Fiscal Analysis for purposes of, and subject to the provisions of, subdivision (2) of subsection (f) of section 12-7b;

(11) [return] Return information to the Jury Administrator or Clerk of the United States District Court for the District of Connecticut, when the information disclosed is limited to the names, addresses, federal Social Security numbers and dates of birth, if available, of residents of this state, as defined in subdivision (1) of subsection (a) of section 12-701;

(12) [returns] Returns or return information to any person to the extent necessary in connection with the processing, storage, transmission or reproduction of such returns or return information, and the programming, maintenance, repair, testing or procurement of equipment, or the providing of other services, for purposes of tax administration;

(13) [without] Without written request and unless the commissioner determines that disclosure would identify a confidential informant or seriously impair a civil or criminal tax investigation, returns and return information which may constitute evidence of a violation of any civil or criminal law of this state or the United States to the extent necessary to apprise the head of such agency or office charged with the responsibility of enforcing such law, in which event the head of such agency or office may disclose such return information to officers and employees of such agency or office to the extent necessary to enforce such law;

House Bill No. 5524

(14) [names] Names and addresses of operators, as defined in section 12-407, to tourism districts, as defined in section 10-397;

(15) [names] Names of each licensed dealer, as defined in section 12-285, and the location of the premises covered by the dealer's license;

(16) [to] To a tobacco product manufacturer that places funds into escrow pursuant to the provisions of subsection (a) of section 4-28i, return information of a distributor licensed under the provisions of chapter 214 or chapter 214a, provided the information disclosed is limited to information relating to such manufacturer's sales to consumers within this state, whether directly or through a distributor, dealer or similar intermediary or intermediaries, of cigarettes, as defined in section 4-28h, and further provided there is reasonable cause to believe that such manufacturer is not in compliance with section 4-28i;

(17) [returns] Returns or return information to the State Elections Enforcement Commission, upon written request by said commission, when necessary to investigate suspected violations of state election laws;

(18) [returns] Returns or return information for purposes of, and subject to the conditions of, subsection (e) of section 5-240;

(19) [to] To the extent allowable under federal law, return information to another state agency or to support a data request submitted through CP20 WIN, established in section 10a-57g, in accordance with the policies and procedures of CP20 WIN for the purposes of evaluation or research, provided the recipient of such data enters into a data sharing agreement pursuant to section 4-67aa if such recipient is not a state agency; and

(20) [return] Return information to the Connecticut Health Insurance Exchange pursuant to section 12-156.

House Bill No. 5524

(c) Any federal returns or return information made available to the commissioner in accordance with a written agreement between the commissioner and the Internal Revenue Service concerning exchange of information for tax administration purposes, shall not be open to inspection by or disclosed to any individual or disclosed in any manner other than as permitted under the provisions of Section 6103 of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended.

(d) (1) The commissioner may, upon request, verify whether or not any license, permit or certificate required under the provisions of this title to be conspicuously displayed has been issued by the commissioner to any particular person.

(2) The commissioner may make public the names and municipality of residence or postal district of persons entitled to tax refunds for purposes of notifying them when the commissioner, after reasonable effort and lapse of time, has been unable to locate such persons.

(e) The commissioner may refuse to open to inspection or disclose to any person any returns or return information made available to the commissioner by any tax officer of another state, a Canadian province or political subdivision of such other state or province or of the District of Columbia or by any officer of the United States Treasury Department or the United States Department of Health and Human Services in accordance with a written agreement between this state and such other state, province, political subdivision, the District of Columbia or department, respectively, which agreement provides that the disclosure of such returns or return information by the commissioner is prohibited. In addition, he may refuse to open to inspection or disclosure to any state or United States agency or office described in subdivision (1) of subsection (b) of this section, returns or return information unless such agency or office shall have:

House Bill No. 5524

(1) Established and maintained, to the satisfaction of the commissioner, a permanent system of standardized records with respect to any request, the reason for such request, and the date of such request made by or of it and any disclosure or inspection of returns or return information made by or to it;

(2) [established] Established and maintained, to the satisfaction of the commissioner, a secure area or place in which such returns or return information shall be stored;

(3) [restricted] Restricted, to the satisfaction of the commissioner, access to the returns or return information only to persons whose duties or responsibilities require access and to whom disclosure may be made under this section or by whom inspection may be made under this section;

(4) [provided] Provided such other safeguards which the commissioner prescribes as necessary or appropriate to protect the confidentiality of the returns or return information;

(5) [furnished] Furnished a report to the commissioner, at such time and containing such information as the commissioner may prescribe, which describes the procedures established and utilized by such agency or office for ensuring the confidentiality of returns and return information required by this subsection; and

(6) [upon] Upon completion of use of such returns or return information, returned to the commissioner such returns or return information, along with any copies made therefrom, or makes such returns or return information undisclosable in such manner as the commissioner may prescribe and furnishes a written report to the commissioner identifying the returns or return information that were made undisclosable.

(f) Returns and return information shall, without written request, be

House Bill No. 5524

open to inspection by or disclosure to: (1) Officers and employees of the Department of Revenue Services whose official duties require such inspection or disclosure for tax administration purposes; (2) officers or employees of an agency or office in accordance with subdivision (1) or (13) of subsection (b) of this section whose official duties require such inspection; and (3) officers or employees of any person in accordance with subdivision (12) of subsection (b) of this section, whose duties require such inspection or disclosure.

(g) Any person who violates any provision of this section shall be fined not more than one thousand dollars or imprisoned not more than one year, or both.

(h) For purposes of this section:

(1) "Return" means any tax or information return, declaration of estimated tax, claim for refund, license application, permit application, registration application or other application required by, or provided for or permitted under, the provisions of this or any other title which is filed with the commissioner by, on behalf of, or with respect to any person, and any amendment or supplement thereto, including supporting schedules, attachments, or lists which are supplemental to, or part of, the return so filed.

(2) "Return information" means a taxpayer's identity, the nature, source, or amount of the taxpayer's income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liability, tax collected or withheld, tax underreportings, tax overreportings, or tax payments, whether the taxpayer's return was, is being, or will be examined or subjected to other investigation or processing, or any other data received by, recorded by, prepared by, furnished to, or collected by the commissioner with respect to a return or with respect to the determination of the existence, or possible existence, of liability of any person for any tax, penalty, interest, fine,

House Bill No. 5524

forfeiture, or other imposition, or offense. "Return information" does not include data in a form which cannot be associated with, or otherwise identify, directly or indirectly, a particular taxpayer. Nothing in the preceding sentence, or in any other provision of law, shall be construed to require the disclosure of standards used or to be used for the selection of returns for examination, or data used or to be used for determining such standards or the disclosure of the identity of a confidential informant, whether or not a civil or criminal tax investigation has been undertaken or completed.

(3) "Disclosure" means the making known to any person, in any manner whatever, a return or return information.

(4) "Inspection" means any examination of a return or return information.

(5) "Tax administration" means the administration, management, conduct, direction and supervision of the execution and application of the tax laws of this state, and the development and formulation of tax policy relating to existing or proposed tax laws of this state, and includes assessment, collection, enforcement, litigation, publication and statistical gathering functions under such laws.

Sec. 92. Subsection (h) of section 12-62r of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(h) Nothing in this section shall change the assessment of apartment property created or converted by the Capital Region Development Authority created pursuant to section [20-601] 32-601. Such apartment property shall continue to be assessed as residential property.

Sec. 93. Subsection (h) of section 12-170aa of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

House Bill No. 5524

(h) Any person who is the owner of a residential dwelling on leased land, including any such person who is a sublessee under terms of the lease agreement applicable to such land, shall be entitled to claim tax relief under the provisions of this section, subject to all requirements therein except as provided in this subsection, with respect to property taxes paid by such person on the assessed value of such dwelling, provided (1) the dwelling is such person's principal place of residence, (2) such lease or sublease requires that such person as the lessee or sublessee, whichever is applicable, pay all property taxes related to the dwelling, and (3) such lease or sublease is recorded in the land records of the town.

Sec. 94. Subdivision (1) of subsection (d) of section 12-217qq of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(d) (1) A qualified small business may apply to the commissioner in accordance with the provisions of subdivision (2) of this subsection to exchange any credit allowed under subsection (b) of this section for a credit refund equal to the value of the credit. Any amount of credit refunded under this subsection shall be refunded to the qualified small business in accordance with the provisions of this chapter or chapter 207, as applicable. No interest shall be allowed or paid on any amount of credit refunded under this subsection. Any amount of credit refunded under this subsection shall be subject to the provisions of section [12-39h] 12-39g.

Sec. 95. Subdivision (5) of subsection (a) of section 12-217zz of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(5) Notwithstanding the provisions of subdivision (2) of this subsection, for income years commencing on or after January 1, 2024, the aggregate amount allowable of tax credits and any remaining credits

House Bill No. 5524

available under section 12-217j or 12-217n or subparagraph (B) of subdivision (4) of subsection (b) of section 12-217x, after tax credits are utilized in accordance with [said] subdivision (2) of this subsection shall not exceed seventy per cent of the amount of tax due from such taxpayer under this chapter with respect to any such income year of the taxpayer prior to the application of such credit or credits.

Sec. 96. Section 12-263x of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

The amount of any tax, penalty, interest or fee, due and unpaid under the provisions of sections 12-263q to 12-263v, inclusive, may be collected under the provisions of section 12-35. The warrant [provided under section 12-35] therein provided for shall be signed by the commissioner or the commissioner's authorized agent. The amount of any such tax, penalty, interest or fee shall be a lien on the real estate of the taxpayer from the last day of the month next preceding the due date of such tax until such tax is paid. The commissioner may record such lien in the records of any town in which the real estate of such taxpayer is situated but no such lien shall be enforceable against a bona fide purchaser or qualified encumbrancer of such real estate. When any tax or fee with respect to which a lien has been recorded under the provisions of this subsection has been satisfied, the commissioner shall, upon request of any interested party, issue a certificate discharging such lien, which certificate shall be recorded in the same office in which the lien was recorded. Any action for the foreclosure of such lien shall be brought by the Attorney General in the name of the state in the superior court for the judicial district in which the property subject to such lien is situated, or, if such property is located in two or more judicial districts, in the superior court for any one such judicial district, and the court may limit the time for redemption or order the sale of such property or make such other or further decree as it judges equitable. For purposes of section 12-39g, a fee under this section shall be treated as a tax.

House Bill No. 5524

Sec. 97. Subsections (d) to (f), inclusive, of section 12-294 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(d) Failure of the commissioner to mail the notice referred to in subsection (c) of this section shall release the successor or assignee from any further obligation to withhold the purchase price as provided in subsection (b) of this section. The period within which the obligation of the successor or assignee may be enforced shall commence on the date the distributor or dealer sells out his or her business or stock of goods or quits the business or on the date [that] the assessment against such distributor or dealer becomes final, whichever event occurs later, and shall end three years after such date.

(e) The certificate provided for in subsection (c) of this section may be issued after the payment of all amounts due under this chapter, according to the records of the department as of the date of the certificate, or after the payment of the amounts is secured to the satisfaction of the commissioner.

(f) The obligation of the successor or assignee shall be enforced by serving a notice of successor liability on the successor or assignee. [The] Any such notice shall be [served in the manner prescribed under section 12-309 for service of a notice of assessment,] issued not later than three years after the date the commissioner is notified by the successor or assignee of the purchase of the business or stock of goods. The successor or assignee may protest the assessment in the manner provided in section 12-311. [Sixty days after the date on which a notice of assessment is mailed, an assessment shall become final except for any amount as to which the successor or assignee has filed a written protest with the commissioner, as provided in section 12-311] Upon the issuance of an order by the commissioner pursuant to section 12-311, the successor or assignee may appeal such order in accordance with the provisions of section 12-312.

House Bill No. 5524

Sec. 98. Subsection (a) of section 12-309 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(a) (1) Each distributor and each dealer shall keep complete and accurate records of all cigarettes manufactured, produced, purchased and sold. Such records shall be of such kind and in such form as the Commissioner of Revenue Services may prescribe and shall be safely preserved for three years in such manner as to ~~[insure]~~ ensure permanency and accessibility for inspection by the commissioner and ~~[his]~~ the commissioner's authorized agents. The commissioner and ~~[his]~~ the commissioner's authorized agents may examine the books, papers and records of any distributor or dealer in this state for the purpose of determining whether the tax imposed by this chapter has been fully paid, and may investigate and examine the stock of cigarettes in or upon any premises where such cigarettes are possessed, stored or sold for the purpose of determining whether the provisions of this chapter are being obeyed.

(2) If, after an examination of the invoices, books and records of a licensed distributor or dealer, or if, from any other information obtained by ~~[him or his]~~ the commissioner or the commissioner's authorized agents, the commissioner determines that the report of any licensed distributor or licensed dealer is incorrect, and that the licensed distributor or licensed dealer has not purchased sufficient stamps to cover ~~[his]~~ such distributor's or dealer's receipts and sales or other disposition of unstamped cigarettes, ~~[he]~~ the commissioner shall thereupon assess the deficiency in tax. Such amount shall bear interest at the rate of one per cent per month or fraction thereof from the date when the original tax was due and payable. In any case where a licensed distributor or licensed dealer cannot produce evidence of sufficient stamp purchases to cover the receipt of unstamped cigarettes, it shall be presumed that such cigarettes were sold without having the proper

House Bill No. 5524

stamps affixed.

(3) When it appears that any part of the deficiency for which a deficiency assessment is made is due to negligence or intentional disregard of the provisions of this chapter or regulations promulgated thereunder, there shall be imposed a penalty equal to ten per cent of the amount of such deficiency assessment, or fifty dollars, whichever is greater. When it appears that any part of the deficiency for which a deficiency assessment is made is due to fraud or intent to evade the provisions of this chapter or regulations promulgated thereunder, there shall be imposed a penalty equal to twenty-five per cent of the amount of such deficiency assessment. No taxpayer shall be subject to more than one penalty under this subsection in relation to the same tax period.

(4) The amount of any tax, penalty or interest due and unpaid under the provisions of this chapter may be collected under the provisions of section 12-35. The warrant therein provided for shall be signed by the commissioner or [his] the commissioner's authorized agent. The amount of any such tax, penalty and interest shall be a lien, from the last day of the month next preceding the due date of such tax until discharged by payment, against all real estate of the taxpayer within the state, and a certificate of such lien signed by the commissioner may be filed for record in the office of the clerk of any town in which such real estate is situated, provided no such lien shall be effective as against any bona fide purchaser or qualified encumbrancer of any interest in any such property. When any tax with respect to which a lien has been recorded under the provisions of this section has been satisfied, the commissioner, upon request of any interested party, shall issue a certificate discharging such lien, which certificate shall be recorded in the same office in which the lien is recorded. Any action for the foreclosure of such lien shall be brought by the Attorney General in the name of the state in the superior court for the judicial district in which the property subject to such lien is situated, or, if such property is

House Bill No. 5524

located in two or more judicial districts, in the superior court for any one such judicial district, and the court may limit the time for redemption or order the sale of such property or make such other or further decree as it judges equitable.

Sec. 99. Section 12-311 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

Any person aggrieved by any action under this chapter of the commissioner or [his] the commissioner's authorized agent, for which hearing is not elsewhere provided, may apply to the commissioner for a hearing, in writing, [within] not later than sixty days after the notice of such action is delivered or mailed to [him, for a hearing] such person, setting forth the reasons why such hearing should be granted and the manner of relief sought. The commissioner shall promptly consider each such application and may grant or deny the hearing requested. If the hearing is denied, the applicant shall be notified thereof forthwith; if it is granted, the commissioner shall notify the applicant of the time and place fixed for such hearing. After such hearing, the commissioner may make such order in the premises as appears to [him] the commissioner just and lawful and shall furnish a copy of such order to the applicant. The commissioner may, by notice in writing, at any time, order a hearing on [his] the commissioner's own initiative and require the taxpayer or any other individual whom [he] the commissioner believes to be in possession of information concerning any manufacture, importation or sale of cigarettes [which] that have escaped taxation to appear before [him or his] the commissioner or the commissioner's authorized agent with any specific books of account, papers or other documents, for examination relative thereto.

Sec. 100. Subdivision (5) of subsection (e) of section 12-410 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

House Bill No. 5524

(5) For purposes of subdivision (1) of this subsection, the sale of services described in subdivision (37) of subsection (a) of section 12-407 shall be considered a sale for resale if such services are subsequently resold as an integral, inseparable component part of digital goods sold by the purchaser of the services to an ultimate consumer of the digital goods. The purchaser of the services described in subdivision (37) of subsection (a) of section 12-407 for resale shall maintain, in such form as the commissioner requires, records that substantiate: (A) From whom the services described in subdivision (37) of subsection (a) of section 12-407 were purchases and to whom the digital goods were sold, licensed, or leased, (B) the purchase prices of the services described in subdivision (37) of subsection (a) of section 12-407, and (C) the nature of the transaction with the ultimate consumer.

Sec. 101. Subdivision (1) of subsection (a) of section 12-418 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(a) (1) Any person against whom an assessment or a reassessment is made under section 12-414a, 12-415, 12-416 or 12-424 or any person directly interested may file a written protest not later than sixty days after service upon such person of notice thereof. If a [petition for reassessment] written protest is not filed within the sixty-day period, the assessment or reassessment becomes final at the expiration of the period.

Sec. 102. Subsection (f) of section 12-699 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(f) (1) Each person that is subject to the tax imposed under chapter 229 and is a member of an affected business entity shall be entitled to a credit against the tax imposed under said chapter, other than the [tax] liability imposed [under] by section 12-707. Such credit shall be in an

House Bill No. 5524

amount equal to such person's direct and indirect share of the tax due and paid under this section by any affected business entity of which such person is a member multiplied by eighty-seven and one-half per cent. If the amount of the credit allowed pursuant to this subdivision exceeds such person's tax liability for the tax imposed under said chapter, the commissioner shall treat such excess as an overpayment and, except as provided in section 12-739 or 12-742, shall refund the amount of such excess, without interest, to such person.

(2) Each person that is subject to the tax imposed under chapter 229 as a resident or a part-year resident of this state and is a member of an affected business entity shall also be entitled to a credit against the tax imposed under said chapter, other than the [tax] liability imposed [under] by section 12-707, for such person's direct and indirect share of taxes paid to another state of the United States or the District of Columbia, on income of any affected business entity of which such person is a member that is derived therefrom, provided the taxes paid to another state of the United States or the District of Columbia results from a tax that is substantially similar to the tax imposed under this section. Any such credit shall be calculated in a manner consistent with the provisions of section 12-704.

Sec. 103. Subdivisions (7) and (8) of section 7-425 of the 2024 supplement to the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(7) "Fund" [and] or "fund B" means the Connecticut Municipal Employees' Retirement Fund B;

(8) "Continuous service" [and] or "service" means active service as a member, or active service prior to becoming a member if such service (A) was in a department for which participation was subsequently accepted and not subsequently withdrawn, (B) was continuous to the date of becoming a member except service for which credit is granted

House Bill No. 5524

pursuant to section 7-436a, and (C) would have been as a member if the department had then been participating, all subject to the provisions of section 7-434;

Sec. 104. Subsection (c) of section 7-436 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(c) On and after January 1, 2002, except as provided in subsection (h) of this section, the following formula shall be used for the purpose of calculating the monthly allowance of each member covered by the Old Age and Survivors Insurance System on the first of the month after such member attains the age at which such member first becomes eligible to receive Social Security benefits or qualifies for a Social Security disability award, if earlier: One-twelfth of one and one-half per cent of such member's average annual pay for the three highest-paid years of service up to the breakpoint for the year in which such member separated from service, plus one-twelfth of two per cent of such member's final average annual pay in excess of the breakpoint for the year in which such member separated from service, multiplied by such member's years of retirement credit and fractions thereof. Such allowance shall be reduced in recognition of any optional form of retirement income elected in accordance with section 7-439g. For the purposes of this section, "breakpoint" has the same meaning as "year's breakpoint" as provided in section 5-192f.

Sec. 105. Subparagraph (G) of subdivision (1) of subsection (b) of section 7-439b of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(G) Each member of the Municipal Employees' Retirement Fund who retires on or after July 1, 2029, shall receive a cost of living adjustment beginning on the first July first following the completion of twelve months of retirement and on each subsequent July first. If the national

House Bill No. 5524

consumer price index for urban wage earners and clerical workers increases by two per cent or less for the twelve-month period immediately preceding any such adjustment, such adjustment shall equal the actual percentage change in such index. If the national consumer price index for urban wage earners and clerical workers increases by more than two per cent for the twelve-month period immediately preceding any such adjustment, such adjustment shall be equal to the higher of [(1)] (i) two per cent, or [(2)] (ii) sixty per cent of the amount of such increase for the first six per cent plus seventy-five per cent of the amount of such increase over six per cent, provided any such adjustment shall not exceed seven and one-half per cent. In the event a member who retires on or after July 1, 2029, becomes deceased, such cost of living adjustment shall be applied to the allowance of the annuitant, if any.

Sec. 106. Subdivision (2) of subsection (m) of section 45a-107 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(2) If a tax return or a copy of a tax return required under subparagraph (D) of subdivision (3) of subsection (b) of section 12-392 is not filed with a Probate Court by the due date for such return or copy under subdivision (1) of subsection (b) of section 12-392 or by the date an extension under subdivision [(4)] (6) of subsection (b) of section 12-392 expires, the fees that would have been due under this section if such return or copy had been filed by such due date or expiration date shall bear interest at the rate of one-half of one per cent per month or portion thereof from the date that is thirty days after such due date or expiration date, whichever is later, until paid. If a return or copy is filed with a Probate Court on or before such due date or expiration date, whichever is later, the fees assessed shall bear interest as provided in subdivision (1) of this subsection. No interest shall accrue under this subdivision on any portion of the fees that are based on damages recovered for injuries

House Bill No. 5524

resulting in death;

Sec. 107. Subsection (a) of section 1-2a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) For purposes of sections 1-206, [3-114i,] 4-147, 9-23g, 9-153b, 9-311, 9-608, 10-183g, 12-146, 20-429, 31-241, 31-248, 31-249a, 33-603, 33-663, 33-929, 33-1003, 33-1053, 33-1219, 38a-716 and 42-243 (1) any reference to the United States mail or a postmark shall be treated as including a reference to any delivery service designated by the Secretary of the Treasury of the United States pursuant to Section 7502 of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, (2) any reference to a postmark made by the United States Postal Service shall be treated as including a reference to any date recorded or marked in the manner described in said Section 7502 of said Internal Revenue Code by a designated delivery service, and (3) any equivalent of registered or certified mail designated by the Secretary of the Treasury of the United States pursuant to said Section 7502 of said Internal Revenue Code shall be included within the meaning of registered or certified mail.

Sec. 108. Section 17b-10b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The Commissioner of Social Services, pursuant to section 17b-10, may implement policies and procedures necessary to administer the provisions of sections [3-114r,] 17b-321, 17b-340a and 17b-340b, while in the process of adopting such policies and procedures in regulation form, provided the commissioner prints notice of intent to adopt regulations in the Connecticut Law Journal not later than twenty days after the date of implementation. Such policies and procedures shall remain valid for three years following the date of publication in the Connecticut Law

House Bill No. 5524

Journal unless otherwise provided for by the General Assembly. Notwithstanding the time frames established in subsection (c) of section 17b-10, the commissioner shall submit such policies and procedures in proposed regulation form to the legislative regulation review committee not later than three years following the date of publication of its intent to adopt regulations as provided for in this subsection. In the event that the commissioner is unable to submit proposed regulations prior to the expiration of the three-year time period as provided for in this subsection, the commissioner shall submit written notice, not later than thirty-five days prior to the date of expiration of such time period, to the legislative regulation review committee and the joint standing committees of the General Assembly having cognizance of matters relating to human services and appropriations and the budgets of state agencies indicating that the department will not be able to submit the proposed regulations on or before such date and shall include in such notice (1) the reasons why the department will not submit the proposed regulations by such date, and (2) the date by which the department will submit the proposed regulations. The legislative regulation review committee may require the department to appear before the committee at a time prescribed by the committee to further explain such reasons and to respond to any questions by the committee about the policy. The legislative regulation review committee may request the joint standing committee of the General Assembly having cognizance of matters relating to human services to review the department's policy, the department's reasons for not submitting the proposed regulations by the date specified in this section and the date by which the department will submit the proposed regulations. Said joint standing committee may review the policy, such reasons and such date, may schedule a hearing thereon and may make a recommendation to the legislative regulation review committee.

Sec. 109. Sections 3-114i and 3-114p to 3-114r, inclusive, of the general statutes are repealed. (*Effective from passage*)

House Bill No. 5524

Sec. 110. (NEW) (*Effective July 1, 2025*) (a) As used in this section, (1) "eligible organization" means a nonprofit youth sports organization that provides sports programs and sports activities primarily for children and young adults under eighteen years of age residing in a distressed municipality, and (2) "distressed municipality" has the same meaning as provided in section 32-9p of the general statutes.

(b) (1) There is established a youth sports grant program to provide grants to distressed municipalities for the support of eligible organizations in such municipalities. Such grants shall be disbursed by a distressed municipality to be used by eligible organizations for the expenses of operating sports programs and sports activities in such municipality, including, but not limited to, personnel, equipment, insurance, permits, training and facility fees, renovation of sports facilities and refurbishment of playing fields and to help defray or eliminate participant registration fees.

(2) Priority for grants under the program shall be given to sports programs and sports activities that (A) provide adaptive sports for children and young adults with disabilities, or (B) seek to foster improved outcomes in (i) mental health through social and emotional skills development, (ii) educational achievements through increased attendance and attainment, or (iii) community cohesion by strengthening cooperation, teamwork and leadership.

(3) Commencing with the fiscal year ending June 30, 2027, and annually thereafter, the Secretary of the Office of Policy and Management shall notify the chief elected official of each distressed municipality of the application period for grants under the program to be awarded in such fiscal year. Any such official may apply to the Secretary of the Office of Policy and Management for a grant, provided a new application shall be required each year such official wishes to apply. The application shall be in such form and manner as prescribed by the secretary and shall include information sufficient to allow the

House Bill No. 5524

secretary to consider the priority criteria set forth in subdivision (2) of this subsection.

(4) Each distressed municipality that is awarded a grant under this section shall, at the close of the fiscal year during which such grant was awarded, submit to the secretary a summary of each eligible organization to which program funds were disbursed and a description of the sports program or sports activity and related expenses for which such funds were used.

(c) Not later than January 1, 2029, and biennially thereafter, the Secretary of the Office of Policy and Management shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to children, education and finance, revenue and bonding, on the youth sports grant program for the preceding two fiscal years. The report shall include, but need not be limited to, for each fiscal year, (1) the amounts deposited in the youth sports grant account pursuant to subsection (a) of section 12-867 of the general statutes, (2) the municipalities that applied for a grant, the municipalities that were awarded a grant and the total amount of grants awarded, and (3) the summaries provided to the secretary under subdivision (4) of subsection (b) of this section.

(d) There is established an account to be known as the "youth sports grant account" which shall be a separate, nonlapsing account within the General Fund. The account shall contain any moneys required by law to be deposited in the account and may accept gifts, grants and donations from public or private sources. Moneys in the account shall be expended by the Secretary of the Office of Policy and Management for the purposes of providing grants to distressed municipalities in accordance with the provisions of this section.

Sec. 111. Subsection (a) of section 12-867 of the general statutes is

House Bill No. 5524

repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(a) (1) A master wagering licensee, if licensed to operate online sports wagering or retail sports wagering pursuant to section 12-852 or 12-853, shall pay to the state for deposit in the General Fund: Thirteen and three-quarters per cent of the gross gaming revenue from online or retail sports wagering authorized under section 12-852 or 12-853, as applicable. Each such licensee shall commence payments under this subsection not later than the fifteenth day of the month following the month that the operation of online or retail sports wagering commences under section 12-852 or 12-853, as applicable, and shall make payments not later than the fifteenth day of each succeeding month, while such retail or online sports wagering is conducted.

(2) For calendar months commencing on or after July 1, 2025, the commissioner shall deposit into the youth sports grant account established pursuant to section 110 of this act two per cent of the amounts received by the state under this section.

Sec. 112. Subdivision (4) of subsection (a) of section 12-217 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(4) Notwithstanding any provision of this section:

(A) Any excess of the deductions provided in this section for any income year commencing on or after January 1, 1973, over the gross income for such year or the amount of such excess apportioned to this state under the provisions of this chapter, shall be an operating loss of such income year and shall be deductible as an operating loss carry-over for operating losses incurred prior to income years commencing January 1, 2000, in each of the five income years following such loss year; [, and] for operating losses incurred in income years commencing on or after

House Bill No. 5524

January 1, 2000, and prior to January 1, 2025, in each of the twenty income years following such loss year; [] and for operating losses incurred in income years commencing on or after January 1, 2025, in each of the thirty income years following such loss; except that:

(i) For income years commencing prior to January 1, 2015, the portion of such operating loss that may be deducted as an operating loss carry-over in any income year following such loss year shall be limited to the lesser of (I) any net income greater than zero of such income year following such loss year, or in the case of a company entitled to apportion its net income under the provisions of this chapter, the amount of such net income that is apportioned to this state pursuant thereto, or (II) the excess, if any, of such operating loss over the total of such net income for each of any prior income years following such loss year, such net income of each of such prior income years following such loss year for such purposes being computed without regard to any operating loss carry-over from such loss year allowed under this subparagraph and being regarded as not less than zero, and provided further the operating loss of any income year shall be deducted in any subsequent year, to the extent available for such deduction, before the operating loss of any subsequent income year is deducted;

(ii) For income years commencing on or after January 1, 2015, the portion of such operating loss that may be deducted as an operating loss carry-over in any income year following such loss year shall be limited to the lesser of (I) fifty per cent of net income of such income year following such loss year, or in the case of a company entitled to apportion its net income under the provisions of this chapter, fifty per cent of such net income that is apportioned to this state pursuant thereto, or (II) the excess, if any, of such operating loss over the operating loss deductions allowable with respect to such operating loss under this subparagraph for each of any prior income years following such loss year, such net income of each of such prior income years

House Bill No. 5524

following such loss year for such purposes being computed without regard to any operating loss carry-over from such loss year allowed under this subparagraph and being regarded as not less than zero, and provided further the operating loss of any income year shall be deducted in any subsequent year, to the extent available for such deduction, before the operating loss of any subsequent income year is deducted; and

(iii) If a combined group so elects, the combined group shall relinquish fifty per cent of its unused operating losses incurred prior to the income year commencing on or after January 1, 2015, and before January 1, 2016, and may utilize the remaining operating loss carry-over without regard to the limitations prescribed in subparagraph (A)(ii) of this subdivision. The portion of such operating loss carry-over that may be deducted shall be limited to the amount required to reduce a combined group's tax under this chapter, prior to surtax and prior to the application of credits, to two million five hundred thousand dollars in any income year commencing on or after January 1, 2015. Only after the combined group's remaining operating loss carry-over for operating losses incurred prior to income years commencing January 1, 2015, has been fully utilized, will the limitations prescribed in subparagraph (A)(ii) of this subdivision apply. The combined group, or any member thereof, shall make such election on its return for the income year beginning on or after January 1, 2015, and before January 1, 2016, by the due date for such return, including any extensions. Only combined groups with unused operating losses in excess of six billion dollars from income years beginning prior to January 1, 2013, may make the election prescribed in this clause; and

(B) Any net capital loss, as defined in the Internal Revenue Code effective and in force on the last day of the income year, for any income year commencing on or after January 1, 1973, shall be allowed as a capital loss carry-over to reduce, but not below zero, any net capital

House Bill No. 5524

gain, as so defined, in each of the five following income years, in order of sequence, to the extent not exhausted by the net capital gain of any of the preceding of such five following income years; and

(C) Any net capital losses allowed and carried forward from prior years to income years beginning on or after January 1, 1973, for federal income tax purposes by companies entitled to a deduction for dividends paid under the Internal Revenue Code other than companies subject to the gross earnings taxes imposed under chapters 211 and 212, shall be allowed as a capital loss carry-over.

Sec. 113. Section 3 of public act 24-31 is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) As used in this section, "solar canopy" means an outdoor, shade-providing structure that hosts solar photovoltaic panels located above a parking or driving area, pedestrian walkway, courtyard, canal or other utilized surface that is installed in a manner that maintains the function of the area beneath the structure. "Solar canopy" includes any carport.

(b) Notwithstanding any provision of any municipal charter or ordinance, the planning commission, zoning commission or combined planning and zoning commission of each municipality [shall] may amend any regulations adopted pursuant to subsection (a) of section 8-2 of the general statutes to establish a simplified approval process for any application to build a solar canopy in such municipality.

(c) Notwithstanding any provision of any municipal charter or ordinance, the planning commission, zoning commission or combined planning and zoning commission of each municipality [shall] may approve or deny any land use application to build a solar canopy in such municipality not later than six months after the filing date of such application.

Sec. 114. Section 12-117a of the general statutes is repealed and the

House Bill No. 5524

following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) (1) Any person, including any lessee of real property whose lease has been recorded as provided in section 47-19 and who is bound under the terms of [his] such person's lease to pay real property taxes, claiming to be aggrieved by the action of the board of tax review or the board of assessment appeals, as the case may be, in any town or city may [, within] make application, not later than two months [from] after the date of the mailing of notice of such action, [make application,] in the nature of an appeal therefrom to the superior court for the judicial district in which such town or city is situated, which shall be accompanied by a citation to such town or city to appear before [said] such court. Such citation shall be signed by the same authority and such appeal shall be returnable at the same time and served and returned in the same manner as is required in case of a summons in a civil action. The authority issuing the citation shall take from the applicant a bond or recognizance to such town or city, with surety, to prosecute the application to effect and to comply with and conform to the orders and decrees of the court in the premises. Any such application shall be a preferred case, to be heard, unless good cause appears to the contrary, at the first session, by the court or by a committee appointed by the court. The pendency of such application shall not suspend an action by such town or city to collect not more than seventy-five per cent of the tax so assessed or not more than ninety per cent of such tax with respect to any real property for which the assessed value is five hundred thousand dollars or more, and upon which such appeal is taken. If, during the pendency of such appeal, a new assessment year begins, the applicant may amend [his] the application as to any matter therein, including an appeal for such new year, [which] that is affected by the inception of such new year and such applicant need not appear before the board of tax review or board of assessment appeals, as the case may be, to make such amendment effective.

House Bill No. 5524

(2) For any application made on or after July 1, 2022, under subdivision (1) of this subsection, if the assessed value of the real property that is the subject of such application is one million dollars or more and the application concerns the valuation of such real property, the applicant shall file with the court, not later than one hundred twenty days after making such application, an appraisal of the real property that is the subject of the application. Such appraisal shall be completed by an individual or a company licensed to perform real estate appraisals in the state. The court may extend the one-hundred-twenty-day period for good cause. If such appraisal is not timely filed, the court may dismiss the application, except that for any application made on or after July 1, 2022, but prior to July 1, 2024, that was dismissed due to such appraisal having been submitted to the assessor of the town or city in which such real property is situated rather than the court, the applicant may make another application with the court, provided the applicant (A) had provided notice to the court of such submission to the assessor, and (B) makes such application not later than September 1, 2024.

(b) The court shall have power to grant such relief as to justice and equity appertains, upon such terms and in such manner and form as appear equitable, and, if the application appears to have been made without probable cause, may tax double or triple costs, as the case appears to demand; and, upon all such applications, costs may be taxed at the discretion of the court. If the assessment made by the board of tax review or board of assessment appeals, as the case may be, is reduced by [said] the court, the applicant shall be reimbursed by the town or city for any overpayment of taxes, together with interest and any costs awarded by the court, or, at the applicant's option, shall be granted a tax credit for such overpayment, interest and any costs awarded by the court. Upon motion, [said] the court shall, in event of such overpayment, enter judgment in favor of such applicant and against such city or town for the whole amount of such overpayment, less any lien recording fees incurred under sections 7-34a and 12-176, together with interest and any

House Bill No. 5524

costs awarded by the court. The amount to which the assessment is so reduced shall be the assessed value of such property on the grand lists for succeeding years until the tax assessor finds that the value of the applicant's property has increased or decreased.

Sec. 115. Section 22a-284d of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

The funds possessed by the Materials Innovation and Recycling Authority, established pursuant to section 22a-260a, shall not constitute surplus revenues and shall be deemed necessary to provide support for the authority's properties systems and facilities, including any environmental remediation of such properties, systems and facilities. Such funds shall not be distributed or redistributed to the users of the authority's services. Users of the authority's services shall be liable for the environmental remediation costs of the authority's properties, systems and facilities if, and to the extent, any funds were distributed or redistributed by the authority to such users on or after January 1, 2023. For the period commencing upon the effective date of this section and ending on June 30, 2026, not more than six million dollars of any such funds expended for the purpose of tipping fee stabilization shall be reimbursed through the issuance of state bonds, provided the total issuance of state bonds for such funds shall not exceed thirteen million five hundred thousand dollars. On and after July 1, 2026, no such funds shall be utilized for the purpose of tipping fee stabilization.

Sec. 116. Subsection (a) of section 29-252 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) (1) The State Building Inspector and the Codes and Standards Committee shall, jointly, with the approval of the Commissioner of Administrative Services and in accordance with the provisions of

House Bill No. 5524

section 29-252b, adopt and administer a State Building Code based on a nationally recognized model building code for the purpose of regulating the design, construction and use of buildings or structures to be erected and the alteration of buildings or structures already erected and make such amendments thereto as they, from time to time, deem necessary or desirable. Such amendments shall be limited to administrative matters, geotechnical and weather-related portions of said code, amendments to said code necessitated by a provision of the general statutes and any other matter which, based on substantial evidence, necessitates an amendment to said code. The code shall be revised as deemed necessary to incorporate any subsequent revisions to the code not later than eighteen months following the date of first publication of such subsequent revisions to the code. The purpose of said Building Code shall also include, but not be limited to, promoting and ensuring that such buildings and structures are designed and constructed in such a manner as to conserve energy and, wherever practicable, facilitate the use of renewable energy resources, including provisions for electric circuits capable of supporting electric vehicle charging in any newly constructed residential garage in any code adopted after July 8, 2013. Said Building Code includes any code, rule or regulation incorporated therein by reference. As used in this subsection, "geotechnical" means any geological condition, such as soil and subsurface soil condition, which may affect the structural characteristics of a building or structure.

(2) In adopting amendments to the State Building Code pursuant to subdivision (1) of this subsection, the State Building Inspector, the Codes and Standards Committee and the Commissioner of Administrative Services shall consider that the housing shortage in the state compromises the safety of residents who cannot afford a safe home, and any such amendments shall encourage production of buildings that include safe housing and can be constructed at a reasonable cost.

House Bill No. 5524

Sec. 117. (NEW) (*Effective from passage*) The State Building Inspector and the Codes and Standards Committee shall, jointly, with the approval of the Commissioner of Administrative Services, in accordance with the provisions of section 29-252b of the general statutes, include in the amendments to the State Building Code next adopted after the effective date of this section, and the State Fire Marshal and the Codes and Standards Committee shall, in accordance with section 29-292a of the general statutes, include in the amendments to the Fire Safety Code next adopted after the effective date of this section, provisions that:

(1) Allow additional residential occupancies to be served safely by a single exit stairway, in such a way as to:

(A) Be consistent with safe occupancy and egress;

(B) Consider the experience of the cities of Seattle, New York City and Honolulu in implementing similar provisions;

(C) Apply to municipalities in which the fire service is sufficient to maintain safe occupancy and egress under such additional occupancies, if appropriate;

(D) Promote the inclusion of units with three or more bedrooms in building designs to promote construction of family-sized units, especially on smaller lots; and

(E) Allow additional stories above grade plane to be served by a single exit stairway in a building with an automatic sprinkler system, under such conditions as to ensure safe occupancy and egress. Such conditions may include, but need not be limited to, additional levels of fire and smoke separation and any features necessary to allow for firefighters to ascend a stair as occupants descend; and

(2) Encourage construction of safe three-unit and four-unit residential

House Bill No. 5524

buildings, which shall:

(A) Be consistent with safe occupancy and egress; and

(B) Include three-unit and four-unit residential buildings in the International Residential Code portion of the Connecticut State Building Code, or otherwise provide for requirements for three-unit and four-unit residential buildings in the International Building Code portion of the Connecticut State Building Code similar to those for one-unit and two-unit residential buildings in the International Residential Code portion of the Connecticut State Building Code, under such conditions as to ensure safe occupancy and egress.

Sec. 118. (NEW) (*Effective from passage*) (a) It is hereby declared that there exists concentrated poverty in the state that exacts a critical toll on poor and nonpoor residents of communities that house areas of concentrated poverty, which create lifelong and persistent disadvantages across generations by lowering the quality of educational and employment opportunities, limiting health care access and diminishing health outcomes, increasing exposure to crime, reducing available choices for affordable and properly maintained housing and imposing obstacles to wealth-building and economic mobility. It is further declared that the development and implementation of the ten-year plan under this section to eradicate concentrated poverty in the state are necessary and for the public benefit, as a matter of legislative determination.

(b) There is established an Office of Neighborhood Investment and Community Engagement within the Department of Economic and Community Development. Said office shall carry out the provisions of this section, overseeing the implementation of the ten-year plan developed pursuant to this subsection, monitoring the state's progress in reducing concentrated poverty in the state and serving as the facilitator to coordinate communication between the various parties and

House Bill No. 5524

disseminate information in a timely and efficient manner.

(c) (1) There is established a pilot program to implement the provisions of the ten-year plan developed pursuant to this section for participating concentrated poverty census tracts. Any concentrated poverty census tract or group of tracts (A) that is located in any of the four municipalities with the greatest number of concentrated poverty census tracts, and (B) for which community members have established a community development corporation pursuant to the provisions of section 32-7s of the general statutes, to assist the municipality in which such census tract or group of tracts is located in carrying out the municipality's responsibilities under this section and the ten-year plan developed for such census tract or group of tracts, shall be eligible to apply to participate in the program. Notwithstanding the provisions of subparagraph (A) of this subdivision, any municipality in which a concentrated poverty census tract or group of tracts is located and for which a community development corporation has been established as described under subparagraph (B) of this subdivision, or any such community development corporation, may apply to participate in the program. The Commissioner of Economic and Community Development shall issue a request for proposals for participation in the pilot program and select the applicant with the highest score. As used in this section, "concentrated poverty census tract" means a census tract identified as a high poverty-low opportunity census tract, as of January 1, 2024, by the Office of Policy and Management pursuant to section 32-7x of the 2024 supplement to the general statutes.

(2) (A) The Office of Neighborhood Investment and Community Engagement shall develop a plan for the pilot participating concentrated poverty census tract or group of tracts, as applicable, to eradicate, over ten years, the levels of concentrated poverty in the service area of the community development corporation, evidenced by a reduction, to twenty per cent or lower, in the percentage of households

House Bill No. 5524

who reside in such concentrated poverty census tract or group of tracts and have incomes below the federal poverty level, as well as sustained improvements in community infrastructure and other underlying conditions that serve to prolong concentrated poverty and economic inertia in such census tract or group of tracts. In developing such plan, said office shall consult with the Office of Community Economic Development Assistance established under section 32-7s of the general statutes, the Office of Workforce Strategy established under section 4-124w of the general statutes, the Office of Early Childhood, the Department of Education, the Office of Policy and Management, the applicable community development corporations serving the participating concentrated poverty census tract or group of tracts and the applicable municipal chief elected officials and any other public or private entity the Commissioner of Economic and Community Development deems relevant or necessary to achieving the purposes of this subsection.

(B) The ten-year plan shall include, but need not be limited to, (i) measurable steps to be taken for its implementation, the target date by which each such step is to be completed and the state or municipal official or state or municipal agency, department or division responsible for each such step, (ii) minimum state-wide averages for educational metrics, including, but not limited to, kindergarten-readiness, grade level reading and mathematics and college-readiness or career-readiness, to be used as benchmarks for improvements in such concentrated poverty census tract or group of tracts, as applicable, and (iii) the list of possible projects determined pursuant to subdivision (3) of this subsection.

(C) On or before June 1, 2025, the Commissioner of Economic and Community Development shall inform the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding, in writing, of the progress made to date in the

House Bill No. 5524

development of the ten-year plan. Not later than January 1, 2026, said commissioner shall submit such plan to the General Assembly, in accordance with the provisions of section 11-4a of the general statutes, and the Office of Neighborhood Investment and Community Engagement shall immediately commence overseeing the implementation of such plan.

(3) The Office of Neighborhood Investment and Community Engagement shall, jointly with the chief elected official of each applicable municipality and the community development corporation established to assist such municipality, develop a list of possible projects that will be included in the ten-year plan for the participating concentrated poverty census tract or group of tracts, as applicable, located in such municipality. Said office, official and corporation shall (A) determine the types of projects they deem to be the most appropriate and effective for such census tract or group of tracts to eradicate concentrated poverty within such census tract or group of tracts, including, but not limited to, capital projects, workforce development programs, housing development, community and neighborhood improvements and education initiatives to assist and support residents in meeting and surpassing the educational metrics described in subparagraph (B)(ii) of subdivision (2) of this subsection, and (B) take into account the criteria for projects eligible for grants under sections 32-7s of the general statutes, 32-7x of the general statutes and 32-285a of the general statutes.

(4) Not later than February 1, 2027, and annually thereafter, the Commissioner of Economic and Community Development shall submit a report to the General Assembly, the Office of Workforce Strategy, the Office of Early Childhood and the Office of Policy and Management, in accordance with the provisions of section 11-4a of the general statutes, that summarizes the progress being made by the Office of Neighborhood Investment and Community Engagement in

House Bill No. 5524

implementing the ten-year plan, the status of any projects pending or undertaken for the participating concentrated poverty census tract or group of tracts and any other information the commissioner or the Office of Neighborhood Investment and Community Engagement deems relevant or necessary.

(5) (A) Commencing with the calendar year 2027, not later than March first of said year and annually thereafter for the next two years, the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding shall hold an informational forum for the Commissioner of Economic and Community Development to present the contents of the submitted report and for other state officials, municipal officials, representatives of community development corporations serving participating concentrated poverty census tracts or groups of tracts and other interested parties to provide oral and written comments on the submitted report and the pilot program.

(B) Commencing with the calendar year 2030, said committee shall hold such informational forum every two years.

(d) On and after the date the ten-year plan is submitted to the General Assembly pursuant to subparagraph (C) of subdivision (2) of subsection (c) of this section, each state agency shall give priority to projects included in such ten-year plan with respect to any grants or funding programs such agency awards or administers and for which such projects may be eligible.

(e) Not later than January 1, 2029, the Commissioner of Economic and Community Development shall submit a recommendation to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding of (1) whether the pilot program should be expanded to all concentrated poverty census tracts or groups of tracts in the state for which a community development

House Bill No. 5524

corporation has been established as described under subparagraph (B) of subdivision (1) of subsection (c) of this section, and (2) any additional or alternative criteria to be considered for expansion of the pilot program to other economically disadvantaged census tracts that do not fall within the definition of a concentrated poverty census tract. If the commissioner recommends expansion under subdivision (1) of this subsection, the commissioner and the Office of Neighborhood Investment and Community Engagement shall immediately undertake such expansion.

(f) On and after July 1, 2027, if any state or municipal official responsible for carrying out a requirement or responsibility under the provisions of this section or a ten-year plan fails to do so in a timely manner, any community development corporation established as described under subparagraph (B) of subdivision (1) of subsection (c) of this section that was (1) selected pursuant to the request for proposals under subdivision (1) of subsection (c) of this section, (2) can demonstrate good faith efforts to effectuate the ten-year plan, and (3) is aggrieved by such failure may bring an action against such official in the superior court for the judicial district in which such census tract or group of tracts is located for a writ of mandamus to compel such official to carry out such requirement or responsibility.

Sec. 119. (*Effective from passage*) (a) (1) There is established a working group to develop a guidance document that establishes for the following areas a framework for (A) best practices and any specified initiatives or actions the working group believes will help mitigate the effects of concentrated poverty, and (B) any specific metrics to be incorporated into the ten-year plan developed pursuant to section 118 of this act to measure improvements in concentrated poverty census tracts, as defined in section 32-7x of the general statutes: (i) Education, including early childhood care and education; (ii) adult work skills development to reduce unemployment rates of residents within such concentrated

House Bill No. 5524

poverty census tracts; (iii) infrastructure, including, but not limited to, housing development and blight remediation; (iv) crime within such concentrated poverty census tracts, including, but not limited to, gun violence; and (v) any other areas the working group deems necessary or desirable to include to further the goals of section 118 of this act.

(2) The working group shall consult with any individual or entity to inform the development of the guidance document, including, but not limited to, state and national experts in the areas described in this subsection, representatives of academia with expertise in the areas described in this subsection, advocacy organizations, law enforcement representatives, state agencies and quasi-public agencies.

(b) The working group shall consist of the following members: (1) One appointed by the speaker of the House of Representatives and one appointed by the president pro tempore of the Senate, each of whom is a member of the General Assembly; (2) one appointed by the majority leader of the House of Representatives and one appointed by the majority leader of the Senate, each of whom shall be a member of the General Assembly; (3) one appointed by the minority leader of the House of Representatives and one appointed by the minority leader of the Senate, each of whom shall be a member of the General Assembly; and (4) one appointed by the chairperson of the Black and Puerto Rican Caucus of the General Assembly, who shall be a member of said caucus.

(c) All initial appointments to the working group shall be made not later than thirty days after the effective date of this section. Any vacancy shall be filled by the appointing authority.

(d) The speaker of the House of Representatives and the president pro tempore of the Senate shall select the chairpersons of the working group from among the members of the working group. Such chairpersons shall schedule the first meeting of the working group, which shall be held not later than sixty days after the effective date of

House Bill No. 5524

this section. A majority of the working group shall constitute a quorum for the transaction of any business.

(e) The administrative staff of the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding shall serve as administrative staff of the working group.

(f) (1) Not later than April 1, 2025, the working group shall submit the guidance document developed pursuant to subsection (a) of this section to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding, in accordance with the provisions of section 11-4a of the general statutes. Not later than thirty days after such submission, said committee shall vote to approve or modify such guidance document, provided any modification to such guidance document shall be provided to the members of said committee prior to such vote. If said committee fails to vote within the thirty-day period set forth in this subdivision, the guidance document shall be deemed approved. The working group shall terminate on the date the guidance document or modified guidance document, as applicable, is approved or deemed approved.

(2) Upon the approval of the guidance document or a modified guidance document, the Office of Neighborhood Investment and Community Engagement shall incorporate such document in the ten-year plan developed by said office pursuant to subdivision (2) of subsection (c) of section 118 of this act.

Sec. 120. Section 32-7s of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in this section:

(1) "Certified community development corporation" means an organization exempt from taxation under Section 501(c)(3) of the

House Bill No. 5524

Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, that (A) focuses a substantial majority of the community development corporation's efforts on serving one or more target areas, (B) has as its purpose to engage local residents and businesses to work together to undertake community development programs, projects and activities that develop and improve urban communities in sustainable ways that create and expand economic opportunities for low and moderate-income people, (C) demonstrates to the Office of Community Economic Development Assistance established under subsection (b) of this section that the community development corporation's constituency is meaningfully represented on the board of directors of such community development corporation, through (i) the percentage of the board members who are residents of a target area or a community that such community development corporation serves or seeks to serve, (ii) the percentage of board members who are low or moderate-income, (iii) the racial and ethnic composition of the board in comparison to the racial and ethnic composition of the community such community development corporation serves or seeks to serve, or (iv) the use of mechanisms such as committees or membership meetings that the community development corporation uses to ensure that its constituency has a meaningful role in the governance and direction of the community development corporation, and (D) is certified by the Office of Community Economic Development Assistance pursuant to this section;

(2) "Department" means the Department of Economic and Community Development; and

(3) "Target area" means a contiguous geographic area in which the current unemployment rate exceeds the state unemployment rate by at least twenty-five per cent or in which the mean household income is at or below eighty per cent of the state mean household income, as

House Bill No. 5524

determined by the most recent decennial census.

(b) (1) There is established an Office of Community Economic Development Assistance within the Department of Economic and Community Development. The office shall, within available appropriations, (A) provide assistance to organizations seeking to establish themselves or be certified as a community development corporation in the state, (B) provide grants to certified community development corporations for projects to be undertaken in a target area, (C) serve as the liaison between community development corporations and investors seeking to invest funds in such community development corporations and provide assistance in soliciting investment funds for such community development corporations, and (D) seek to ensure coordinated, efficient and timely responses to such organizations, community development corporations and investors.

(2) The office shall identify eligible target areas in the state and post such target areas on the department's Internet web site.

(c) (1) Any organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, may apply to the Office of Community Economic Development Assistance to establish itself as or be certified as a community development corporation in the state. The office shall prescribe the form and manner of such application.

(2) (A) Any existing community development corporation that operates or seeks to operate in the state may apply to the office to be certified. The office shall certify any community development corporation that is exempt from taxation under Section 501(c)(3) of said Internal Revenue Code and meets the requirements set forth in subparagraphs (A) to (C), inclusive, of subdivision (1) of subsection (a) of this section. Each community development corporation that is

House Bill No. 5524

established pursuant to this subsection shall be deemed to be certified.

(B) The office shall maintain a current list of certified community development corporations and shall post such list on the Internet web site of the department.

(3) The Office of Community Economic Development Assistance shall establish a grant program for projects to be undertaken by a certified community development corporation in a target area, provided, on and after the date the ten-year plan developed under section 118 of this act is submitted to the General Assembly, the office shall give priority to projects included in such plan. Such projects shall include, but not be limited to, infrastructure improvements, housing rehabilitation, streetscape improvements and facade improvements for businesses. The office shall establish the application form and process for such grant program, the criteria for eligible projects and for awarding grants and any caps or limits on the amount or number of grants awarded. The office shall post information concerning the grant program on the department's Internet web site.

(d) (1) For the purposes described in subdivision (2) of this subsection, the State Bond Commission shall have the power from time to time to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate fifty million dollars.

(2) The proceeds of the sale of such bonds, to the extent of the amount stated in subdivision (1) of this subsection, shall be used by the Department of Economic and Community Development for the purposes of carrying out the duties of the Office of Community Economic Development Assistance under subsection (b) of this section and the grant program under subsection (c) of this section.

(3) All provisions of section 3-20, or the exercise of any right or power

House Bill No. 5524

granted thereby, that are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section. Temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of such bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization that is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Such bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on such bonds as the same become due, and accordingly and as part of the contract of the state with the holders of such bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

(e) Not later than July 1, 2023, and annually thereafter, the Office of Community Economic Development Assistance shall submit a report, in accordance with the provisions of section 11-4a, to the joint standing committees of the General Assembly having cognizance of matters relating to commerce, planning and development and finance, revenue and bonding. Such report shall include, but not be limited to, a description of the activities undertaken by the office in the preceding fiscal year, the number of community development corporations established and certified in the preceding fiscal year, the number and amounts of grants awarded to certified community development corporations in the preceding fiscal year and a description and the

House Bill No. 5524

locations of the projects undertaken by certified community development corporations in the preceding fiscal year.

Sec. 121. Section 32-7x of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in this section, ["high poverty-low opportunity census tract"] "concentrated poverty census tract" means a United States census tract in which thirty per cent or more of the [residents] households within such census tract have incomes below the federal poverty level, according to the most recent five-year United States Census Bureau American Community Survey.

(b) The Secretary of the Office of Policy and Management shall compile a list of [high poverty-low opportunity] concentrated poverty census tracts in the state and the municipalities in which such census tracts are located and shall, not later than July 31, 2023, submit such list to the General Assembly in accordance with the provisions of section 11-4a. The secretary shall post such list to the Internet web site of the Office of Policy and Management and shall review and update such list as necessary. Whenever the secretary updates such list, the secretary shall submit such updated list to the General Assembly in accordance with the provisions of section 11-4a.

(c) (1) The Commissioner of Economic and Community Development shall establish a grant program to fund eligible projects within [high poverty-low opportunity] concentrated poverty census tracts. An eligible project shall seek to reduce concentrated poverty within such tracts and the effects of such poverty, including, but not limited to, the lower lifetime income of residents within such tracts, the lower lifetime income expectations of future generations within such tracts, increased crime and risk of incarceration for residents within such tracts and educational deficiencies within such tracts. An eligible project includes:

House Bill No. 5524

(A) Construction, renovation or rehabilitation of mixed-income rental housing and owner-occupied housing, in order to retain individuals and families of different income levels and to increase the percentage of owner-occupied housing within such census tract or tracts;

(B) The establishment or improvement of workforce development programs, including, but not limited to, programs that partner with organizations to identify unemployed or underemployed individuals and at-risk youth residing in such census tracts, identify workforce training opportunities and other resources for such individuals and link such individuals with the appropriate training and resources that will increase the skills and earning potential of such individuals; and

(C) Construction, renovation or rehabilitation of public infrastructure, in order to support and improve the private investment opportunities, quality of life and public safety within such census tract or tracts.

(2) Beginning on January 1, 2024, and not later than January 1, 2030, each municipality in which a [high poverty-low opportunity] concentrated poverty census tract is located may apply to the commissioner, in a form and manner prescribed by the commissioner, to receive a grant for an eligible project or any combination of eligible projects. An application may target one [high poverty-low opportunity] concentrated poverty census tract or more than one such census tract if such census tracts are geographically contiguous or within reasonable proximity of each other. An applicant shall not be prohibited from filing more than one application for different [high poverty-low opportunity] concentrated poverty census tracts or groups of such census tracts.

(d) (1) Not later than January 1, 2024, the commissioner shall establish criteria for the awarding of grants as described in subdivision (2) of this subsection, requirements for documents and information as described in subdivision [(3)] (4) of this subsection and deadlines for submitting

House Bill No. 5524

applications and revised and modified applications under subsection (e) of this section. The commissioner shall post such criteria, requirements and deadlines on the Internet web site of the Department of Economic and Community Development, notify each municipality in which a [high poverty-low opportunity] concentrated poverty census tract is located of such posting and promote the availability of the grant program established by this section in each [high poverty-low opportunity] such census tract.

(2) Criteria for the awarding of grants pursuant to this section shall include, but need not be limited to:

(A) The likelihood that a proposal will reduce adult or child poverty within a [high poverty-low opportunity] concentrated poverty census tract;

(B) The likelihood that a proposal will reduce the likelihood that children currently residing within a [high poverty-low opportunity] concentrated poverty census tract will live in poverty after reaching adulthood;

(C) The likelihood that a proposal will produce persistent and meaningful improvements in residents' wealth, financial security, employability or quality of life beyond the duration of the proposal;

(D) The feasibility of the initiatives in a proposal and the demonstrated or perceived capacity to execute upon the scope of work in a proposal, including, but not limited to, adequate staffing levels of entities involved with the proposal; and

(E) The interconnectivity and mutual reinforcement among all proposed initiatives in the same [high poverty-low opportunity] concentrated poverty census tract area or areas, such as providing workforce training programs to parents of children enrolled in a supported early childhood program.

House Bill No. 5524

(3) On and after the date the ten-year plan developed under section 118 of this act is submitted to the General Assembly, priority shall be given to projects included in such plan.

[(3)] (4) Requirements for documents and information to be submitted by municipalities to evaluate applications shall include, but need not be limited to:

(A) A description of how the proposal intends to address each type of eligible project described in subparagraphs (A) to (C), inclusive, of subdivision (1) of subsection (c) of this section, and whether there are existing projects or programs to address such eligible projects;

(B) A description of each initiative within the proposal, which may include multiple simultaneous initiatives, and how each initiative will meet one of the criteria established pursuant to subdivision (2) of this subsection;

(C) A description of sufficient efforts, as determined by the commissioner, to engage residents of the [high poverty-low opportunity] concentrated poverty census tract in formulating a proposal;

(D) For an initiative that is an eligible project described in subparagraph (B) of subdivision (1) of subsection (c) of this section, a description of the municipality's consultations with the regional workforce development board that serves the municipality regarding the development of such project and efforts to coordinate such project with the board's activities;

(E) A description of each organization that will participate in an eligible project described in subparagraph (B) of subdivision (1) of subsection (c) of this section, and information on each organization's commitment to provide continuous, sustained engagement with residents of such tract throughout the project;

House Bill No. 5524

(F) A description of the entity or organization responsible for coordinating the implementation of each component of the application and overseeing the various projects and programs outlined in such application;

(G) A description of plans for ongoing engagement with residents of such census tracts and solicitation of feedback on the progress of a proposal during its implementation; and

(H) A description of plans to provide residents of such census tract with opportunities to become involved in implementation of a proposal.

(e) (1) The department shall review and evaluate each application submitted and shall work with the applicant municipality to revise the application if the department believes such revisions will improve or strengthen the application. The department shall assist an applicant in identifying and applying for funding under other programs in order to maximize the amount of funding available for an applicant, including seeking funding under section 4-66c. For a proposal for an eligible project described in subparagraph (A) of subdivision (1) of subsection (c) of this section, the commissioner shall evaluate such project in consultation with the Commissioner of Housing and the Commissioner of Housing shall assist the applicant with obtaining funding for such project through programs operated by the Department of Housing.

(2) The commissioner shall submit to the Governor all applications that are deemed to satisfy the requirements of subsection (d) of this section. The Governor shall review such applications and may approve or disapprove an application or return an application to the commissioner for modifications. If an application is returned to the commissioner, the commissioner shall work with the applicant to modify the application and shall resubmit such application with modifications to the Governor. If the Governor approves an application, the Governor shall make a grant award from bond proceeds under

House Bill No. 5524

section 32-7y, provided the Governor may use funds from other bond proceeds authorized for the general purposes described in subparagraphs (A) to (C), inclusive, of subdivision (1) of subsection (c) of this section for such grants. Grants awarded under this section shall be for a period of three years, and in an amount sufficient to carry out the objectives of the application, but not less than five hundred thousand dollars. Each application that the Governor approves shall be considered at a State Bond Commission meeting not later than two months after the date the application was approved by the Governor.

(f) At the conclusion of the initial grant period, the commissioner shall evaluate the municipality's progress toward reducing the number of [residents] households within the applicable [high poverty-low opportunity] concentrated poverty census tract who have incomes below the federal poverty level to less than thirty per cent of the [residents] households of such census tract. Such evaluation shall consider, among other factors, any change in the percentage of [residents] households within such census tract who have incomes below the federal poverty level, and whether the actions taken pursuant to such grant during the initial grant period: (1) May reasonably result in a future reduction in the percentage of [residents] households within such census tract who have incomes below the federal poverty level, (2) have resulted in a reduction in child poverty within such census tract, (3) may reasonably result in a future reduction in child poverty within such census tract, or (4) may reasonably decrease the likelihood that children who are currently living within such census tract will have incomes below the federal poverty level after they reach adulthood. Upon a determination by the commissioner that reasonable progress has been made, the municipality shall be eligible for subsequent grants under this section, provided, at the conclusion of each subsequent grant period of three years, each applicant municipality shall be subject to an evaluation and determination under this subsection prior to being eligible to apply for a subsequent grant. An application for a subsequent

House Bill No. 5524

grant and the awarding of a subsequent grant shall be in accordance with the provisions of subsections (c) to (e), inclusive, of this section.

(g) Not later than August 1, 2024, and annually thereafter until and including August 1, 2029, the commissioner shall submit a report, in accordance with the provisions of section 11-4a, to the General Assembly, that includes the municipalities that submitted applications and that were awarded grants under this section in the prior fiscal year, a description of each purpose and eligible project a municipality awarded a grant under this section is seeking to accomplish or undertaking, a progress report, if applicable, for each such purpose or eligible project and any other information the commissioner deems relevant.

Sec. 122. Section 32-285a of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in this section:

(1) "Administrative costs" means the costs paid or incurred by the administrator of the Community Investment Fund 2030 Board established under subsection (b) of this section, including, but not limited to, allocated staff costs and other out-of-pocket costs attributable to the administration and operation of the board;

(2) "Administrator" means the Commissioner of Economic and Community Development, or the commissioner's designee;

(3) "Eligible project" means:

(A) (i) A project proposed by a municipality, community development corporation or nonprofit organization, for the purpose of promoting economic or community development in the municipality or a municipality served by such corporation or organization, such as

House Bill No. 5524

brownfield remediation, affordable housing, establishment of or improvements to water and sewer infrastructure to support smaller scale economic development, pedestrian safety and traffic calming improvements, establishment of or improvements to energy resiliency or clean energy projects and land acquisition and capital projects to construct, rehabilitate or renovate buildings and structures to facilitate or improve home rehabilitation programs and facilities such as libraries and senior centers; or

(ii) A grant-in-aid proposed by a municipality, community development corporation or nonprofit organization for the purpose of providing (I) a revolving loan program, microloans or gap financing, to small businesses located within such municipality or a municipality served by such corporation or organization, or (II) start-up funds to establish a small business in any such municipality; and

(B) Such project or grant-in-aid furthers consistent and systematic fair, just and impartial treatment of all individuals, including individuals who belong to underserved and marginalized communities that have been denied such treatment, such as Black, Latino and indigenous and Native American persons; Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender and queer persons and other persons comprising the LGBTQ+ community; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality; and

(4) "Municipality" means a municipality designated as a public investment community pursuant to section 7-545 or as an alliance district pursuant to section 10-262u.

(b) (1) There is established a Community Investment Fund 2030 Board, which shall be within the Department of Economic and Community Development. The board shall consist of the following

House Bill No. 5524

members:

(A) The speaker of the House of Representatives and the president pro tempore of the Senate;

(B) The majority leader of the House of Representatives, the majority leader of the Senate, the minority leader of the House of Representatives and the minority leader of the Senate;

(C) One appointed by the speaker of the House of Representatives and one appointed by the president pro tempore of the Senate, each of whom shall be a member of the Black and Puerto Rican Caucus of the General Assembly;

(D) The two chairpersons of the general bonding subcommittee of the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding;

(E) Two appointed by the Governor; and

(F) The Secretary of the Office of Policy and Management, the Attorney General, the Treasurer, the Comptroller, the Secretary of the State and the Commissioners of Economic and Community Development, Administrative Services, Social Services and Housing, or their designees.

(2) All initial appointments shall be made not later than sixty days after June 30, 2021. The terms of the members appointed by the Governor shall be coterminous with the term of the Governor or until their successors are appointed, whichever is later. Any vacancy in appointments shall be filled by the appointing authority. Any vacancy occurring other than by expiration of term shall be filled for the balance of the unexpired term.

(3) Notwithstanding any provision of the general statutes, it shall not

House Bill No. 5524

constitute a conflict of interest for a trustee, director, partner, officer, stockholder, proprietor, counsel or employee of any person to serve as a member of the board, provided such trustee, director, partner, officer, stockholder, proprietor, counsel or employee abstains and absents himself or herself from any deliberation, action and vote by the board in specific respect to such person. The members appointed by the Governor shall be deemed public officials and shall adhere to the code of ethics for public officials set forth in chapter 10.

(4) The speaker of the House of Representatives and the president pro tempore of the Senate shall serve as the chairpersons of the board and shall schedule the first meeting of the board, which shall be held not later than January 1, 2022. The board shall meet at least quarterly.

(5) Eleven members of the board shall constitute a quorum for the transaction of any business.

(6) The members of the board shall serve without compensation, but shall, within the limits of available funds, be reimbursed for expenses necessarily incurred in the performance of their duties.

(7) The board shall have the following powers and duties: (A) Review eligible projects to be recommended to the Governor under subsection (c) of this section for approval; (B) establish bylaws to govern its procedures; (C) review and provide comments to the Department of Economic and Community Development on projects funded through the state's Economic Action Plan as provided under section 32-4p; and (D) perform such other acts as may be necessary and appropriate to carry out its duties described in this section.

(8) The administrator shall hire such employee or employees as may be necessary to assist the board to carry out its duties described in this section.

(c) (1) The Community Investment Fund 2030 Board shall establish

House Bill No. 5524

an application and review process with guidelines and terms for funds provided from the bond proceeds under subsection (d) of this section for eligible projects. Such funds shall be used for costs related to an eligible project recommended by the board and approved by the Governor pursuant to this subsection but shall not be used to pay or to reimburse the administrator for administrative costs under this section. The Department of Economic and Community Development shall pay for administrative costs within available appropriations.

(2) The chairpersons of the board shall notify the chief elected official of each municipality when the application and review process has been established and shall publicize the availability of any funds available under this section. Each such official or any community development corporation or nonprofit organization may submit an application to the board requesting funds for an eligible project. The board shall meet to consider applications submitted and determine which, if any, the board will recommend to the Governor for approval.

(3) (A) The board shall give priority to eligible projects (i) that are proposed by a municipality that (I) has implemented local hiring preferences pursuant to section 7-112, or (II) has or will leverage municipal, private, philanthropic or federal funds for such project, [and] (ii) that have a project labor agreement or employ or will employ ex-offenders or individuals with physical, intellectual or developmental disabilities, and (iii) on and after the date the ten-year plan developed under section 118 of this act is submitted to the General Assembly, that are included in such plan. The board shall give additional priority to an application submitted by a municipality that includes a letter of support for the proposed eligible project from a member or members of the General Assembly in whose district the eligible project is or will be located.

(B) In evaluating applications for an eligible project described in subparagraph (A)(ii) of subdivision (3) of subsection (a) of this section,

House Bill No. 5524

the board shall (i) evaluate the risk of default on the repayment of a proposed loan or financing, (ii) consider the impact of the eligible project on job creation or retention in the municipality, (iii) consider the impact of the eligible project on blighted properties in the municipality, and (iv) consider the overall impact of the eligible project on the community. The board shall not recommend any proposed loan or financing under subparagraph (A)(ii) of subdivision (3) of subsection (a) of this section for which the interest rate varies from the prevailing market rate.

(4) (A) Whenever the board deems it necessary or desirable, the chairpersons of the board shall submit to the Governor a list of the board's recommendations of eligible projects to be funded from bond proceeds under subsection (d) of this section. The board may recommend state funding for eligible projects, provided the total cost of such recommendations shall not exceed one hundred seventy-five million dollars in any fiscal year. Such list shall include, at a minimum:

(i) For each eligible project described in subparagraph (A)(i) of subdivision (3) of subsection (a) of this section, a description of such project, the municipality in which such project is located, the amount of funds sought for such project, any cost estimates for such project, any schematics or plans for such project, the total estimated project costs and the applicable fiscal year to which such disbursement will be attributed; and

(ii) For each eligible project described in subparagraph (A)(ii) of subdivision (3) of subsection (a) of this section, a description of and specific terms for any proposed loans, financing or start-up funds to be provided from such grant-in-aid, the types of small businesses located or to be located in the municipality that may be eligible for such loan, financing or start-up funds, the amount of the grant-in-aid sought and the applicable fiscal year to which such disbursement will be attributed.

House Bill No. 5524

(B) The Governor shall review the eligible projects on the list and may recommend changes to any eligible project on the list. The Governor shall determine the most appropriate method of funding for each eligible project and shall provide to the members of the board, in writing, such determination for each eligible project on the list and the reasons therefor. The board may reconsider at a future meeting any eligible project for which the Governor recommends a change. Each eligible project for which the Governor recommends the allocation of bond funds shall be considered at a State Bond Commission meeting not later than two months after the date such eligible project was submitted to the Governor pursuant to subparagraph (A) of this subdivision.

(5) Funds for an eligible project approved under this section may be administered on behalf of the board by a state agency, as determined by the Secretary of the Office of Policy and Management, provided a memorandum of understanding between the administrator of the Community Investment Fund 2030 Board and the state, acting by and through the Secretary of the Office of Policy and Management, has been entered into with respect to such funds and project.

(6) Not later than August 31, 2023, the board shall submit a report, in accordance with the provisions of section 11-4a, to the General Assembly, the Black and Puerto Rican caucus of the General Assembly, the Auditors of Public Accounts and the Governor, for the preceding fiscal year, that includes (A) a list of the eligible projects recommended by the board and approved by the Governor pursuant to this section, (B) the total amount of funds provided for such eligible projects, (C) for each such eligible project, a description of the project and the amounts and terms of the funds provided, (D) the status of the project and any balance remaining of the allocated funds, and (E) any other information the board deems relevant or necessary. The board shall submit such report annually for each fiscal year in which the funds specified in subparagraph (A) of subdivision (3) of this subsection are disbursed for

House Bill No. 5524

eligible projects.

(7) The Auditors of Public Accounts shall audit, on a biennial basis, all eligible projects funded under this section and shall report their findings to the Governor, the Secretary of the Office of Policy and Management and the General Assembly.

(d) (1) The State Bond Commission may authorize the issuance of bonds of the state, in accordance with the provisions of section 3-20, in principal amounts not exceeding in the aggregate eight hundred seventy-five million dollars. The amount authorized for the issuance and sale of such bonds in each of the following fiscal years shall not exceed the following corresponding amount for each such fiscal year, except that, to the extent the State Bond Commission does not provide for the use of all or a portion of such amount in any such fiscal year, such amount not provided for shall be carried forward and added to the authorized amount for the next succeeding fiscal year, and provided further, the costs of issuance and capitalized interest, if any, may be added to the capped amount in each fiscal year, and each of the authorized amounts shall be effective on July first of the fiscal year indicated as follows:

Fiscal Year Ending June 30,	Amount
2023	\$175,000,000
2024	175,000,000
2025	175,000,000
2026	175,000,000
2027	175,000,000
Total	\$875,000,000

(2) The proceeds of the sale of bonds set forth in this subsection shall be used for the purpose of funding eligible projects for which the Governor has determined under subsection (c) of this section that bond funding is appropriate and that no other bond authorization is available.

House Bill No. 5524

(e) (1) Upon the agreement of the Governor and the Community Investment Fund 2030 Board, and subsequent to the adoption of a resolution by the General Assembly affirming the reauthorization of the board and the program provided for under this section, the State Bond Commission may authorize the issuance of bonds of the state, in accordance with the provisions of section 3-20, in principal amounts not exceeding in the aggregate one billion two hundred fifty million dollars. The amount authorized for the issuance and sale of such bonds in each of the following fiscal years shall not exceed the following corresponding amount for each such fiscal year, except that, to the extent the State Bond Commission does not provide for the use of all or a portion of such amount in any such fiscal year, such amount not provided for shall be carried forward and added to the authorized amount for the next succeeding fiscal year, and provided further, the costs of issuance and capitalized interest, if any, may be added to the capped amount in each fiscal year, and each of the authorized amounts shall be effective on July first of the fiscal year indicated as follows:

Fiscal Year Ending June 30,	Amount
2028	\$250,000,000
2029	250,000,000
2030	250,000,000
2031	250,000,000
2032	250,000,000
Total	\$1,250,000,000

(2) The proceeds of the sale of bonds set forth in this subsection shall be used for the purpose of funding eligible projects for which the Governor has determined under subsection (c) of this section that bond funding is appropriate and that no other bond authorization is available.

(f) All provisions of section 3-20, or the exercise of any right or power granted thereby, that are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission pursuant to this section. Temporary notes

House Bill No. 5524

in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section, and from time to time renewed. All bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the Treasurer shall pay such principal and interest as the same become due.

Sec. 123. Section 32-7t of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in this section:

(1) "Commissioner" means the Commissioner of Economic and Community Development;

(2) "Discretionary FTE" means an FTE that is paid qualified wages and does not meet the threshold wage requirements to be a qualified FTE but is approved by the commissioner pursuant to subdivision (4) of subsection (c) of this section;

(3) "Distressed municipality" has the same meaning as provided in section 32-9p;

(4) "Full-time equivalent" or "FTE" means the number of employees employed at a qualified business, calculated in accordance with subsection (d) of this section;

(5) "Full-time job" means a job in which an employee is required to work at least thirty-five or more hours per week. "Full-time job" does not include a temporary or seasonal job;

House Bill No. 5524

(6) "Intellectual disability" has the same meaning as provided in section 1-1g;

(7) "Median household income" means the median annual household income for residents in a municipality as calculated from the U.S. Census Bureau's five-year American Community Survey or another data source, at the sole discretion of the commissioner;

(8) "New employee" means a person or persons hired by the qualified business to fill a full-time equivalent position. A new employee does not include a person who was employed in this state by a related person with respect to the qualified business within twelve months prior to a qualified business's application to the commissioner for a rebate allocation notice for a job creation rebate pursuant to subsection (c) of this section;

(9) "New FTEs" means the number of FTEs that (A) did not exist in this state at the time of a qualified business's application to the commissioner for a rebate allocation notice for a job creation rebate pursuant to subsection (c) of this section, (B) are not the result of FTEs acquired due to a merger or acquisition, (C) are filled by a new employee, (D) are qualified FTEs, and (E) are not FTEs hired to replace FTEs that existed in the state after January 1, 2020. The commissioner may issue guidance on the implementation of this definition;

(10) "New FTEs created" means the number of new FTEs that the qualified business is employing at a point-in-time at the end of the relevant time period;

(11) "New FTEs maintained" means the total number of new FTEs employed throughout a relevant time period;

(12) "Opportunity zone" means a population census tract that is a low-income community that is designated as a "qualified opportunity zone" pursuant to the Tax Cuts and Jobs Act of 2017, P.L. 115-97, as

House Bill No. 5524

amended from time to time;

(13) "Part-time job" means a job in which an employee is required to work less than thirty-five hours per week. "Part-time job" does not include a temporary or seasonal job;

(14) "Qualified business" means a person that is (A) engaged in business in an industry related to finance, insurance, manufacturing, clean energy, bioscience, technology, digital media or any similar industry, as determined by the sole discretion of the commissioner, and (B) subject to taxation under chapter 207, 208 or 228z;

(15) "Qualified FTE" means an FTE who is paid qualified wages of at least eighty-five per cent of the median household income for the location where the FTE position is primarily located, scaled in proportion to the FTE fraction, or thirty-seven thousand five hundred dollars, scaled in proportion to the FTE fraction, whichever is greater;

(16) "Qualified wages" means wages sourced to this state pursuant to section 12-705;

(17) "Rebate period" means the calendar years in which a tax rebate provided for in this section is to be paid pursuant to a rebate allocation notice issued pursuant to subsection (c) of this section; and

(18) "Related person" means (A) a corporation, limited liability company, partnership, association or trust controlled by the qualified business, (B) an individual, corporation, limited liability company, partnership, association or trust that is in control of the qualified business, (C) a corporation, limited liability company, partnership, association or trust controlled by an individual, corporation, limited liability company, partnership, association or trust that is in control of the qualified business, or (D) a member of the same controlled group as the qualified business. For the purposes of this subdivision, "control" means (i) ownership, directly or indirectly, of stock possessing fifty per

House Bill No. 5524

cent or more of the total combined voting power of all classes of the stock of a corporation entitled to vote, (ii) ownership, directly or indirectly, of fifty per cent or more of the capital or profits interest in a partnership, limited liability company or association, or (iii) ownership, directly or indirectly, of fifty per cent or more of the beneficial interest in the principal or income of a trust. The ownership of stock in a corporation, of a capital or profits interest in a partnership, of a limited liability company or association or of a beneficial interest in a trust shall be determined in accordance with the rules for constructive ownership of stock provided in Section 267(c) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, other than paragraph (3) of said section.

(b) There is established a JobsCT tax rebate program under which qualified businesses that create jobs in this state, in accordance with the provisions of this section, may be allowed a tax rebate, which shall be treated as a credit against the tax imposed under chapter 208 or 228z or as an offset of the tax imposed under chapter 207.

(c) (1) To be eligible to claim a rebate under this section, a qualified business shall apply to the commissioner in accordance with the provisions of this subsection. The application shall be on a form prescribed by the commissioner and may require information, including, but not limited to, the number of new FTEs to be created by the qualified business, the number of current FTEs employed by the qualified business, feasibility studies or business plans for the increased number of FTEs, projected state and local revenue that may reasonably derive as a result of the increased number of FTEs and any other information necessary to determine whether there will be net benefits to the economy of the municipality or municipalities in which the qualified business is primarily located and the state.

(2) Upon receipt of an application, the commissioner shall determine

House Bill No. 5524

(A) whether the qualified business making the application will be reasonably able to meet the FTE hiring targets and other metrics as presented in such application, (B) whether such qualified business's proposed job growth would provide a net benefit to economic development and employment opportunities in the state, and (C) whether such qualified business's proposed job growth will exceed the number of jobs at the business that existed prior to January 1, 2020. The commissioner may require the applicant to submit additional information to evaluate an application. Each qualified business making an application shall satisfy the requirements of this subdivision, as determined by the commissioner, to be eligible for the JobsCT tax rebate program.

(3) The commissioner, upon consideration of an application and any additional information, may approve an application in whole or in part or may approve an application with amendments. If the commissioner disapproves an application, the commissioner shall identify the defects in such application and explain the specific reasons for the disapproval. The commissioner shall render a decision on an application not later than ninety days after the date of its receipt by the commissioner.

(4) The commissioner may approve an application in whole or in part by a qualified business that creates new discretionary FTEs or may approve such an application with amendments if a majority of such new discretionary FTEs are individuals who (A) because of a disability, are receiving or have received services from the Department of Aging and Disability Services; (B) are receiving employment services from the Department of Mental Health and Addiction Services or participating in employment opportunities and day services, as defined in section 17a-226, operated or funded by the Department of Developmental Services; (C) have been unemployed for at least six of the preceding twelve months; (D) have been convicted of a misdemeanor or felony; (E) are veterans, as defined in section 27-103; (F) have not earned any

House Bill No. 5524

postsecondary credential and are not currently enrolled in a postsecondary institution or program; or (G) are currently enrolled in a workforce training program fully or substantially paid for by the employer that results in such individual earning a postsecondary credential.

(5) The commissioner may combine approval of an application with the exercise of any of the commissioner's other powers, including, but not limited to, the provision of other financial assistance.

(6) By submitting an application, a qualified business consents to the Department of Economic and Community Development's access of data compiled by other state agencies, including, but not limited to, the Labor Department, for the purposes of audit and enforcement.

(7) The commissioner shall issue a rebate allocation notice stating the maximum amount of each rebate available to an approved qualified business for the rebate period and the specific terms that such business shall meet to qualify for each rebate. Such notice shall certify to the approved qualified business that the rebates may be claimed by such business if it meets the specific terms set forth in the notice. Such terms shall include the required wage, as determined by the commissioner, such business shall pay new discretionary FTEs to qualify for the tax rebates provided in subsection (f) of this section.

(d) For the purposes of this section, the FTE of a full-time job or part-time job is based on the hours worked or expected to be worked by an employee in a calendar year. A job in which an employee worked or is expected to work one thousand seven hundred fifty hours or more in a calendar year equals one FTE. A job in which an employee worked or is expected to work less than one thousand seven hundred fifty hours equals a fraction of one FTE, where the fraction is the number of hours worked in a calendar year divided by one thousand seven hundred fifty. The commissioner shall have the discretion to adjust the calculation of

House Bill No. 5524

FTE.

(e) (1) In each calendar year of the rebate period, a qualified business approved by the commissioner pursuant to subdivision (3) of subsection (c) of this section that employs at least twenty-five new FTEs in this state or, if at least one of the new FTEs is an individual with intellectual disability or at least three of the new FTEs are individuals who reside in a concentrated poverty census tract, as defined in section 32-7x, fifteen new FTEs in this state by December thirty-first of the calendar year that is two calendar years prior to the calendar year in which the rebate is being claimed shall be allowed a rebate equal to the greater of the following amounts:

(A) The sum of:

(i) The lesser of (I) the new FTEs created in an opportunity zone or distressed municipality on December thirty-first of the calendar year that is two calendar years prior to the calendar year in which the rebate is being claimed, (II) the new FTEs maintained in an opportunity zone or distressed municipality in the previous calendar year, (III) the new FTEs created by a qualified business employing at least one new FTE who is an individual with intellectual disability, or (IV) the new FTEs maintained by a qualified business employing at least one new FTE who is an individual with intellectual disability, multiplied by fifty per cent of the income tax that would be paid on the average wage of the new FTEs, as determined by the applicable marginal rate set forth in chapter 229 for an unmarried individual based solely on such wages; and

(ii) The lesser of (I) the new FTEs created on December thirty-first of the calendar year that is two calendar years prior to the calendar year in which the rebate is being claimed, or (II) the new FTEs maintained in a location other than an opportunity zone or distressed municipality in the previous calendar year, multiplied by twenty-five per cent of the income tax that would be paid on the average wage of the new FTEs, as

House Bill No. 5524

determined by the applicable marginal rate set forth in chapter 229 for an unmarried individual based solely on such wages; or

(B) The greater of:

(i) One thousand dollars multiplied by the lesser of (I) the new FTEs created by December thirty-first of the calendar year that is two calendar years prior to the calendar year in which the rebate is being claimed, or (II) the new FTEs maintained in the calendar year immediately prior to the calendar year in which the rebate is being claimed; or

(ii) For tax credits earned, claimed or payable prior to January 1, 2024, two thousand dollars multiplied by the lesser of (I) the new FTEs created by December 31, 2022, or (II) the new FTEs maintained in the calendar year immediately prior to the calendar year in which the rebate is being claimed.

(2) In no event shall the rebate under this subsection exceed in any calendar year of the rebate period five thousand dollars multiplied by the lesser of (A) the new FTEs created by December thirty-first of the calendar year that is two calendar years prior to the calendar year in which the rebate is being claimed, or (B) the new FTEs maintained in the calendar year immediately prior to the calendar year in which the rebate is being claimed.

(3) In no event shall an approved qualified business receive a rebate under this subsection in any calendar year of the rebate period if such business has not maintained, in the calendar year immediately prior to the calendar year in which the rebate is being claimed, at least (A) twenty-five new FTEs, or (B) fifteen new FTEs, if at least one of the new FTEs is an individual with intellectual disability or at least three of the new FTEs are individuals who reside in a concentrated poverty census tract, as defined in section 32-7x.

(f) (1) In each calendar year of the rebate period, a qualified business

House Bill No. 5524

approved by the commissioner pursuant to subdivision (4) of subsection (c) of this section that employs at least twenty-five new discretionary FTEs in this state by December thirty-first of the calendar year that is two calendar years prior to the calendar year in which the rebate is being claimed shall be allowed a rebate equal to the sum of the amount calculated pursuant to subdivision (1) of subsection (e) of this section and the greater of the following:

(A) The sum of:

(i) The lesser of the new discretionary FTEs (I) created in an opportunity zone or distressed municipality on December thirty-first of the calendar year that is two calendar years prior to the calendar year in which the rebate is being claimed, or (II) maintained in an opportunity zone or distressed municipality in the previous calendar year, multiplied by fifty per cent of the income tax that would be paid on the average wage of the new discretionary FTEs, as determined by the applicable marginal rate set forth in chapter 229 for an unmarried individual based solely on such wages; and

(ii) The lesser of the new discretionary FTEs (I) created on December thirty-first of the calendar year that is two calendar years prior to the calendar year in which the rebate is being claimed, or (II) maintained in a location other than an opportunity zone or distressed municipality in the previous calendar year, multiplied by twenty-five per cent of the income tax that would be paid on the average wage of the new discretionary FTEs, as determined by the applicable marginal rate set forth in chapter 229 for an unmarried individual based solely on such wages; or

(B) The greater of:

(i) Seven hundred fifty dollars multiplied by the lesser of the new discretionary FTEs (I) created by December thirty-first of the calendar

House Bill No. 5524

year that is two calendar years prior to the calendar year in which the rebate is being claimed, or (II) maintained in the calendar year immediately prior to the calendar year in which the rebate is being claimed; or

(ii) For tax credits earned, claimed or payable prior to January 1, 2024, one thousand five hundred dollars multiplied by the lesser of (I) the new FTEs created by December 31, 2022, or (II) the new FTEs maintained in the calendar year immediately prior to the calendar year in which the rebate is being claimed.

(2) In no event shall the rebate under this [section] subsection exceed in any calendar year of the rebate period five thousand dollars multiplied by the lesser of the new discretionary FTEs (A) created by December thirty-first of the calendar year that is two calendar years prior to the calendar year in which the rebate is being claimed, or (B) maintained in the calendar year immediately prior to the calendar year in which the rebate is being claimed.

(3) In no event shall an approved qualified business receive a rebate under this subsection in any calendar year of the rebate period if such business has not maintained at least twenty-five new discretionary FTEs in the calendar year immediately prior to the calendar year in which the rebate is being claimed.

(g) In addition to the rebates allowed under subsections (e) and (f) of this section, on and after January 1, 2025, an approved qualified business that employs at least one new FTE that is an individual who resides in a concentrated poverty census tract, as defined in section 32-7x, shall be allowed an additional rebate equal to fifty per cent of the income tax that would be paid on the wages paid to such individual during the calendar year immediately prior to the calendar year in which the rebate is being claimed, as determined by the applicable marginal rate set forth in chapter 229 for an unmarried individual based solely on such wages,

House Bill No. 5524

provided such individual was a resident of such census tract for at least six months of the calendar year immediately prior to the calendar year in which the rebate is being claimed.

[(g)] (h) (1) Notwithstanding the provisions of subdivisions (3) and (4) of subsection (c) of this section, the commissioner may not approve an application in whole or in part if the full amount of rebates that such applicant may be paid pursuant to subsection (e), [or] (f) or (g) of this section would result in the aggregate amount of rebates issued to all approved qualified businesses under this section exceeding forty million dollars in any fiscal year.

(2) Notwithstanding the provisions of subdivision (4) of subsection (c) of this section, the commissioner may not approve an application in whole or in part if the full amount of rebates that such applicant may be paid pursuant to subsection (f) of this section would result in the aggregate amount of rebates issued pursuant to subsection (f) of this section exceeding fifteen million dollars in any fiscal year.

[(h)] (i) (1) A rebate under this section may be granted to an approved qualified business for not more than seven successive calendar years. A rebate shall not be granted until at least twenty-four months after the commissioner's approval of a qualified business's application.

(2) An approved qualified business that has fewer than twenty-five new FTEs or, if at least one of the new FTEs is an individual with intellectual disability or at least three of the new FTEs are individuals who reside in a concentrated poverty census tract, as defined in section 32-7X, fewer than fifteen new FTEs, created in each of two consecutive calendar years or, if such business is approved by the commissioner pursuant to subdivision (4) of subsection (c) of this section, fewer than twenty-five new discretionary FTEs in each of two consecutive calendar years shall forfeit all remaining rebate allocations, unless the commissioner recognizes mitigating circumstances of a regional or

House Bill No. 5524

national nature, including, but not limited to, a recession.

[(i)] (j) Not later than January thirty-first of each year during the rebate period, each approved qualified business shall provide information to the commissioner regarding the number of new FTEs or new discretionary FTEs created or maintained during the prior calendar year and the qualified wages of such new employees. Any information provided under this subsection shall be subject to audit by the Department of Economic and Community Development.

[(j)] (k) Not later than March fifteenth of each year during the rebate period, the Department of Economic and Community Development shall issue the approved qualified business a rebate voucher that sets forth the amount of the rebate, as calculated pursuant to subsections (e), [and] (f) and (g) of this section, and the taxable year against which such rebate may be claimed. The approved qualified business shall claim such rebate as a credit against the taxes due under chapter 208 or 228z or as an offset of the tax imposed under chapter 207. The commissioner shall annually provide to the Commissioner of Revenue Services a report detailing all rebate vouchers that have been issued under this section.

[(k)] (l) Beginning on January 1, 2023, and annually thereafter, the commissioner, in consultation with the office of the State Comptroller and the Auditors of Public Accounts, shall submit a report to the Office of Policy and Management on the expenses of the JobsCT tax rebate program and the number of FTEs and discretionary FTEs created and maintained.

[(l)] (m) Not later than January 1, 2024, the commissioner shall post, on the Department of Economic and Community Development's Internet web site, information on the JobsCT tax rebate program established under this section, including, but not limited to, information concerning tax rebates available for qualified businesses that, in

House Bill No. 5524

accordance with the provisions of this section, employ individuals with intellectual disability in this state.

Sec. 124. (*Effective from passage*) (a) For the fiscal year ending June 30, 2024, after the accounts for the Special Transportation Fund have been closed for said fiscal year and the Comptroller has determined the balance remaining in said fund, after any amounts required by provision of law to be transferred for other purposes have been deducted, if the balance remaining exceeds eighteen per cent of the net Special Transportation Fund appropriations for the fiscal year ending June 30, 2025, the portion of the balance exceeding said eighteen per cent shall be deemed to be appropriated for the following, as selected by the Treasurer:

(1) Redeeming prior to maturity any outstanding special tax obligation indebtedness of the state selected by the Treasurer in the best interests of the state;

(2) Purchasing outstanding special tax obligation indebtedness of the state in the open market at such prices and on such terms and conditions as the Treasurer determines to be in the best interests of the state for the purpose of extinguishing or defeasing such debt;

(3) Providing for the defeasance of any outstanding special tax obligation indebtedness of the state selected by the Treasurer in the best interests of the state by irrevocably placing with an escrow agent in trust an amount used solely for, and sufficient to satisfy, scheduled payments of both interest and principal on such indebtedness; or

(4) Any combination of these methods.

(b) For any method or combination of methods selected by the Treasurer pursuant to subsection (a) of this section, (1) such method or combination of methods shall provide a reduction in projected debt service for the fiscal year ending June 30, 2025, and each of the nine

House Bill No. 5524

subsequent fiscal years, and (2) for the second fiscal year after the fiscal year in which the balance was used in accordance with the provisions of this subsection and each of the seven subsequent fiscal years, the amount of the reduction in projected debt service shall not vary by more than (A) one million dollars, or (B) ten per cent of the least amount by which projected debt service is reduced for the seven subsequent fiscal years, whichever is greater.

Sec. 125. Section 5-206 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024*):

(a) Position classifications established by the Commissioner of Administrative Services shall be listed in the appropriate records and publications of the Department of Administrative Services in accordance with the following descriptive items: (1) The title and code given to the class; (2) the pay grade for the class; (3) a statement of the duties and responsibilities exercised by those employees holding positions allocated to the class, illustrated, when practicable, by examples of typical tasks; and (4) the minimum desirable qualifications required by an incumbent for the satisfactory performance of such duties and the satisfactory discharge of such responsibilities. In no event shall a degree from an institution of higher education be required for a position classification established by the Commissioner of Administrative Services, unless the commissioner has been notified by the appointing authority that such requirement is a bona fide occupational qualification or need.

(b) In establishing new position classifications, the Commissioner of Administrative Services shall make a study of the schedules of compensation established for positions similar as to duties, responsibilities and qualifications in the state service, of the rates of compensation paid for similar services elsewhere and of any other pertinent information and data.

House Bill No. 5524

(c) The Commissioner of Administrative Services periodically shall review the work performed by employees in the classified service and shall issue such orders as are necessary to have such employees assigned to work in accordance with the classifications of their positions or to have their classifications changed to comply with their work, provided any employee, whose classification, status or compensation is affected, shall be given reasonable opportunity to be heard prior to the issuance of any such order.

(d) In no event shall the personnel classification of "auditor" be used in reference to personnel of any agency other than the Auditors of Public Accounts or the term "auditor's report" be used in reference to the reports of such personnel except that employees performing auditing functions for agencies other than the Auditors of Public Accounts may be so designated if the personnel classifications to which they are assigned are clearly distinguished from those of the Auditors of Public Accounts.

Sec. 126. (*Effective from passage*) (a) There is established a working group to examine existing tax expenditures, as defined in subsection (e) of section 12-7b of the general statutes, in the state for the purpose of simplifying the state tax code and to identify expenditures that are redundant, obsolete, duplicative or inconsistent in language or policy.

(b) The working group shall consist of the following members or their designees:

(1) The chairpersons and ranking members of the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding. Any designee of a chairperson or ranking member under this subdivision shall be a member of said committee;

(2) The Governor;

House Bill No. 5524

(3) Two representatives of the Office of Policy and Management, appointed by the Governor;

(4) The Commissioner of Revenue Services; and

(5) The Commissioner of Economic and Community Development.

(c) The chairpersons of the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding shall serve as the chairpersons of the working group and shall schedule the first meeting of the working group, to be held not later than sixty days after the effective date of this section.

(d) The administrative staff of the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding shall serve as administrative staff of the working group.

(e) Not later than January 1, 2025, the working group shall submit a report to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding, in accordance with the provisions of section 11-4a of the general statutes. Such report shall include the working group's findings and any recommendations for revisions to the general statutes to further the goal of simplifying the state tax code. The working group shall terminate on the date that it submits such report or January 1, 2025, whichever is later.

Sec. 127. (NEW) (*Effective July 1, 2024*) (a) As used in this section (1) "municipality" means any municipality, as defined in section 7-187 of the general statutes, any district, as defined in section 7-324 of the general statutes, any metropolitan district or any municipal district created under section 7-330 of the general statutes and located within the state, and (2) "regional council of governments" means any regional council of governments organized under the provisions of sections 4-124i to 4-124p, inclusive, of the general statutes.

House Bill No. 5524

(b) Any appointment that a municipality is authorized or required by law to make on its own behalf with respect to a municipal function may be made by a regional council of governments or jointly with one or more other municipalities pursuant to an interlocal agreement for the joint performance of municipal functions pursuant to section 7-148cc of the general statutes or an agreement for regional services pursuant to section 8-31b of the general statutes. Such appointment shall pertain jointly to each municipality that is a party to such agreement and be in lieu of any individual appointment by any such municipality. The provisions of this subsection shall supersede any provision of the general statutes or any special act, charter, special act charter, home rule ordinance or local law that would prohibit or limit the ability to make such joint appointments, including, but not limited to, any provision that (1) prohibits a municipality from entering into an agreement for shared services, (2) requires an appointee to fulfill such appointee's duties to the exclusion of other employment, (3) requires an appointee to reside within a particular municipality, or (4) requires a municipality to make an individual appointment.

(c) For the purposes of this section, a municipal function shall include, but not be limited to, administrative and regulatory activities described in chapters 93, 96a and 100, sections 7-148b, 7-148g, 7-148p, 8-3, 12-136, 22-331, 22-340, 22a-36 to 22a-45, inclusive, and 29-251 to 29-371, inclusive, of the general statutes and planning activities described in sections 8-23, 8-30j and 19a-181b of the general statutes.

(d) The Secretary of the Office of Policy and Management may adopt regulations in accordance with the provisions of chapter 54 of the general statutes to implement the provisions of this section.

Sec. 128. Section 10-416 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024, and applicable to taxable and income years commencing on or after January 1, 2024*):

House Bill No. 5524

(a) As used in this section, the following terms shall have the following meanings unless the context clearly indicates another meaning:

(1) "Department" means the Department of Economic and Community Development;

(2) "Historic home" means a building that: (A) Will contain one-to-four dwelling units of which at least one unit will be occupied as the principal residence of the owner for not less than five years following the completion of rehabilitation work, and (B) is (i) listed individually on the National or State Register of Historic Places, or (ii) located in a district listed on the National or State Register of Historic Places, and has been certified by the department as contributing to the historic character of such district;

(3) "Nonprofit corporation" means a nonprofit corporation incorporated pursuant to chapter 602 or any predecessor statutes thereto, having as one of its purposes the construction, rehabilitation, ownership or operation of housing and having articles of incorporation approved by the Commissioner of Economic and Community Development in accordance with regulations adopted pursuant to section 8-79a or 8-84;

(4) "Owner" means (A) any taxpayer filing a state of Connecticut tax return who possesses title to an historic home, or prospective title to an historic home in the form of a purchase agreement or option to purchase, or (B) a nonprofit corporation that possesses such title or prospective title;

(5) "Qualified rehabilitation expenditures" means any costs incurred for the physical construction involved in the rehabilitation of an historic home, but excludes: (A) The owner's personal labor, (B) the cost of site improvements, unless to provide building access to persons with

House Bill No. 5524

disabilities, (C) the cost of a new addition, except as may be required to comply with any provision of the State Building Code or the Fire Safety Code, (D) any cost associated with the rehabilitation of an outbuilding, unless such building contributes to the historical significance of the historic home, and (E) any nonconstruction cost such as architectural fees, legal fees and financing fees;

(6) "Rehabilitation plan" means any construction plans and specifications for the proposed rehabilitation of an historic home in sufficient detail to enable the department to evaluate compliance with the standards developed under the provisions of subsections (b), (c) and (m) of this section; and

(7) "Occupancy period" means a period of five years during which one or more owners occupy an historic home as such owner's or owners' primary residence. The occupancy period begins on the date the tax credit voucher is issued by the Department of Economic and Community Development.

(b) The Department of Economic and Community Development shall administer a system of tax credit vouchers within the resources, requirements and purposes of this section for owners rehabilitating historic homes or taxpayers making contributions to qualified rehabilitation expenditures. Any owner shall be eligible for a tax credit voucher in an amount equal to thirty per cent of the qualified rehabilitation expenditures.

(c) The department shall develop standards for the approval of rehabilitation of historic homes for which a tax credit voucher is sought. Such standards shall take into account whether the rehabilitation of an historic home will preserve the historic character of the building.

(d) Prior to beginning any rehabilitation work on an historic home, the owner shall submit a rehabilitation plan to the department for a

House Bill No. 5524

determination of whether such rehabilitation work meets the standards developed under the provisions of subsections (b), (c) and (m) of this section and shall also submit to the department an estimate of the qualified rehabilitation expenditures.

(e) If the department certifies that the rehabilitation plan conforms to the standards developed under the provisions of subsections (b), (c) and (m) of this section, the department shall reserve for the benefit of the owner an allocation for a tax credit equivalent to thirty per cent of the projected qualified rehabilitation expenditures.

(f) Following the completion of rehabilitation of an historic home, the owner shall notify the department that such rehabilitation has been completed. The owner shall provide the department with documentation of work performed on the historic home and shall certify the cost incurred in rehabilitating the home. The department shall review such rehabilitation and verify its compliance with the rehabilitation plan. Following such verification, the department shall issue a tax credit voucher to either the owner rehabilitating the historic home or to the taxpayer named by the owner as contributing to the rehabilitation. The tax credit voucher shall be in an amount equivalent to the lesser of (1) the tax credit reserved upon certification of the rehabilitation plan under the provisions of subsection (e) of this section, or (2) thirty per cent of the actual qualified rehabilitation expenditures. In order to obtain a credit against any state tax due that is specified in subsection (i) of this section, the holder of the tax credit voucher shall file the voucher with the holder's state tax return.

(g) Before the department issues a tax credit voucher, the owner shall deliver a signed statement to the department that provides that: (1) The owner shall occupy the historic home as the owner's primary residence during the occupancy period; (2) the owner shall convey the historic home to a new owner who will occupy it as the new owner's primary residence during the occupancy period; or (3) an encumbrance shall be

House Bill No. 5524

recorded, in favor of the local, state or federal government or other funding source, that will require the owner or the owner's successors to occupy the historic home as the primary residence of the owner or the owner's successors for a period equal to or longer than the occupancy period. A copy of any such encumbrance shall be attached to the signed statement.

(h) The owner of an historic home shall not be eligible for a tax credit voucher under subsections (b), (c) and (m) of this section, unless the owner incurs qualified rehabilitation expenditures exceeding fifteen thousand dollars.

(i) (1) The Commissioner of Revenue Services shall grant a tax credit:

(A) (i) For a taxpayer holding a tax credit voucher issued prior to January 1, 2024, under subsections (d) to (h), inclusive, of this section, against any tax due under chapter 207, 208, 209, 210, 211 or 212 in the amount specified in the tax credit voucher.

(ii) Any unused portion of such credit under this subparagraph may be carried forward to any or all of the four income years following the year in which the tax credit voucher is issued; and

(B) (i) For a taxpayer [described under subparagraph (A) of subdivision (4) of subsection (a) of this section] holding a tax credit voucher issued on or after January 1, 2024, under subsections (d) to (h), inclusive, of this section, against [the] any tax due under chapter 207, 208, 208a, 209, 210, 211, 212 or 229 in the amount specified in the tax credit voucher.

(ii) If a taxpayer described under subparagraph (A) of subdivision (4) of subsection (a) of this section holding such tax credit voucher claims a credit against the tax imposed under chapter 229 and the amount of the tax credit voucher exceeds the taxpayer's liability for [the] such tax, [imposed under chapter 229,] the Commissioner of Revenue Services

House Bill No. 5524

shall treat such excess as an overpayment and, except as provided under section 12-739 or 12-742, shall refund the amount of such excess, without interest, to the taxpayer. [; and]

[(C) (i) For an owner that is a nonprofit corporation holding a tax credit voucher issued on or after January 1, 2024, under subsections (d) to (h), inclusive, of this section, against the tax due under chapter 208a in the amount specified in the tax credit voucher.]

[(ii) Any] (iii) If a taxpayer holding such tax credit voucher claims a credit against any tax imposed under chapter 207, 208, 208a, 209, 210, 211 or 212, any unused portion of such credit under this subparagraph may be carried forward to any or all of the four income years following the year in which the tax credit voucher is issued.

(2) The Department of Economic and Community Development shall provide a copy of the voucher to the Commissioner of Revenue Services upon the request of said commissioner.

(j) A credit allowed under this section shall not exceed thirty thousand dollars per dwelling unit for an historic home, except that such credit shall not exceed fifty thousand dollars per such dwelling unit for an owner that is a nonprofit corporation.

(k) The tax credit granted under subsection (i) of this section shall be taken in the same tax year in which the tax credit voucher is issued.

(l) The aggregate amount of all tax credits that may be reserved by the Department of Economic and Community Development upon certification of rehabilitation plans under subsections (b) to (d), inclusive, of this section shall not exceed three million dollars in any one fiscal year. On and after July 1, 2015, seventy per cent of the tax credits reserved pursuant to this section shall be for owners rehabilitating historic homes that are located in a regional center as designated in the state plan of conservation and development adopted by the General

House Bill No. 5524

Assembly pursuant to section 16a-30 or taxpayers making contributions to qualified rehabilitation expenditures on historic homes that are located in a regional center as designated in the state plan of conservation and development adopted by the General Assembly pursuant to section 16a-30.

(m) The Department of Economic and Community Development may, in consultation with the Commissioner of Revenue Services, adopt regulations in accordance with chapter 54 to carry out the purposes of this section.

Sec. 129. Subsections (c) and (d) of section 4 of public act 07-196 are repealed and the following are substituted in lieu thereof (*Effective from passage*):

(c) The district and all its receipts, revenues, income and real and personal property shall be exempt from taxation and benefit assessments and the district shall not be required to pay any tax, excise or assessment to or from the state of Connecticut or any of its political subdivisions. The principal and interest on bonds or notes issued by the district shall be free from taxation at all times, except for estate and gift, franchise and excise taxes, imposed by the state of Connecticut or any political subdivision thereof, provided nothing in this section shall act to limit or restrict the ability of the state of Connecticut or the town of Redding to tax the individuals and entities, or their real or personal property or any person living or business operating within the boundaries of the district. The town of Redding and all its receipts, revenues, income and real and personal property shall be exempt from taxes and benefit assessments imposed by the district and shall not be required to pay any tax, fee, rent, excise or assessment to the district.

(d) Special act 05-14, as amended by section 2 of public act 06-163, [and this act] sections 1 to 3, inclusive, of public act 07-196 and section 51 of public act 21-2 of the June special session, being necessary for the

House Bill No. 5524

public interest, shall be liberally construed to affect the purposes hereof.

Sec. 130. (*Effective from passage*) Not later than July 1, 2024, and biweekly thereafter until September 30, 2024, the Commissioner of Economic and Community Development shall report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies concerning the Department of Economic and Community Development's use of federal funds received under the American Rescue Plan Act of 2021, P.L. 117-2. Such report shall include, but need not be limited to, (1) the department's allotment of such funds, (2) the status of obligating such funds, (3) a list of parties with whom contracts have been entered into with the department, (4) a description of the terms of each contract, and (5) the current status of each contract.

Sec. 131. Subsection (a) of section 10-220 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) Each local or regional board of education shall maintain good public elementary and secondary schools, implement the educational interests of the state, as defined in section 10-4a, and provide such other educational activities as in its judgment will best serve the interests of the school district; provided any board of education may secure such opportunities in another school district in accordance with provisions of the general statutes and shall give all the children of the school district, including children receiving alternative education, as defined in section 10-74j, as nearly equal advantages as may be practicable; shall provide an appropriate learning environment for all its students which includes (1) adequate instructional books, supplies, materials, equipment, staffing, facilities and technology, (2) equitable allocation of resources among its schools, (3) proper maintenance of facilities, and (4) a safe school setting; shall, in accordance with the provisions of subsection (f)

House Bill No. 5524

of this section, maintain records of allegations, investigations and reports that a child has been abused or neglected by a school employee, as defined in section 53a-65, employed by the local or regional board of education; shall have charge of the schools of its respective school district; shall make a continuing study of the need for school facilities and of a long-term school building program and from time to time make recommendations based on such study to the town; shall adopt and implement an indoor air quality program that provides for ongoing maintenance and facility reviews necessary for the maintenance and improvement of the indoor air quality of its facilities; shall adopt and implement a green cleaning program, pursuant to section 10-231g, that provides for the procurement and use of environmentally preferable cleaning products in school buildings and facilities; on and after July 1, 2021, and every five years thereafter, shall report to the Commissioner of Administrative Services on the condition of its facilities and the action taken to implement its long-term school building program, indoor air quality program and green cleaning program, which report the Commissioner of Administrative Services shall use to prepare a report every five years that said commissioner shall submit in accordance with section 11-4a to the joint standing committee of the General Assembly having cognizance of matters relating to education; shall advise the Commissioner of Administrative Services of the relationship between any individual school building project pursuant to chapter 173 and such long-term school building program; shall have the care, maintenance and operation of buildings, lands, apparatus and other property used for school purposes and at all times shall insure all such buildings and all capital equipment contained therein against loss in an amount not less than eighty per cent of replacement cost; shall determine the number, age and qualifications of the pupils to be admitted into each school; shall develop and implement a written increasing educator diversity plan for purposes of subdivision (3) of section 10-4a; shall employ and dismiss the teachers of the schools of such district subject to the provisions of sections 10-151 and 10-158a; shall designate the

House Bill No. 5524

schools which shall be attended by the various children within the school district; shall make such provisions as will enable each child of school age residing in the district to attend some public day school for the period required by law and provide for the transportation of children wherever transportation is reasonable and desirable, and for such purpose may make contracts covering periods of not more than (A) five years, or (B) ten years if such contract includes transportation provided by at least one zero-emission school bus, as defined in 42 USC 16091(a)(8), as amended from time to time; may provide alternative education, in accordance with the provisions of section 10-74j, or place in another suitable educational program a pupil enrolling in school who is nineteen years of age or older and cannot acquire a sufficient number of credits for graduation by age twenty-one; may arrange with the board of education of an adjacent town for the instruction therein of such children as can attend school in such adjacent town more conveniently; shall cause each child five years of age and over and under eighteen years of age who is not a high school graduate and is living in the school district to attend school in accordance with the provisions of section 10-184; [.] shall not delegate the authority to schedule interscholastic football games on Thanksgiving Day to any nonprofit organization or other entity that is otherwise responsible for governing interscholastic athletics in this state and shall not adopt a policy or prohibition against the scheduling of an interscholastic football game on Thanksgiving Day; and shall perform all acts required of it by the town or necessary to carry into effect the powers and duties imposed by law.

Sec. 132. (NEW) (*Effective July 1, 2024*) As used in this section and sections 133 to 135, inclusive, of this act:

(1) "Photo noise violation monitoring device" means one or more mobile or fixed vehicle sensors that (A) are installed to work in conjunction with one or more noise measuring apparatuses, such as a decibel reader, and (B) automatically produce two or more

House Bill No. 5524

photographs, two or more microphotographs, a videotape or other recorded images of each motor vehicle allegedly operating in violation of an ordinance adopted under section 133 of this act.

(2) "Photo noise violation monitoring device operator" means a person who is trained and certified to operate a photo noise violation monitoring device.

(3) "Personally identifiable information" means information created or maintained by the municipality or a vendor that identifies or describes an owner of a motor vehicle and includes, but need not be limited to, the owner's address, telephone number, number plate, photograph, bank account information, credit card number, debit card number or the date, time, location or direction of travel on a highway in such municipality.

(4) "Vendor" means a person who (A) provides services to a municipality under section 133 of this act pursuant to an agreement; (B) operates, maintains, leases or licenses a photo noise violation monitoring device; or (C) is authorized to review and assemble the recorded images captured by a photo noise violation monitoring device and forward such recorded images to the municipality.

(5) "Motor vehicle", "highway" and "number plate" have the same meanings as provided in section 14-1 of the general statutes.

(6) "Law enforcement unit" has the same meaning as provided in section 7-294a of the general statutes.

Sec. 133. (NEW) (*Effective July 1, 2024*) (a) Any municipality may, by ordinance, authorize the use of photo noise violation monitoring devices at locations in such municipality. Any such ordinance shall specify the following: (1) That a photo noise violation monitoring device shall be operated by a photo noise violation monitoring device operator; (2) that the owner of a motor vehicle commits a violation of the

House Bill No. 5524

ordinance if the person operating such motor vehicle on a highway or other location causes such motor vehicle to emit a sound of eighty decibels or more and such sound is not caused by a horn described in subsection (e) of section 14-80 of the general statutes; (3) the owner of a motor vehicle identified by a photo noise violation monitoring device as violating the ordinance shall (A) for a first violation, receive a written warning, (B) for a second violation, be fined one hundred dollars, and (C) for a third or subsequent violation, be fined two hundred fifty dollars; (4) payment of a fine and any associated processing fee, not to exceed fifteen dollars, may be made by electronic means; (5) a sworn member of a law enforcement unit or a municipal employee shall review and approve the recorded images before a citation is mailed to the owner of such motor vehicle; and (6) the defenses available to the owner of a motor vehicle allegedly committing a violation of such ordinance, which shall include, but need not be limited to, the defenses listed in subsection (g) of this section. Any municipality that adopts an ordinance under this section shall also adopt a citation hearing procedure pursuant to section 7-152c of the general statutes. Any funds received by a municipality from fines imposed pursuant to such ordinance may be used to pay the costs associated with the use of photo noise violation monitoring devices in the municipality.

(b) The municipality may enter into agreements with vendors for the installation, operation or maintenance, or any combination thereof, of a photo noise violation monitoring device. If a vendor installs, operates or maintains a photo noise violation monitoring device, the vendor's fee shall not be contingent on the number of citations issued or fines paid pursuant to an ordinance adopted under this section.

(c) (1) The municipality shall make efforts to randomize the locations of any photo noise violation monitoring devices throughout such municipality.

(2) A photo noise violation monitoring device shall, to the extent

House Bill No. 5524

possible, be installed in a manner to only record images of the number plate of a motor vehicle, and shall not, to the extent possible, record images of the occupants of such motor vehicle or of any other persons or vehicles in the vicinity at the time the images are recorded.

(d) A photo noise violation monitoring device operator shall complete training offered by the manufacturer of such device or the manufacturer's representative regarding procedures for operating such device. The manufacturer or manufacturer's representative shall issue a signed certificate to the photo noise violation monitoring device operator upon such operator's completion of the training. Such signed certificate shall be admitted as evidence in any hearing conducted pursuant to section 7-152c of the general statutes.

(e) The municipality shall ensure each photo noise violation monitoring device used by such municipality undergoes an annual calibration check performed at a calibration laboratory. The calibration laboratory shall issue a signed certificate of calibration after the annual calibration check. Such signed certificate of calibration shall be kept on file and admitted as evidence in any hearing conducted pursuant to section 7-152c of the general statutes.

(f) (1) Whenever a photo noise violation monitoring device detects and produces recorded images of a motor vehicle allegedly committing a violation of an ordinance adopted under this section, a sworn member of a law enforcement unit or a municipal employee shall review the recorded images provided by such device. If, after such review, such member or employee determines that there are reasonable grounds to believe that a violation of the ordinance has occurred, such member or employee may issue a citation to the owner of the motor vehicle. The citation shall include the following: (A) The name and address of the owner of the motor vehicle; (B) the number plate of the motor vehicle; (C) the violation charged; (D) the location of the photo noise violation monitoring device and the date and time of the violation; (E) a copy of

House Bill No. 5524

or information on how to view, through electronic means, the recorded images of the violation; (F) a statement or electronically generated affirmation by the member or employee who reviewed the recorded images and determined that the motor vehicle violated the ordinance; (G) verification that the photo noise violation monitoring device was operating correctly at the time of the alleged violation and the date of the most recent calibration check performed pursuant to subsection (e) of this section; (H) the amount of the fine imposed and how to pay such fine; and (I) the right to contest the violation and request a hearing pursuant to section 7-152c of the general statutes.

(2) (A) In the case of an alleged violation involving a motor vehicle registered in the state, the citation shall be mailed to the address of the owner that is in the records of the Department of Motor Vehicles not later than thirty days after the identity of the owner is ascertained, provided a citation shall be invalid unless mailed to the owner not later than sixty days after the date of the alleged violation. (B) In the case of an alleged violation involving a motor vehicle registered in another jurisdiction, the citation shall be mailed to the address of the owner that is in the records of the official in the other jurisdiction issuing such registration not later than thirty days after the identity of the owner is ascertained, provided a citation shall be invalid unless mailed to the owner not later than sixty days after the date of the alleged violation.

(3) The citation shall be sent by first class mail. A manual or automated record of mailing prepared by the municipality shall be prima facie evidence of mailing and shall be admissible in any hearing conducted pursuant to section 7-152c of the general statutes, as to the facts contained in the citation.

(g) The following defenses shall be available to the owner of a motor vehicle who is alleged to have committed a violation of such ordinance adopted under this section: (1) The operator was driving an emergency vehicle, as defined in section 14-283 of the general statutes, and making

House Bill No. 5524

use of an audible warning signal device, including, but not limited to, a siren, whistle or bell which meets the requirements of subsection (f) of section 14-80 of the general statutes; (2) the violation took place during a period of time in which the motor vehicle had been reported as being stolen to a law enforcement unit and had not been recovered prior to the time of the violation; (3) the photo noise violation monitoring device was not in compliance with the calibration check required pursuant to subsection (e) of this section; (4) the violation took place because the muffler in the motor vehicle was not in good working condition and the owner of the motor vehicle presents proof at a hearing conducted pursuant to section 7-152c of the general statutes that such muffler was replaced or repaired not later than fourteen days from the date of the violation; or (5) the owner of the motor vehicle presents proof at a hearing conducted pursuant to section 7-152c of the general statutes that the owner submitted the motor vehicle for inspection at a facility designated by the Department of Motor Vehicles and such vehicle was found to not emit a sound of eighty decibels or more when in operation.

Sec. 134. (NEW) (*Effective July 1, 2024*) (a) No personally identifiable information shall be disclosed by the municipality or a vendor to any person or entity, including any law enforcement unit, except where the disclosure is made in connection with the charging, collection and enforcement of the fines imposed pursuant to an ordinance adopted under section 133 of this act.

(b) No personally identifiable information shall be stored or retained by the municipality or a vendor unless such information is necessary for the charging, collection and enforcement of the fines imposed pursuant to an ordinance adopted under section 133 of this act.

(c) Any information and other data gathered from a photo noise violation monitoring device shall be subject to disclosure under the Freedom of Information Act, as defined in section 1-200 of the general statutes, except no personally identifiable information may be disclosed.

House Bill No. 5524

Sec. 135. (NEW) (*Effective July 1, 2024*) Commencing one year from the date a photo noise violation monitoring device is operational in a municipality, and every year thereafter until a photo noise violation monitoring device is no longer operational in the municipality, the municipality shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding. Such report shall include, but need not be limited to: (1) The total number of violations recorded by each photo noise violation monitoring device on a daily, weekly and monthly basis; (2) the total number of warnings and citations issued for violations recorded by each such device; (3) the number of hearings requested pursuant to section 7-152c and the results of any such hearings; (4) the amount of revenue from the fines and associated processing fees retained by the municipality; and (5) the cost to the municipality to use such devices.

Sec. 136. Subsection (c) of section 7-152c of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(c) Any such municipality, at any time within twelve months from the expiration of the final period for the uncontested payment of fines, penalties, costs or fees for any citation issued under any ordinance adopted pursuant to section 7-148, 14-307c, [or] 22a-226d or section 133 of this act, for an alleged violation thereof, shall send notice to the person cited. Such notice shall inform the person cited: (1) Of the allegations against such person and the amount of the fines, penalties, costs or fees due; (2) that such person may contest such person's liability before a citation hearing officer by delivering in person or by mail written notice within ten days of the date thereof; (3) that if such person does not demand such a hearing, an assessment and judgment shall be entered against such person; and (4) that such judgment may issue without

House Bill No. 5524

further notice. For purposes of this section, notice shall be presumed to have been properly sent if such notice was mailed to such person's last-known address on file with the tax collector. If the person to whom such notice is issued is a registrant, the municipality may deliver such notice in accordance with section 7-148ii, provided nothing in this section shall preclude a municipality from providing notice in another manner permitted by applicable law.

Sec. 137. (NEW) (*Effective January 1, 2025*) (a) For purposes of this section, "valuation allowance" means the portion of a deferred tax asset for which it is more likely than not that a tax benefit will not be realized, as determined in accordance with generally accepted accounting principles.

(b) (1) Any combined group that is described under subsection (b) of section 12-218g of the general statutes, is claiming the deduction under subsection (d) of said section and did not include in the computation of such deduction the impact of any valuation allowance arising from the enactment of sections 12-218e and 12-218f of the general statutes, shall be eligible for the deduction under this subsection.

(2) If the provisions of sections 12-218e and 12-218f of the general statutes resulted in an aggregate decrease in the amount of net operating losses or tax credits a combined group's members may realize in the state and a valuation allowance was reported in accordance with generally accepted accounting principles, the combined group shall be entitled to a deduction as determined under this subsection.

(3) For the thirty-year period beginning with a combined group's first income year that begins in 2026, a combined group entitled to a deduction under this subsection shall deduct from combined group net income an amount equal to one-thirtieth of the amount necessary to offset the increase in the valuation allowance against net operating losses and tax credits in the state, as computed in accordance with

House Bill No. 5524

generally accepted accounting principles, that resulted from the enactment of sections 12-218e and 12-218f of the general statutes. Such increase in valuation allowance shall be computed based on the change in valuation allowance that was reported in the combined group's financial statements for the income year commencing on or after January 1, 2016, but prior to January 1, 2017.

(c) The deduction computed under subsection (b) of this section shall not be reduced as a result of any events happening subsequent to such computation, including, but not limited to, any disposition or abandonment of assets. Such deduction shall not alter the tax basis of any asset. If the deduction under subsection (b) of this section is greater than the combined group net income, any excess deduction shall be carried forward and applied as a deduction to combined group net income in future income years until fully utilized.

(d) Any combined group intending to claim a deduction under this section shall file a statement with the Commissioner of Revenue Services on or before July 1, 2025, specifying the total amount of the deduction the combined group claims. The statement shall be made on such form and in such manner as prescribed by the commissioner and shall contain such information or computations as the commissioner may specify. No deduction shall be allowed under this section for any income year except to the extent claimed on or before July 1, 2025, in the manner prescribed. Nothing in this subsection shall limit the authority of the commissioner to review or redetermine the proper amount of any deduction claimed, whether on the statement required under this subsection or on a tax return for any income year.

Sec. 138. Section 21a-420n of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) On and after July 1, 2021, the department may issue or renew a

House Bill No. 5524

license for a person to be a cultivator. No person may act as a cultivator or represent that such person is a licensed cultivator unless such person has obtained a license from the department pursuant to this section.

(b) (1) A cultivator is authorized to cultivate, grow and propagate cannabis at an establishment containing not less than fifteen thousand square feet of grow space, provided such cultivator complies with the provisions of any regulations adopted under section 21a-420q concerning grow space. A cultivator establishment shall meet physical security controls and protocols set forth and required by the commissioner.

(2) (A) Notwithstanding the provisions of subdivision (1) of this subsection, during the period beginning on the effective date of this section through December 31, 2025, the department may grant a final cultivator license to the holder of a provisional cultivator license issued under section 21a-420o who has not developed the capability to cultivate, grow and propagate cannabis at an establishment containing at least fifteen thousand square feet of grow space, and such holder may carry out the functions of a cultivator, if such holder submits to the department, in a form and manner prescribed by the commissioner:

(i) A completed application for a final cultivator license; and

(ii) Evidence that (I) such holder's licensed cultivation facility contains at least five thousand square feet of grow space, (II) such holder, and such holder's licensed cultivation facility, are in compliance with the provisions of this chapter and the regulations adopted, and policies and procedures issued, under this chapter, (III) such holder has a detailed business plan and buildout schedule to cultivate, grow and propagate cannabis at a licensed establishment containing at least fifteen thousand square feet of grow space on or before December 31, 2025, and (IV) such holder has paid the three-million-dollar fee required under subdivision (3) of subsection (a) of section 21a-420o.

House Bill No. 5524

(B) If the department issues a final cultivator license under this subdivision, and the licensee fails to cultivate, grow and propagate cannabis at a licensed establishment containing at least fifteen thousand square feet of grow space on or before December 31, 2025, such licensee shall pay to the department, in a form and manner prescribed by the commissioner, an extension fee in the amount of five hundred dollars for each day that such licensee's licensed establishment fails to satisfy such minimum grow space requirement. The department may, in addition to imposing such extension fee, exercise the department's enforcement authority under section 21a-421p if the licensee fails to satisfy such minimum grow space requirement on or before December 31, 2025.

(c) A cultivator may label, manufacture, package and perform extractions on any cannabis cultivated, grown or propagated at its licensed establishment, including food and beverage products incorporating cannabis and cannabis concentrates, provided the cultivator meets all licensure and application requirements for a food and beverage manufacturer and a product manufacturer.

(d) A cultivator may sell, transfer or transport its cannabis to a dispensary facility, hybrid retailer, retailer, food and beverage manufacturer, product manufacturer, research program, cannabis testing laboratory or product packager utilizing its own employees or a transporter. A cultivator shall not sell, transfer or deliver to consumers, qualifying patients or caregivers, directly or through a delivery service.

Sec. 139. Section 21a-420d of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) There is established a Social Equity Council, which shall be within the Department of Economic and Community Development for administrative purposes only.

House Bill No. 5524

(b) The [council] Social Equity Council shall consist of [fifteen] seventeen members as follows:

(1) One appointed by the speaker of the House of Representatives, who has a professional background of not less than five years working in the field of either social justice or civil rights;

(2) One appointed by the president pro tempore of the Senate, who has a professional background of not less than five years working in the field of either social justice or civil rights;

(3) One appointed by the majority leader of the House of Representatives, who has a professional background of not less than five years working in the field of economic development to help minority-owned businesses;

(4) One appointed by the majority leader of the Senate, who has a professional background of not less than five years in providing access to capital to minorities, as defined in section 32-9n;

(5) One appointed by the minority leader of the House of Representatives, who is from a community that has been disproportionately harmed by cannabis prohibition and enforcement;

(6) One appointed by the minority leader of the Senate, who has a professional background of not less than five years in providing access to capital to minorities, as defined in section 32-9n;

[(7) One appointed by the chairperson of the Black and Puerto Rican Caucus of the General Assembly;]

(7) Two appointed by the chairperson of the Black and Puerto Rican Caucus of the General Assembly, one of whom shall be designated by the chairperson of the Black Caucus of the General Assembly and one of whom shall be designated by the chairperson of the Puerto Rican and

House Bill No. 5524

Latino Caucus of the General Assembly;

(8) ~~[Four]~~ Five appointed by the Governor, one who is from a community that has been disproportionately harmed by cannabis prohibition and enforcement, one who has a professional background of not less than five years working in the field of economic development and one who is an executive branch official focused on workforce development;

(9) The Commissioner of Consumer Protection, or the commissioner's designee;

(10) The Commissioner of Economic and Community Development, or the commissioner's designee;

(11) The State Treasurer, or the State Treasurer's designee; and

(12) The Secretary of the Office of Policy and Management, or the secretary's designee.

(c) (1) In making the appointments in subsection (b) of this section, the appointing authority shall use best efforts to make appointments that reflect the racial, gender and geographic diversity of the population of the state. [All appointments shall be made not later than July 30, 2021, and the Governor shall appoint the chairperson of the council from among the members of the council.]

(2) Members appointed by the Governor shall serve a term of four years from the time of appointment and members appointed by any other appointing authority shall serve a term of three years from the time of appointment. The appointing authority shall fill any vacancy for the unexpired term.

(3) (A) The Governor shall appoint an interim executive director to operationalize and support the [council] Social Equity Council until,

House Bill No. 5524

notwithstanding the provisions of section 4-9a, the council appoints an executive director. Subject to the provisions of chapter 67, and within available appropriations, the council may thereafter appoint an executive director and such other employees as may be necessary for the discharge of the duties of the council.

(B) Not later than July 1, 2024, the council shall adopt bylaws specifying which duties are retained by the members of the council and which duties are delegated to the executive director.

(C) The council may, by a simple majority vote of the members of the council, take any formal personnel action concerning the executive director for any reason.

(D) In addition to the council's authority under subparagraph (C) of this subdivision, if a final review board consisting of the chairperson and the members of the council appointed under subdivisions (1), (2), (5) and (6) of subsection (b) of this section determines, by a simple majority vote of the members of the final review board, that removing the executive director is in the best interest of serving the council's mission, such final review board shall issue a letter to the council recommending that the council remove the executive director.

(4) The Governor shall appoint the chairperson of the council from among the members of the council. The chairperson shall directly supervise, establish annual goals for and conduct an annual performance review of the executive director.

(5) The chairperson and executive director shall jointly develop, and the council shall review and approve, (A) the budgetary information that the council is required to annually submit to the Secretary of the Office of Policy and Management pursuant to subdivision (2) of subsection (c) of section 21a-420f, (B) allocations of moneys in the social equity and innovation account, established under section 21a-420f, that

House Bill No. 5524

the council determines, under subparagraph (B) of subdivision (1) of subsection (b) of section 21a-420f, further the principles of equity, as defined in section 21a-420, and (C) any plans for expenditures to provide (i) access to capital for businesses, (ii) technical assistance for the start-up and operation of a business, (iii) funding for workforce education, (iv) funding for community investments, and (v) funding for investments in disproportionately impacted areas.

(d) A majority of the members of the [council] Social Equity Council shall constitute a quorum for the transaction of any business. The members of the council shall serve without compensation, but shall, within available appropriations, be reimbursed for expenses necessarily incurred in the performance of their duties. Any member who fails to attend three consecutive meetings held after May 24, 2022, or who fails to attend fifty per cent of all meetings held during any calendar year beginning on or after January 1, 2023, shall be deemed to have resigned from office. The appointing authority shall fill the vacancy for the unexpired term of any member who is deemed to have resigned from office under this subsection, and shall use best efforts to ensure such appointment reflects the racial, gender and geographic diversity of the population of the state.

(e) The [council] Social Equity Council may (1) request, and shall receive, from any state agency such information and assistance as the council may require, [;] (2) use such funds as may be available from federal, state or other sources and may enter into contracts to carry out the purposes of the council, including, but not limited to, contracts or agreements with Connecticut Innovations, Incorporated, constituent units of the state system of higher education, regional workforce development boards and community development financial institutions, [;] (3) utilize voluntary and uncompensated services of private individuals, state or federal agencies and organizations as may, from time to time, be offered and needed, [;] (4) accept any gift, donation

House Bill No. 5524

or bequest for the purpose of performing the duties of the council, [;] (5) hold public hearings, [;] (6) establish such standing committees, as necessary, to perform the duties of the council, [;] and (7) adopt regulations, in accordance with chapter 54, as [it] the council may deem necessary to carry out the duties of the council.

(f) The [council] Social Equity Council shall promote and encourage full participation in the cannabis industry by persons from communities that have been disproportionately harmed by cannabis prohibition and enforcement.

(g) Not later than forty-five days after June 22, 2021, or at a later date determined by the [council] Social Equity Council, the council shall establish criteria for proposals to conduct a study under this section and the Secretary of the Office of Policy and Management shall post on the State Contracting Portal a request for proposals to conduct a study, and shall select an independent third party to conduct such study and provide detailed findings of fact regarding the following matters in the state or other matters determined by the council:

(1) Historical and present-day social, economic and familial consequences of cannabis prohibition, the criminalization and stigmatization of cannabis use and related public policies;

(2) Historical and present-day structures, patterns, causes and consequences of intentional and unintentional racial discrimination and racial disparities in the development, application and enforcement of cannabis prohibition and related public policies;

(3) Foreseeable long-term social, economic and familial consequences of unremedied past racial discrimination and disparities arising from past and continued cannabis prohibition, stigmatization and criminalization;

(4) Existing patterns of racial discrimination and racial disparities in

House Bill No. 5524

access to entrepreneurship, employment and other economic benefits arising in the lawful palliative use cannabis sector as established pursuant to chapter 420f; and

(5) Any other matters that the council deems relevant and feasible for study for the purpose of making reasonable and practical recommendations for the establishment of an equitable and lawful adult-use cannabis business sector in this state.

(h) Not later than January 1, 2022, the [council] Social Equity Council shall, taking into account the results of the study conducted in accordance with subsection (g) of this section, make written recommendations, in accordance with the provisions of section 11-4a, to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding, consumer protection and the judiciary regarding legislation to implement the provisions of this section. The council shall make recommendations regarding:

(1) Creating programs to ensure that individuals from communities that have been disproportionately harmed by cannabis prohibition and enforcement are provided equal access to licenses for cannabis establishments;

(2) Specifying additional qualifications for social equity applicants;

(3) Providing for expedited or priority license processing for each license as a retailer, hybrid retailer, cultivator, micro-cultivator, product manufacturer, food and beverage manufacturer, product packager, transporter and delivery service license for social equity applicants;

(4) Establishing minimum criteria for any cannabis establishment licensed on or after January 1, 2022, that is not owned by a social equity applicant, to comply with an approved workforce development plan to reinvest or provide employment and training opportunities for

House Bill No. 5524

individuals in disproportionately impacted areas;

(5) Establishing criteria for a social equity plan for any cannabis establishment licensed on or after January 1, 2022, to further the principles of equity, as defined in section 21a-420;

(6) Recruiting individuals from communities that have been disproportionately harmed by cannabis prohibition and enforcement to enroll in the workforce training program established pursuant to section 21a-421g;

(7) Potential uses for revenue generated under RERACA to further equity;

(8) Encouraging participation of investors, cannabis establishments, and entrepreneurs in the cannabis business accelerator program established pursuant to section 21a-421f;

(9) Establishing a process to best ensure that social equity applicants have access to the capital and training needed to own and operate a cannabis establishment; and

(10) Developing a vendor list of women-owned and minority-owned businesses that cannabis establishments may contract with for necessary services, including, but not limited to, office supplies, information technology infrastructure and cleaning services.

(i) (1) Not later than August 1, 2021, and annually thereafter until July 31, 2023, the [council] Social Equity Council shall use the most recent five-year United States Census Bureau American Community Survey estimates or any successor data to determine one or more United States census tracts in the state that are a disproportionately impacted area and shall publish a list of such tracts on the council's Internet web site.

(2) Not later than August 1, 2023, the council shall use poverty rate

House Bill No. 5524

data from the most recent five-year United States Census Bureau American Community Survey estimates, population data from the most recent decennial census and conviction information from databases managed by the Department of Emergency Services and Public Protection to identify all United States census tracts in the state that are disproportionately impacted areas and shall publish a list of such tracts on the council's Internet web site. In identifying which census tracts in this state are disproportionately impacted areas and preparing such list, the council shall:

(A) Not deem any census tract with a poverty rate that is less than the state-wide poverty rate to be a disproportionately impacted area;

(B) After eliminating the census tracts described in subparagraph (A) of this subdivision, rank the remaining census tracts in order from the census tract with the greatest historical conviction rate for drug-related offenses to the census tract with the lowest historical conviction rate for drug-related offenses; and

(C) Include census tracts in the order of rank described in subparagraph (B) of this subdivision until including the next census tract would cause the total population of all included census tracts to exceed twenty-five per cent of the state's population.

(j) After developing criteria for workforce development plans as described in subdivision (4) of subsection (h) of this section, the [council] Social Equity Council shall review and approve or deny in writing any such plan submitted by a producer under section 21a-420l or a hybrid-retailer under section 21a-420u.

(k) The [council] Social Equity Council shall develop criteria for evaluating the ownership and control of any equity joint venture created under section 21a-420m, 21a-420u or 21a-420j and shall review and approve or deny in writing such equity joint venture prior to such equity

House Bill No. 5524

joint venture being licensed under section 21a-420m, 21a-420u or 21a-420j. [After developing criteria for social equity plans as described in subdivision (5) of subsection (h) of this section, the council shall review and approve or deny in writing any such plan submitted by a cannabis establishment as part of its final license application.] The council shall not approve any equity joint venture applicant which shares with an equity joint venture any individual owner who meets the criteria established in subparagraphs (A) and (B) of subdivision (50) of section 21a-420.

(l) The Social Equity Council shall, upon receipt of funds from producers in accordance with subdivision (5) of subsection (b) of section 21a-420l, develop a program to assist social equity applicants to open not more than two micro-cultivator establishment businesses in total. Producers shall provide mentorship to such social equity applicants. The [Social Equity Council] council shall, with the department, determine a system to select social equity applicants to participate in such program without participating in a lottery or request for proposals.

(m) (1) The Social Equity Council shall review and either approve or deny, in writing, any social equity plan submitted by a cannabis establishment as part of the cannabis establishment's final license application. The council shall approve or deny such social equity plan not later than thirty days after such social equity plan is submitted to the council. If the council denies any such social equity plan, the applicant may revise and resubmit such social equity plan without prejudice.

(2) Not later than July 1, 2024, the council shall update the criteria for social equity plans described in subdivision (5) of subsection (h) of this section to include a specific, points-based rubric to evaluate social equity plans.

(n) The Social Equity Council shall approve the amounts, grantees

House Bill No. 5524

and purposes of any grants made by the council from the social equity and innovation account or the Cannabis Social Equity and Innovation Fund, established under section 21a-420f, and any contract executed by and between the council and a grant maker shall require that the amounts, grantees and purposes of any subgrants made by such grant maker shall be approved by the council.

(o) Not later than July 1, 2024, and quarterly thereafter, the Social Equity Council shall prepare and submit a report, in accordance with the provisions of section 11-4a, to the Governor, the speaker of the House of Representatives, the president pro tempore of the Senate, the majority leader of the House of Representatives, the majority leader of the Senate, the minority leader of the House of Representatives, the minority leader of the Senate and the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and consumer protection. The report shall include, but need not be limited to:

(1) The fiscal-year-to-date expenditures of the council, which expenditures shall disclose, at a minimum: (A) All expenditures made for personal services and the fringe benefit costs associated therewith; (B) all expenditures made for consultants retained for the purpose of reviewing applications for social equity applicant status; (C) all expenditures made to provide businesses with access to capital and the number of businesses that received access to such capital; (D) all expenditures made to provide technical assistance for the start-up and operation of businesses and the number of businesses that received such assistance; (E) all expenditures made to fund workforce education, the number of persons served by the workforce education programs supported by such expenditures and the number of persons successfully placed in relevant professional roles after completing such workforce education programs; (F) all expenditures made to fund community investment grants, the amounts, grantees and purposes of such grants

House Bill No. 5524

and, if any of such grants were made to a grant maker, the amounts, grantees and purposes of any subgrants made by such grant maker; (G) all expenditures made for promotional or branding items and which promotional or branding items were purchased; (H) all expenditures made for advertising or marketing campaigns; (I) all expenditures made to advertising or marketing firms; (J) all expenditures made for sponsorships; (K) all expenditures made for other community outreach; (L) all expenditures made for travel; and (M) all other expenditures not described in subparagraphs (A) to (L), inclusive, of this subdivision; and

(2) The status of the council's performance of the council's responsibilities in the licensing process under RERACA, including, but not limited to: (A) The number of applications for social equity applicant status, social equity plans and workforce development plans pending before the council, categorized into the number of applications, social equity plans and workforce development plans pending before the council for (i) less than thirty days, (ii) at least thirty days but less than sixty days, (iii) at least sixty days but less than ninety days, and (iv) at least ninety days; (B) the number of applications for social equity applicant status, social equity plans and workforce development plans approved during the then current fiscal year, broken down by license type; and (C) the number of applications for social equity applicant status, social equity plans and workforce development plans denied during the then current fiscal year, broken down by license type.

(p) Not later than July 1, 2024, and monthly thereafter, the executive director of the council shall prepare and submit a report, in accordance with the provisions of section 11-4a, to the council and the Black and Puerto Rican Caucus of the General Assembly. The report shall include, but need not be limited to:

(1) The expenditures the council plans to make during the month immediately following submission of such report, which expenditures shall disclose, at a minimum: (A) All expenditures the council plans to

House Bill No. 5524

make for consultants retained for the purpose of reviewing applications for social equity applicant status; (B) all expenditures the council plans to make to fund community investment grants, the amounts, grantees and purposes of such grants and, if any of such grants are to be made to a grant maker, the amounts, grantees and purposes of any subgrants to be made by such grant maker; (C) all expenditures the council plans to make for promotional or branding items, for advertising or marketing campaigns, to advertising or marketing firms and for sponsorships; (D) all expenditures the council plans to make for community outreach; and (E) all expenditures the council plans to make for travel; and

(2) The status of the council's performance of the council's responsibilities in the licensing process under RERACA, including, but not limited to, the following information for the date of such report: (A) The number of applications for social equity applicant status that are pending before the council and the date each such application was submitted, broken down by license type, municipality, assembly district and senate district; (B) the number of social equity plans that are pending before the council and the date each such social equity plan was submitted, broken down by license type; and (C) the number of workforce development plans that are pending before the council and the date each such workforce development plan was submitted, broken down by license type.

Sec. 140. Section 21a-420f of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) (1) There is established an account to be known as the "cannabis regulatory and investment account" which shall be a separate, nonlapsing account within the General Fund. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be allocated by the Secretary of the Office of Policy and Management, in consultation with the Social Equity Council, as defined

House Bill No. 5524

in section 21a-420, to state agencies for the purpose of paying costs incurred to implement the activities authorized under RERACA, as defined in section 21a-420.

(2) Notwithstanding the provisions of section 21a-420e, for the fiscal years ending June 30, 2022, and June 30, 2023, the following shall be deposited in the cannabis regulatory and investment account: (A) All fees received by the state pursuant to section 21a-421b and subdivisions (1) to (11), inclusive, of subsection (c) of section 21a-420e; (B) the tax received by the state under section 12-330ll; and (C) the tax received by the state under chapter 219 from a cannabis retailer, hybrid retailer or micro-cultivator, as those terms are defined in section 12-330ll.

(3) At the end of the fiscal year ending June 30, 2023, all moneys remaining in the cannabis regulatory and investment account shall be transferred to the General Fund.

(b) (1) There is established an account to be known as the "social equity and innovation account" which shall be a separate, nonlapsing account within the General Fund. The account shall contain any moneys required by law to be deposited in the account.

(A) During the fiscal years ending June 30, 2022, and June 30, 2023, moneys in the account shall be allocated by the Secretary of the Office of Policy and Management, in consultation with the Social Equity Council, to state agencies for the purpose of (i) paying costs incurred by the Social Equity Council, (ii) administering programs under RERACA to provide (I) access to capital for businesses, (II) technical assistance for the start-up and operation of a business, (III) funding for workforce education, and (IV) funding for community investments, and (iii) paying costs incurred to implement the activities authorized under RERACA.

(B) During the fiscal year ending June 30, 2024, moneys in the account

House Bill No. 5524

shall be allocated by the Secretary of the Office of Policy and Management for purposes that the Social Equity Council determines, in the Social Equity Council's sole discretion, further the principles of equity, as defined in section 21a-420, which purposes may include, but need not be limited to, providing (i) access to capital for businesses in any industry, (ii) technical assistance for the start-up and operation of a business in any industry, (iii) funding for workforce education in any industry, (iv) funding for community investments, and (v) funding for investments in disproportionately impacted areas.

(2) Notwithstanding the provisions of sections 21a-420e and 21a-420o, for the fiscal years ending June 30, 2022, and June 30, 2023, the following shall be deposited in the social equity and innovation account: All fees received by the state pursuant to sections 21a-420l, 21a-420o and 21a-420u and subdivisions (12) and (13) of subsection (c) of section 21a-420e.

(3) At the end of the fiscal year ending June 30, 2023, five million dollars shall be transferred from the social equity and innovation account to the General Fund, or, if the account contains less than five million dollars, all remaining moneys in the account. At the end of the fiscal year ending June 30, 2024, all remaining moneys in the account shall be transferred to the Social Equity and Innovation Fund established under subsection (c) of this section.

(c) (1) On and after July 1, 2022, there is established a fund to be known as the "Cannabis Social Equity and Innovation Fund". The fund shall contain any moneys required by law to be deposited in the fund and shall be held by the Treasurer separate and apart from all other moneys, funds and accounts. Amounts in the fund may be expended only pursuant to appropriation by the General Assembly. Any balance remaining in the fund at the end of any fiscal year shall be carried forward in the fund for the fiscal year next succeeding. Moneys in the fund shall be appropriated for the purposes of providing the following:

House Bill No. 5524

Access to capital for businesses in any industry; technical assistance for the start-up and operation of a business in any industry; funding for workforce education in any industry; funding for community investments; and paying costs incurred to implement the activities authorized under RERACA. All such appropriations shall be dedicated to expenditures that further the principles of equity, as defined in section 21a-420.

(2) (A) For the purposes of subdivision (1) of this subsection, for the fiscal year ending June 30, 2023, and for each fiscal year thereafter, the Social Equity Council shall transmit, for even-numbered years, estimates of expenditure requirements and for odd-numbered years, recommended adjustments and revisions, if any, of such estimates, to the Secretary of the Office of Policy and Management, in the manner prescribed for a budgeted agency under subsection (a) of section 4-77.

(B) The Office of Policy and Management may not make adjustments to any such estimates or adjustments and revisions of such estimates transmitted by the council. Notwithstanding any provision of the general statutes or any special act, the Governor shall not reduce the allotment requisitions or allotments in force pursuant to section 4-85 or make reductions in allotments in order to achieve budget savings in the General Fund, concerning any appropriations made by the General Assembly for the purposes of subdivision (1) of this subsection.

(C) The estimates of expenditure requirements transmitted by the Social Equity Council to the Secretary of the Office of Policy and Management pursuant to subparagraph (A) of this subdivision shall, consistent with the requirements established in subsection (a) of section 4-77, include an estimate of the amount of funds required to be distributed among the permissible purposes for appropriations made from the Cannabis Social Equity and Innovation Fund as set forth in subdivision (1) of this subsection.

House Bill No. 5524

(d) On and after July 1, 2022, there is established a fund to be known as the "Cannabis Prevention and Recovery Services Fund". The fund shall contain any moneys required by law to be deposited in the fund and shall be held by the Treasurer separate and apart from all other moneys, funds and accounts. Amounts in the fund may be expended only pursuant to appropriation by the General Assembly. Any balance remaining in the fund at the end of any fiscal year shall be carried forward in the fund for the fiscal year next succeeding. Moneys in the fund shall be appropriated for the purposes of (1) substance abuse prevention, treatment and recovery services, which may include, but need not be limited to, the (A) provision of youth cannabis use prevention services by the local advisory councils on drug use and prevention established by municipalities pursuant to subsection (a) of Section 4126 of the Drug Free Schools and Communities Act of 1986, as amended from time to time, regional behavioral health action organizations described in section 17a-484f, or youth service bureaus established pursuant to section 10-19m, and (B) development of a public awareness campaign to raise awareness of the mental and physical health risks of youth cannabis use and cannabis use by pregnant persons, and (2) collection and analysis of data regarding substance use. The Social Equity Council may make recommendations to any relevant state agency regarding expenditures to be made for the purposes set forth in this subsection.

(e) On and after July 1, 2023, there is established a fund to be known as the "Cannabis Regulatory Fund" which shall be a separate, nonlapsing fund. The fund shall contain any moneys required by law to be deposited in the fund and shall be held by the Treasurer separate and apart from all other moneys, funds and accounts. Moneys in the fund shall be appropriated to state agencies for the purposes of paying costs incurred to implement the activities authorized under RERACA, as defined in section 21a-420.

House Bill No. 5524

Sec. 141. Subsection (g) of section 19a-59i of the general statutes, as amended by section 45 of public act 24-81, is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(g) The Department of Public Health shall develop educational materials regarding:

(1) The health and safety of [pregnant] expectant and postpartum mothers and persons with mental health disorders, including, but not limited to, perinatal mood and anxiety disorders, for distribution by the department to each birthing hospital in the state. As used in this subdivision, "birthing hospital" means a health care facility, as defined in section 19a-630, operated and maintained in whole or in part for the purpose of caring for patients during the delivery of a child and for a postpartum mother or person and such mother's or person's newborn following birth;

(2) Evidence-based screening tools for screening patients for intimate partner violence, peripartum mood disorders and substance use disorder for distribution by the department to obstetricians and other health care providers who practice obstetrics;

(3) Indicators of intimate partner violence for distribution by the department to (A) hospitals for use by health care providers in the emergency department and hospital social workers, and (B) obstetricians and other health care providers who practice obstetrics; and

(4) Not later than January 1, 2025, intimate partner violence toward [pregnant] expectant and postpartum mothers and persons for distribution by the department (A) in print to each birthing hospital and birth center in the state, and (B) electronically to obstetricians and other health care providers who practice obstetrics for provision to [pregnant] expectant and postpartum patients. The department shall consult with

House Bill No. 5524

organizations that advocate on behalf of victims of domestic violence in the development of educational materials pursuant to this subdivision.

Sec. 142. Section 19a-490ee of the general statutes, as amended by section 46 of public act 24-81, is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) As used in this section, (1) "birthing hospital" means a health care facility, as defined in section 19a-630, operated and maintained in whole or in part for the purpose of caring for a person during the delivery of a child and for a postpartum mother or person and such mother's or person's newborn following birth; and (2) "birth center" has the same meaning as provided in section 19a-490.

(b) Each birthing hospital shall provide to each patient who has undergone a caesarean section written information regarding the importance of mobility following a caesarean section and the risks associated with immobility following a caesarean section.

(c) Each birthing hospital shall establish a patient portal through which a postpartum patient can virtually access, through an Internet web site or application, any educational materials and other information that the birthing hospital provided to the patient during the patient's stay at the birthing hospital and at the time of the patient's discharge from the birthing hospital.

(d) Each birthing hospital shall provide to each postpartum patient the educational materials regarding the health and safety of [pregnant] expectant and postpartum mothers and persons with mental health disorders, including, but not limited to, perinatal mood and anxiety disorders, developed by the [maternal mortality review committee] Department of Public Health pursuant to subdivision (1) of subsection (g) of section 19a-59i, as amended by [this act] public act 24-81.

(e) On and after January 1, 2025, each birthing hospital and birth

House Bill No. 5524

center shall provide to each pregnant and postpartum patient the educational materials regarding intimate partner violence toward pregnant and postpartum persons, developed by the Department of Public Health pursuant to subdivision (4) of subsection (g) of section 19a-59i, as amended by [this act] public act 24-81.

Sec. 143. (*Effective July 1, 2024*) (a) For the fiscal year ending June 30, 2025, the Department of Education shall administer an artificial intelligence education tool pilot program. Under such pilot program, the Commissioner of Education shall award a grant to assist such boards in implementing an existing artificial intelligence tool, selected by the commissioner, that will be used by educators and students for classroom instruction and student learning.

(b) The commissioner shall select five local or regional boards of education to participate in the pilot program, provided such participation includes at least one rural school district, one suburban school district and one urban school district and reflects the racial and ethnic diversity of the state. The commissioner and each such participating board of education shall jointly select the grade level in which such artificial intelligence tool will be implemented in the school district, provided such grade level is grade seven, eight, nine, ten, eleven or twelve.

(c) Such artificial intelligence tool shall comply with the laws governing the use of artificial intelligence and the protection of student data and privacy, including, but not limited to, the Family Educational Rights and Privacy Act of 1974, 20 USC 1232g, as amended from time to time, and sections 10-234aa to 10-234gg, inclusive, of the general statutes.

(d) As used in this section, "artificial intelligence" means any technology, including, but not limited to, machine learning that uses data to train an algorithm or predictive model for the purpose of

House Bill No. 5524

enabling a computer system or service to autonomously perform any task, including, but not limited to, visual perception, language processing or speech recognition, that is normally associated with human intelligence or perception.

Sec. 144. (*Effective July 1, 2024*) For the fiscal year ending June 30, 2025, the Department of Education shall provide professional development for educators employed by the local and regional boards of education participating in the artificial intelligence education tool pilot program pursuant to section 143 of this act. Such professional development shall include, but not be limited to, (1) training on how to properly and safely utilize the artificial intelligence tool selected for such pilot program as part of instruction in the classroom, (2) how such artificial intelligence tool can benefit (A) educators in classroom instruction, and (B) students in learning, academic achievement and workforce development, and (3) the laws governing the use of artificial intelligence and the protection of student data and privacy, including, but not limited to, the Family Educational Rights and Privacy Act of 1974, 20 USC 1232g, as amended from time to time, and sections 10-234aa to 10-234gg, inclusive, of the general statutes. As used in this section, "artificial intelligence" means any technology, including, but not limited to, machine learning that uses data to train an algorithm or predictive model for the purpose of enabling a computer system or service to autonomously perform any task, including, but not limited to, visual perception, language processing or speech recognition, that is normally associated with human intelligence or perception.

Sec. 145. (*Effective July 1, 2024*) (a) Not later than January 1, 2025, the Department of Education, in collaboration with the Commission for Educational Technology established pursuant to section 4d-80 of the general statutes, shall develop a model digital citizenship curriculum for grades kindergarten to twelve, inclusive, that may be used by local and regional boards of education.

House Bill No. 5524

(b) Such model digital citizenship curriculum shall (1) be rigorous, age appropriate and aligned with curriculum guidelines approved by the State Board of Education, (2) include content and instruction to develop digital citizenship skills and dispositions within online spaces with the media and technology across all content areas to cultivate positive student relationships and school climate, and (3) include topics that are aligned with the provisions of subparagraph (H) of subdivision (3) of subsection (b) of section 10-25b of the general statutes.

(c) The department may accept gifts, grants and donations, including in-kind donations, designated for the implementation of the model digital citizenship curriculum under this section.

Sec. 146. (NEW) (*Effective July 1, 2024*) (a) On or before October 31, 2024, and semiannually thereafter, each hospital, as defined in section 12-263p of the general statutes, shall submit a report to the executive director of the Office of Health Strategy that identifies, for each of the two prior calendar quarters, (1) the number of days of cash on hand, or days cash and cash equivalents otherwise available to the hospital, and (2) the dollar amount of (A) invoices that are at least ninety days past due in the reporting period, (B) utility bills that are at least ninety days past due in the reporting period, (C) fees, taxes or assessments owed to public entities that are at least ninety days past due in the reporting period, and (D) unpaid employee health insurance premiums, including unpaid contributions, claims or other obligations supporting employees under a self-funded insurance plan or fully insured plan, that are at least ninety days past due in the reporting period. The executive director shall develop a uniform template, including, but not limited to, definitions of terms used in such template, to be used by hospitals for the purposes of complying with the provisions of this subsection and post such template on the Office of Health Strategy's Internet web site. A hospital may request an extension of time to comply with the requirements of this subsection in a form and manner prescribed by the

House Bill No. 5524

executive director. The executive director may grant such request for good cause, as determined by the executive director. Such template shall be based on generally accepted accounting principles as prescribed by the Financial Accounting Standards Board.

(b) If a hospital submits a report pursuant to the provisions of subsection (a) of this section reflecting two consecutive quarters of sixty days or less of days of cash on hand, or days cash and cash equivalents otherwise available to the hospital, the executive director may require the hospital to provide the Office of Health Strategy with additional information that the executive director deems relevant to understanding the financial health of the hospital.

(c) If a hospital submits a report pursuant to the provisions of subsection (a) of this section reflecting two consecutive quarters of forty-five days or less of cash on hand, or days cash and cash equivalents otherwise available to the hospital, the Office of Health Strategy shall contact the hospital to offer assistance.

(d) If a hospital has multiple consecutive quarters of one hundred or more days of cash on hand, or days cash and cash equivalents otherwise available to the hospital, the executive director may waive one of the hospital's two semiannual reports required pursuant to the provisions of subsection (a) of this section.

Sec. 147. Section 382 of public act 23-204 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

Not later than June 30, 2024, the Comptroller shall transfer [ninety-five] two hundred five million dollars of the resources of the General Fund for the fiscal year ending June 30, 2024, to be accounted for as revenue of the General Fund for the fiscal year ending June 30, 2025.

Sec. 148. (*Effective from passage*) (a) Up to \$1,500,000 of the unexpended balance of funds that was transferred and made available

House Bill No. 5524

to the Secretary of the Office of Policy and Management, for Other Expenses, for costs associated with the legalization of cannabis in subdivision (36) of subsection (b) of section 12 of public act 22-118 and in subsection (d) of section 41 of public act 23-204, carried forward and made available for the same purpose during the fiscal year ending June 30, 2024, shall be made available to the Secretary of the Office of Policy and Management, for Other Expenses, during the fiscal year ending June 30, 2024, as follows:

(1) Up to \$1,100,000 for a study of the operations of The University of Connecticut Health Center;

(2) Up to \$200,000 for a study of managerial compensation; and

(3) Up to \$200,000 for a strategic higher education study of the Connecticut State Colleges and Universities system.

(b) The unexpended balance of funds made available to the secretary under subsection (a) of this section shall not lapse on June 30, 2024, and shall continue to be available for the purposes described in subsection (a) of this section during the fiscal year ending June 30, 2025.

Sec. 149. (*Effective from passage*) Up to \$2,300,000 of the unexpended balance of funds that was transferred and made available to the Secretary of the Office of Policy and Management, for Other Expenses, for costs associated with the legalization of cannabis in subdivision (36) of subsection (b) of section 12 of public act 22-118 and in subsection (d) of section 41 of public act 23-204, carried forward and made available for the same purpose during the fiscal year ending June 30, 2024, shall not lapse on June 30, 2024, and such funds shall be transferred and made available to the Department of Social Services, for Community Action Agencies, during the fiscal year ending June 30, 2025.

Sec. 150. Sections 240 and 241 of public act 24-81 are repealed. (*Effective from passage*)

House Bill No. 5524

Sec. 151. (*Effective from passage*) The Commissioner of Administrative Services, having reviewed applications for state grants for public school building projects in accordance with section 10-283 of the general statutes, on the basis of priorities for such projects and standards for school construction established by the State Board of Education, and having prepared a listing of all such eligible projects ranked in order of priority, as determined by said commissioner together with the amount of the estimated grant with respect to each eligible project, and having submitted such listing of eligible projects, prior to December 15, 2023, to a committee of the General Assembly established under section 10-283a of the general statutes, for the purpose of reviewing such listing, is hereby authorized to enter into grant commitments on behalf of the state in accordance with said section with respect to the priority listing of such projects and in such estimated amounts as approved by said committee prior to February 1, 2024, as follows:

(1) Estimated Grant Commitments.

School District School Project Number	Estimated Project Costs	Estimated Grant
BRISTOL Edgewood Pre-K Academy 24DASY017090RNV0624	\$16,803,560	\$11,701,999
LEARN New Early Childhood School at 51 Daniels Avenue 24DASY245090APF0624	\$95,736,656	\$90,949,823
STAMFORD South School - Upper 24DASY135283N0624	\$85,871,466	\$51,522,880
STAMFORD		

House Bill No. 5524

South School – Lower 24DASY135284N0624	\$72,463,942	\$43,478,365
---	--------------	--------------

BRISTOL Bristol Central High School Culinary Arts 24DASY017091A0624	\$1,426,955	\$993,731
--	-------------	-----------

BRISTOL Bristol Eastern High School Culinary Arts 24DASY017092A0624	\$1,448,285	\$1,008,586
--	-------------	-------------

DANBURY Danbury High School 24DASY034154A0624	\$16,500,000	\$10,429,650
---	--------------	--------------

HARTFORD Montessori Magnet at Batchelder 24DASY064322RNV0624	\$102,569,302	\$97,440,837
--	---------------	--------------

HARTFORD S.A.N.D. Elementary School 24DASY064323RNV0624	\$82,837,086	\$78,695,232
---	--------------	--------------

HARTFORD Maria C. Colon Sanchez Elementary School 24DASY064324RNV0624	\$96,945,196	\$92,097,936
--	--------------	--------------

NEWINGTON John Wallace Middle School 24DASY094112AB0624	\$10,717,573	\$8,038,180
---	--------------	-------------

(2) Previously Authorized Projects That Have Changed Substantially
in Scope or Cost which are Seeking Reauthorization.

School District School	Authorized	Requested
---------------------------	------------	-----------

House Bill No. 5524

Project Number

HARTFORD
Betances Learning Lab Magnet School
21DASY064316RNV0621

Estimated...		
Total Project Costs	\$43,709,774	\$66,825,200
Total Grant	\$41,524,285	\$63,483,940

HARTFORD
Fred D. Wish Museum School
21DASY064318RNV0621

Estimated...		
Total Project Costs	\$49,320,000	\$67,290,900
Total Grant	\$46,854,000	\$63,926,355

HARTFORD
E. B. Kennelly School
21DASY064317RNV0621

Estimated...		
Total Project Costs	\$51,416,225	\$88,130,000
Total Grant	\$48,845,414	\$83,723,500

Sec. 152. Section 10-283 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) (1) Each town or regional school district shall be eligible to apply for and accept grants for a school building project as provided in this chapter. Any town desiring a grant for a public school building project may, by vote of its legislative body, authorize the board of education of such town to apply to the Commissioner of Administrative Services and to accept or reject such grant for the town. Any regional school board may vote to authorize the supervising agent of the regional school district to apply to the Commissioner of Administrative Services for and

House Bill No. 5524

to accept or reject such grant for the district. Applications for such grants under this chapter shall be made by the superintendent of schools of such town or regional school district on the form provided and in the manner prescribed by the Commissioner of Administrative Services. The application form shall require the superintendent of schools to affirm that the school district considered the maximization of natural light, the use and feasibility of wireless connectivity technology and, on and after July 1, 2014, the school safety infrastructure criteria, described in section 10-292r, in projects for new construction and alteration or renovation of a school building. The Commissioner of Administrative Services shall review, in consultation with the Commissioner of Education, each grant application for a school building project for compliance with educational [requirements and on the basis of categories for building projects established by the Commissioner of Administrative Services in accordance with this section] specifications. The Commissioner of Education shall evaluate, if appropriate, whether the project will assist the state in meeting its obligations pursuant to the decision in *Sheff v. O'Neill*, 238 Conn. 1 (1996), or any related stipulation or order in effect, as determined by the Commissioner of Education. The Commissioner of Administrative Services shall consult with the Commissioner of Education in reviewing grant applications submitted for purposes of subsection (a) of section 10-65 or section 10-76e on the basis of the educational needs of the applicant. The Commissioner of Administrative Services shall review each grant application for a school building project for compliance with standards for school building projects pursuant to regulations, adopted in accordance with section 10-287c, and, on and after July 1, 2014, the school safety infrastructure criteria, described in section 10-292r. Notwithstanding the provisions of this chapter, the Board of Trustees of the Community-Technical Colleges on behalf of Quinebaug Valley Community College and Three Rivers Community College and the following entities that will operate an interdistrict magnet school that will assist the state in meeting its obligations pursuant to the decision in *Sheff v. O'Neill*, 238 Conn. 1

House Bill No. 5524

(1996), or any related stipulation or order in effect, as determined by the Commissioner of Education, may apply for and shall be eligible to receive grants for school building projects pursuant to section 10-264h for such a school: (A) The Board of Trustees of the Community-Technical Colleges on behalf of a regional community-technical college, (B) the Board of Trustees of the Connecticut State University System on behalf of a state university, (C) the Board of Trustees for The University of Connecticut on behalf of the university, (D) the board of governors for an independent institution of higher education, as defined in subsection (a) of section 10a-173, or the equivalent of such a board, on behalf of the independent institution of higher education, (E) cooperative arrangements pursuant to section 10-158a, and (F) any other third-party not-for-profit corporation approved by the Commissioner of Education.

(2) [The Commissioner of Administrative Services shall assign each school building project to a category on the basis of whether such project is primarily required to: (A) Create new facilities or alter existing facilities to provide for mandatory instructional programs pursuant to this chapter, for physical education facilities in compliance with Title IX of the Elementary and Secondary Education Act of 1972 where such programs or such compliance cannot be provided within existing facilities or for the correction of code violations which cannot be reasonably addressed within existing program space; (B) create new facilities or alter existing facilities to enhance mandatory instructional programs pursuant to this chapter or provide comparable facilities among schools to all students at the same grade level or levels within the school district unless such project is otherwise explicitly included in another category pursuant to this section; and (C) create new facilities or alter existing facilities to provide supportive services, provided in no event shall such supportive services include swimming pools, auditoriums, outdoor athletic facilities, tennis courts, elementary school playgrounds, site improvement or garages or storage, parking or

House Bill No. 5524

general recreation areas.] All applications submitted prior to July first shall be reviewed promptly by the Commissioner of Administrative Services. The Commissioner of Administrative Services shall estimate the amount of the grant for which such project is eligible, in accordance with the provisions of section 10-285a, provided an application for a school building project determined by the Commissioner of Education to be a project that will assist the state in meeting its obligations pursuant to the decision in *Sheff v. O'Neill*, 238 Conn. 1 (1996), or any related stipulation or order in effect, as determined by the Commissioner of Education, shall have until September first to submit an application for such a project and may have until December first of the same year to secure and report all local and state approvals required to complete the grant application. The Commissioner of Administrative Services shall annually prepare a listing of all such eligible school building projects [listed by category together] with the amount of the estimated grants for such projects and shall submit the same to the Governor, the Secretary of the Office of Policy and Management and the General Assembly on or before the fifteenth day of December, except as provided in section 10-283a, with a request for authorization to enter into grant commitments. On or before December thirty-first annually, the Secretary of the Office of Policy and Management may submit comments and recommendations regarding each eligible project on such listing of eligible school building projects to the school construction committee, established pursuant to section 10-283a. Each such listing shall include a report on the following factors for each eligible project: (i) An enrollment projection and the capacity of the school, including who conducted the enrollment projection for the school and the cost of conducting such enrollment projection, (ii) a substantiation of the estimated total project costs, (iii) the readiness of such eligible project to begin construction, (iv) efforts made by the local or regional board of education to redistrict, reconfigure, merge or close schools under the jurisdiction of such board prior to submitting an application under this section, (v) enrollment and capacity information for all of the schools

House Bill No. 5524

under the jurisdiction of such board for the five years prior to application for a school building project grant, (vi) enrollment projections and capacity information for all of the schools under the jurisdiction of such board for the eight years following the date such application is submitted, [and] including who conducted the enrollment projection for the school and the cost of conducting such enrollment projection, (vii) the state's education priorities relating to reducing racial and economic isolation for the school district, and (viii) an estimation of the total ineligible costs and an itemization of such ineligible costs for such project. On and after July 1, 2022, each such listing shall include an addendum that contains all grants approved pursuant to subsection (b) of this section during the prior fiscal year. For the period beginning July 1, 2006, and ending June 30, 2012, no project [, other than a project for a technical education and career school,] may appear on the separate schedule of authorized projects which have changed in cost more than twice. On and after July 1, 2012, no project, other than a project for a technical education and career school, may appear on the separate schedule of authorized projects which have changed in cost more than once, except the Commissioner of Administrative Services may allow a project to appear on such separate schedule of authorized projects a second time if the town or regional school district for such project can demonstrate that exigent circumstances require such project to appear a second time on such separate schedule of authorized projects. Notwithstanding any provision of this chapter, no projects which have changed in scope or cost to the degree determined by the Commissioner of Administrative Services, in consultation with the Commissioner of Education, shall be eligible for reimbursement under this chapter unless it appears on such list. The percentage determined pursuant to section 10-285a at the time a school building project on such schedule was originally authorized shall be used for purposes of the grant for such project. On and after July 1, 2006, a project that was not previously authorized as an interdistrict magnet school shall not receive a higher percentage for reimbursement than that determined pursuant to section

House Bill No. 5524

10-285a at the time a school building project on such schedule was originally authorized. The General Assembly shall annually authorize the Commissioner of Administrative Services to enter into grant commitments on behalf of the state in accordance with the commissioner's categorized listing for such projects as the General Assembly shall determine. The Commissioner of Administrative Services may not enter into any such grant commitments except pursuant to such legislative authorization. Any regional school district which assumes the responsibility for completion of a public school building project shall be eligible for a grant pursuant to subdivision (5) or (6), as the case may be, of subsection (a) of section 10-286 when such project is completed and accepted by such regional school district.

(3) (A) All final calculations completed by the Department of Administrative Services for school building projects shall include a computation of the state grant for the school building project amortized on a straight line basis over a twenty-year period for school building projects with costs equal to or greater than two million dollars and over a ten-year period for school building projects with costs less than two million dollars. Any town or regional school district which abandons, sells, leases, demolishes or otherwise redirects the use of such a school building project to other than a public school use or a public use during such amortization period shall refund to the state the unamortized balance of the state grant remaining as of the date the abandonment, sale, lease, demolition or redirection occurs. The amortization period for a project shall begin on the date the project was accepted as complete by the local or regional board of education. A town or regional school district required to make a refund to the state pursuant to this subdivision may request forgiveness of such refund if the building is redirected for public use. The Department of Administrative Services shall include as an addendum to the annual school construction priority list all those towns requesting forgiveness. General Assembly approval of the priority list under section 10-283a, containing such request shall

House Bill No. 5524

constitute approval of such request. This subdivision shall not apply to projects to correct safety, health and other code violations or to remedy certified school indoor air quality emergencies approved pursuant to subsection (b) of this section or projects subject to the provisions of section 10-285c.

(B) If the board of governors for an independent institution of higher education, as defined in subsection (a) of section 10a-173, or the equivalent of such a board, on behalf of the independent institution of higher education, that operates an interdistrict magnet school makes private use of any portion of a school building in which such operator received a school building project grant pursuant to this chapter, such operator shall annually submit a report to the Commissioner of Education that demonstrates that such operator provides an equal to or greater than in-kind or supplemental benefit of such institution's facilities to students enrolled in such interdistrict magnet school that outweighs the private use of such school building. If the commissioner finds that the private use of such school building exceeds the in-kind or supplemental benefit to magnet school students, the commissioner may require such institution to refund to the state the unamortized balance of the state grant.

(C) Any moneys refunded to the state pursuant to subparagraphs (A) and (B) of this subdivision shall be deposited in the state's tax-exempt proceeds fund and used not later than sixty days after repayment to pay debt service on, including redemption, defeasance or purchase of, outstanding bonds of the state the interest on which is not included in gross income pursuant to Section 103 of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended.

(b) Notwithstanding the application date requirements of this section, at any time within the limit of available grant authorization and within the limit of appropriated funds, the Commissioner of

House Bill No. 5524

Administrative Services, in consultation with the Commissioner of Education, may approve applications for grants and make payments for such grants, for any of the following reasons: (A) To assist school building projects to remedy damage from fire and catastrophe, (B) to correct safety, health and other code violations, (C) to replace roofs, including the replacement or installation of skylights as part of the roof replacement project, (D) to remedy a certified school indoor air quality emergency, (E) to install insulation for exterior walls and attics, or (F) to purchase and install a limited use and limited access elevator, windows, photovoltaic panels, wind generation systems, building management systems or portable classroom buildings, provided portable classroom building projects shall not create a new facility or cause an existing facility to be modified so that the portable buildings comprise a substantial percentage of the total facility area, as determined by the commissioner.

(c) No school building project shall be added to the list prepared by the Commissioner of Administrative Services pursuant to subsection (a) of this section after such list is submitted to the committee of the General Assembly appointed pursuant to section 10-283a unless (1) the project is for a school placed on probation by the New England Association of Schools and Colleges and the project is necessary to preserve accreditation, (2) the project is necessary to replace a school building for which a state agency issued a written notice of its intent to take the school property for public purpose, (3) it is a school building project determined by the Commissioner of Education to be a project that will assist the state in meeting its obligations pursuant to the decision in *Sheff v. O'Neill*, 238 Conn. 1 (1996), or any related stipulation or order in effect, as determined by the Commissioner of Education. The provisions of this subsection shall not apply to projects previously authorized by the General Assembly that require special legislation to correct procedural deficiencies.

House Bill No. 5524

(d) No school building project shall be added to the list prepared by the Commissioner of Administrative Services pursuant to subsection (a) of this section, unless the applicant, prior to submitting an application, has (1) secured funding authorization for the local share of the project costs, provided for any application submitted on and after July 1, 2026, such local share includes an additional ten per cent contingency that is in accordance with guidance developed by the Department of Administrative Services, and such authorization has become effective pursuant to the general statutes and local ordinance or charter, or (2) scheduled and prepared a referendum, if required, the results of which shall be submitted on or before the fifteenth day of November in the year of application. The reimbursement percentage for a project covered by this subsection shall reflect the rates in effect during the fiscal year in which such local funding authorization is secured.

Sec. 153. Section 10-283a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

The listing of eligible school building projects submitted pursuant to section 10-283 shall be reviewed by a committee consisting of the chairpersons and ranking members of the joint standing committees of the General Assembly having cognizance of matters relating to appropriations and the budget of state agencies, finance, revenue and bonding and education. The listing of eligible projects [by category] shall be submitted to said committee prior to December fifteenth annually to determine if said listing is in compliance with [the categories described in] the provisions of subsection (a) of section 10-283, and standards established in regulations adopted pursuant to section 10-287c. The committee may modify the listing. Such modified listing shall be in compliance with the provisions of subsection (a) of section 10-283, and such standards. [and categories.] On or after January first annually, and prior to February first annually, the committee shall submit the approved or modified listing of projects to the Governor and the

House Bill No. 5524

General Assembly.

Sec. 154. Subsection (a) of section 10-284 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) The Commissioner of Administrative Services shall have authority to receive and review applications for state grants under this chapter, and to approve any such application, or to disapprove any such application if (1) it does not include an attestation from (A) the local fire marshal that the school building project plans comply with the requirements of the State Fire Marshal, [or] and (B) the district department of health or municipal health department, as the case may be, that the school building project plans comply with the requirements of the Department of Public Health, (2) it is not accompanied by a life-cycle cost analysis approved by the Commissioner of Administrative Services, (3) it does not comply with the provisions of sections 10-290d and 10-291, (4) it does not meet (A) the standards or requirements established in regulations adopted in accordance with section 10-287c, or (B) school building categorization requirements described in section 10-283, (5) the estimated construction cost exceeds the per square foot cost for schools established in regulations adopted by the Commissioner of Administrative Services, [for the county in which the project is proposed to be located,] (6) on and after July 1, 2014, the application does not comply with the school safety infrastructure criteria described in section 10-292r, except the Commissioner of Administrative Services may waive any of the provisions of the school safety infrastructure criteria if the commissioner determines that the application demonstrates that the applicant has made a good faith effort to address such criteria and that compliance with such criteria would be infeasible, unreasonable or excessively expensive, (7) the Commissioner of Education determines that the proposed educational specifications for or theme of the project for which the applicant requests a state grant

House Bill No. 5524

duplicates a program offered by a technical education and career school or an interdistrict magnet school in the same region, [or] (8) on and after July 1, 2018, a regional educational service center is designated as the project manager in the application, or (9) on and after July 1, 2025, the application is not accompanied by any solar feasibility assessment required pursuant to section 176 of this act for the school building that is the subject of such application.

Sec. 155. Subsection (e) of section 10-285a of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(e) (1) If an elementary school building project for a new building or for the expansion of an existing building includes space for [a school readiness program] an early childhood care and education program that provides services for children from birth to five years, the percentage determined pursuant to this section shall be increased by [five] fifteen percentage points, but shall not exceed one hundred per cent, for the portion of the building used primarily for such purpose. Recipient districts shall maintain [full-day preschool enrollment] such early childhood care and education program for at least ten years.

(2) The percentage determined pursuant to this section for any school building project for a building or facility that will be used exclusively by a local or regional board of education for an early childhood care and education program that provides services for children from birth to five years shall be increased by fifteen percentage points, but shall not exceed one hundred per cent. Recipient districts shall maintain such early childhood care and education program for at least twenty years.

Sec. 156. Subsection (h) of section 10-285a of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

House Bill No. 5524

(h) Subject to the provisions of section 10-285d, if an elementary school building project for a school in a priority school district or for a priority school is necessary in order to offer a full-day kindergarten program or a full-day preschool program or to reduce class size pursuant to section 10-265f, the percentage determined pursuant to this section shall be increased by [ten] fifteen percentage points, but shall not exceed one hundred per cent, for the portion of the building used primarily for such full-day kindergarten program, full-day preschool program or such reduced size classes. Recipient districts that receive an increase pursuant to this subsection in support of a full-day preschool program, shall maintain full-day preschool enrollment for at least ten years.

Sec. 157. Subsection (k) of section 10-285a of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(k) [The] On and after July 1, 2024, for applications submitted pursuant to subsection (a) of section 10-283, the percentage of school building project grant money a local or regional board of education [for a municipality deemed to be an inclusive municipality by the Commissioner of Housing] may be eligible to receive shall be increased by five percentage points if, prior to December first of the year in which the board submits an application for a grant, such board submits a written determination issued by the Commissioner of Housing within such year finding that the municipality in which the school building project is to occur has been deemed to be an inclusive municipality. As used in this subsection, "inclusive municipality" means any municipality that: (1) Has a total population, as defined in section 10-261, that is greater than six thousand; (2) has less than ten per cent of its housing units determined by the commissioner to be affordable; (3) has adopted and maintains zoning regulations that (A) promote fair housing, as determined by the commissioner, (B) provide a streamlined

House Bill No. 5524

process for the approval of the development of multifamily housing of three units or more, (C) permit mixed-use development, and (D) allow accessory dwelling units; and (4) has constructed new affordable housing units that (A) are restricted, through deeds, covenants or other means, to individuals or families whose income is eighty per cent or less of the state median income, and (B) equal at least one per cent of such town's total housing units in the three years immediately preceding the submission of an application under this section.

Sec. 158. Subsection (c) of section 10-285b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(c) In order for an incorporated or endowed high school or academy to be eligible for a grant commitment pursuant to this section such high school or academy shall [(1)] provide educational services to the town or towns designating it as the high school for such town or towns for a period of not less than ten years after completion of grant payments under this section. [, and (2) provide that at least half of the governing board which exercises final educational, financial and legal responsibility for the high school or academy, exclusive of the chairman of such board, be representatives of the board or boards of education designating the high school or academy as the high school for each such board's town.]

Sec. 159. Section 10-285c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

For school building projects approved by the General Assembly after July 1, 1993, if state reimbursement pursuant to the provisions of this chapter or any special act, for the acquisition, purchase or construction of a building was for ninety-five or more per cent of the eligible costs of such acquisition, purchase or construction and such building ceases to be used for the purpose for which the grant was provided within twenty

House Bill No. 5524

years of the date of approval by the General Assembly of the project, title to the building shall revert to the state unless the Commissioner of [Education] Administrative Services decides otherwise for good cause.

Sec. 160. Subsection (b) of section 10-286 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(b) (1) In the case of all grants computed under this section for a project which constitutes a replacement, extension or major alteration of a damaged or destroyed facility, no grant may be paid if a local or regional board of education has failed to insure its facilities and capital equipment in accordance with the provisions of section 10-220. The amount of financial loss due to any damage or destruction to any such facility, as determined by ascertaining the replacement value of such damage or destruction, shall be deducted from project cost estimates prior to computation of the grant.

(2) (A) In the case of any grants computed under this section for a school building project authorized pursuant to section 10-283 after July 1, 1979, but prior to July 1, 2023, any federal funds or other state funds received for such school building project shall be deducted from project costs prior to computation of the grant.

(B) In the case of any grants computed under this section for a school building project authorized pursuant to section 10-283 after July 1, 2023, but prior to July 1, 2024, any other state funds received for such school building project shall be deducted from project costs prior to computation of the grant.

(C) In the case of any grants computed under this section for a school building project authorized pursuant to section 10-283 after July 1, 2024, any other state funds received for such school building project shall be deducted from project costs prior to computation of the grant. For

House Bill No. 5524

purposes of this subparagraph, "other state funds" does not include any funds or benefit received pursuant to a program or initiative implemented pursuant to section 16-19f, 16-243y, 16-244z, 16-245m or 16-245n.

(3) The calculation of grants pursuant to this section shall be made in accordance with the state standard space specifications in effect at the time of the final grant calculation, except that on and after July 1, 2005, in the case of a school district with an enrollment of less than one hundred fifty students in grades kindergarten to grade eight, inclusive, state standard space specifications shall not apply in the calculation of grants pursuant to this section and the Commissioner of Administrative Services, in consultation with the Commissioner of Education, may modify the standard space specifications for a project in such district.

Sec. 161. Subsection (d) of section 10-286 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(d) For any school building project receiving state grant assistance under this chapter, all change orders or other change directives issued for such project [(1) on or after July 1, 2008, until June 30, 2011, shall be submitted, not later than six months after the date of such issuance, to the Commissioner of Education, and (2) on or after July 1, 2011,] shall be submitted, not later than six months after the date of such issuance, to the Commissioner of Administrative Services, in a manner prescribed by the Commissioner of Administrative Services. Only change orders or other change directives submitted to the Commissioner of Education or Commissioner of Administrative Services, as applicable, in accordance with this subsection shall be eligible for state grant assistance.

Sec. 162. Section 10-286e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

House Bill No. 5524

(a) If the Department of Administrative Services does not complete an audit of a school building project during the [five-year] two-year period from the date [the school district files a notice of project completion with] the department issues final payment for such project, the department shall conduct a limited scope audit of such project. The limited scope audit shall review (1) the total amount of expenditures reported, (2) any off-site improvements, (3) adherence to authorized space specifications, (4) interest costs on temporary notes and bonds, and (5) any other matter the Commissioner of Administrative Services deems appropriate.

(b) The department shall not make any adjustment to a school construction grant based on the result of an audit finding that a change order was not publicly bid.

[(c) Notwithstanding the provisions of this section, the Commissioner of Administrative Services may waive any audit deficiencies found during an audit of a school building project conducted pursuant to this section if the commissioner determines that granting such waiver is in the best interest of the state.]

Sec. 163. Subsections (a) to (d), inclusive, of section 10-287 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) A grant for a school building project under this chapter [to meet project costs not eligible for state financial assistance under section 10-287a] shall be paid in installments, the number and time of payment of which shall correspond to the number and time of principal installment payments on municipal bonds, including principal payments to retire temporary notes renewed for the third and subsequent years pursuant to section 7-378a or 7-378e, issued for the purpose of financing such costs and shall be equal to the state's share of project costs per principal installment on municipal bonds or notes, except in cases where the

House Bill No. 5524

project has been fully paid for, in which case the number of installments shall be five or, in the case of a regional agricultural science and technology education center or a cooperative regional special educational facility, shall be one; provided final payment shall not be made prior to an audit conducted by the State Board of Education for each project for which a final calculation was not made prior to July 31, 1983. Grants under twenty-five thousand dollars shall be paid in one lump sum. The Commissioner of Administrative Services shall certify to the State Comptroller, upon completion of the issuance of bonds or such renewal of temporary notes to finance each school building project, the dates and amounts of grant payments to be made pursuant to this chapter and the State Comptroller shall draw an order on the State Treasurer upon such certification to pay the amounts so certified when due. All site acquisition and project cost grant payments shall be made at least ten days prior to the principal payment on bonds or temporary notes related thereto or short-term financing issued to finance such site acquisition or project. Annual grant installments paid pursuant to this section on principal installment payments to retire temporary notes renewed pursuant to section 7-378a or 7-378e shall be based each year on the amount required to be retired pursuant to said sections, as adjusted for any ineligible project costs, and shall be paid only if at the time such temporary notes are renewed the rate of interest applicable to such notes is less than the rate of interest that would be applicable with respect to twenty-year bonds if issued at the time of such renewal. The determination related to such rates of interest pursuant to this subsection may be reviewed and shall be subject to approval by the Commissioner of Administrative Services prior to renewal of such notes. In the event that a school building project is not completed at the time bonds or temporary notes related thereto are issued to finance the project, the certification of the grant payments made pursuant to this section by the Commissioner of Administrative Services may be based on estimates, provided upon completion of such project and notification of final acceptance to the state, the Commissioner of Administrative

House Bill No. 5524

Services shall adjust and recertify the dates and amounts of subsequent grant payments based on the state's share of final eligible costs.

(b) (1) All orders and contracts for school building construction receiving state assistance under this chapter, except as provided in subdivisions (2) to (4), inclusive, of this subsection, shall be awarded to the lowest responsible qualified bidder only after a public invitation to bid, except for (A) school building projects for which the town or regional school district is using a state contract pursuant to subsection (d) of section 10-292, and (B) change orders, those contracts or orders costing less than ten thousand dollars and those of an emergency nature, as determined by the Commissioner of Administrative Services, in which cases the contractor or vendor may be selected by negotiation, provided no local fiscal regulations, ordinances or charter provisions conflict. Any of the qualified bidders under this subdivision may be a cooperative purchasing contract offered through a regional educational service center or a council of government.

(2) All orders and contracts for architectural services shall be awarded from a pool of [not more than the four] at least three of the most responsible qualified proposers after a public selection process. Such process shall, at a minimum, involve requests for qualifications, followed by requests for proposals, including fees, from the proposers meeting the qualifications criteria of the request for qualifications process. Following the qualification process, the awarding authority shall evaluate the proposals to determine [the four] at least three of the most responsible qualified proposers using those criteria previously listed in the requests for qualifications and requests for proposals for selecting architectural services specific to the project or school district. Such evaluation criteria shall include due consideration of the proposer's pricing for the project, experience with work of similar size and scope as required for the order or contract, organizational and team structure, including any subcontractors to be utilized by the proposer,

House Bill No. 5524

for the order or contract, past performance data, including, but not limited to, adherence to project schedules and project budgets and the number of change orders for projects, the approach to the work required for the order or contract and documented contract oversight capabilities, and may include criteria specific to the project. Final selection by the awarding authority is limited to the pool of [the four] at least three of the most responsible qualified proposers and shall include consideration of all criteria included within the request for proposals. As used in this subdivision, "most responsible qualified proposer" means the proposer who is qualified by the awarding authority when considering price and the factors necessary for faithful performance of the work based on the criteria and scope of work included in the request for proposals.

(3) (A) All orders and contracts for construction management services shall be awarded from a pool of [not more than the four] at least three of the most responsible qualified proposers after a public selection process. Such process shall, at a minimum, involve requests for qualifications, followed by requests for proposals, including fees, from the proposers meeting the qualifications criteria of the request for qualifications process. Following the qualification process, the awarding authority shall evaluate the proposals to determine [the four] at least three of the most responsible qualified proposers using those criteria previously listed in the requests for qualifications and requests for proposals for selecting construction management services specific to the project or school district. Such evaluation criteria shall include due consideration of the proposer's pricing for the project, experience with work of similar size and scope as required for the order or contract, organizational and team structure for the order or contract, past performance data, including, but not limited to, adherence to project schedules and project budgets and the number of change orders for projects, the approach to the work required for the order or contract, and documented contract oversight capabilities, and may include

House Bill No. 5524

criteria specific to the project. Final selection by the awarding authority is limited to the pool of [the four] at least three of the most responsible qualified proposers and shall include consideration of all criteria included within the request for proposals. As used in this subdivision, "most responsible qualified proposer" means the proposer who is qualified by the awarding authority when considering price and the factors necessary for faithful performance of the work based on the criteria and scope of work included in the request for proposals.

(B) The construction manager's contract shall include a guaranteed maximum price for the cost of construction. Such guaranteed maximum price shall be determined not later than ninety days after the selection of the trade subcontractor bids. Each construction manager shall invite bids and give notice of opportunities to bid on project elements on the State Contracting Portal. Each bid shall be kept sealed until opened publicly at the time and place set forth in the notice soliciting such bid. The construction manager shall, after consultation and approval by the town or regional school district, award any related contracts for project elements to the responsible qualified contractor submitting the lowest bid in compliance with the bid requirements, provided that [(i) the construction manager shall not be eligible to submit a bid for any such project element, and (ii)] construction shall not begin prior to the determination of the guaranteed maximum price. [, except work relating to site preparation and demolition may commence prior to such determination.] On and after July 1, 2024, the construction manager's contract shall include a requirement that the construction manager retain all documents and receipts relating to the school building project for a period of two years following the date of completion of an audit conducted by the Department of Administrative Services pursuant to section 10-287, for such project.

(C) The construction manager shall submit quarterly reports regarding the ineligible project costs for the school building project to

House Bill No. 5524

date to the town or regional board of education. Upon submission of the notice of project completion pursuant to subsection (d) of this section, and prior to the audit conducted by the commissioner, the construction manager shall submit a final report on the total ineligible costs for such project to the town or regional school district.

(D) The construction manager shall meet quarterly with the town or regional board of education to review any change orders for eligibility as the school building project progresses.

(4) All orders and contracts for any other consultant services, including, but not limited to, consultant services rendered by an owner's representatives, construction administrators, program managers, environmental professionals, planners and financial specialists, shall comply with the public selection process described in subdivision (2) of this subsection. No costs associated with an order or contract for such consultant services shall be eligible for state financial assistance under this chapter unless such order or contract receives prior approval from the Commissioner of Administrative Services in writing or through a written electronic communication.

(c) If the Commissioner of Administrative Services determines that a building project has not met the approved conditions of the original application, the Department of Administrative Services may withhold subsequent state grant payments for said project until appropriate action, as determined by the commissioner, is taken to cause the building project to be in compliance with the approved conditions or may require repayment of all state grant payments for said project when such appropriate action is not undertaken within a reasonable time.

(d) (1) Each town or regional school district shall submit a final grant application to the Department of Administrative Services [within] not later than one year from the date of completion and acceptance of the school building project by the town or regional school district. If a town

House Bill No. 5524

or regional school district fails to submit a final grant application [within said period of time] on or before such one-year date, the commissioner may withhold ten per cent of the state reimbursement for such project.

(2) (A) On and after July 1, [2022] 2024, each town or regional school district shall submit a notice of project completion [within three years] not later than one year from the date of the issuance of a certificate of occupancy for the school building project by the town or regional school district. If a town or regional school district fails to submit such notice of project completion [within said period of time] on or before such one-year date, the commissioner shall deem such project completed and conduct an audit of such project in accordance with the provisions of this chapter.

(B) For any school building project authorized by the General Assembly prior to July 1, 2022, the commissioner shall deem as complete any such project in which a certificate of occupancy has been granted, but for which a notice of project completion has not been submitted by the town or regional school district on or before July 1, 2025.

Sec. 164. Section 10-287c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

[(a) The State Board of Education is authorized to prescribe such rules and regulations as may be necessary to implement the provisions of this chapter, provided any rules or regulations to implement the provisions of sections 10-283, 10-287, 10-287a, 10-292d and subsection (d) of section 10-292m shall be prescribed in consultation with the Secretary of the Office of Policy and Management. Whenever the Commissioner of Education has made a commitment for a grant on or before June 30, 2011, prior to the completion of a project as provided in section 10-287a, and said commissioner has made advances thereon as provided in said section, any such regulations prescribed in accordance with this section which were in effect at the time of such commitment and advances shall

House Bill No. 5524

be applicable to any additional commitment and subsequent advances with respect to such project.]

[(b) Not later than June 30, 2013, the] The Commissioner of Administrative Services, in consultation with the Commissioner of Education, shall adopt regulations in accordance with the provisions of chapter 54 in order to implement the provisions of this chapter. [Such regulations shall apply to any project for which a grant application is filed with the Department of Education on or after July 1, 2013.]

Sec. 165. Section 10-287d of the 2024 supplement to the general statutes, as amended by section 59 of public act 23-205, is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

For the purposes of funding (1) grants to projects that have received approval of the Department of Administrative Services pursuant to [sections] section 10-287 [and 10-287a,] subsection (a) of section 10-65 and section 10-76e, (2) grants to assist school building projects to remedy safety and health violations and damage from fire and catastrophe, and (3) technical education and career school projects pursuant to section 10-283b, the State Treasurer is authorized and directed, subject to and in accordance with the provisions of section 3-20, to issue bonds of the state from time to time in one or more series in an aggregate amount not exceeding thirteen billion eight hundred sixty-two million one hundred sixty thousand dollars. Bonds of each series shall bear such date or dates and mature at such time or times not exceeding thirty years from their respective dates and be subject to such redemption privileges, with or without premium, as may be fixed by the State Bond Commission. They shall be sold at not less than par and accrued interest and the full faith and credit of the state is pledged for the payment of the interest thereon and the principal thereof as the same shall become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay

House Bill No. 5524

such principal and interest as the same become due. The State Treasurer is authorized to invest temporarily in direct obligations of the United States, United States agency obligations, certificates of deposit, commercial paper or bank acceptances such portion of the proceeds of such bonds or of any notes issued in anticipation thereof as may be deemed available for such purpose.

Sec. 166. Section 10-287e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

All moneys received by the state in payment of the principal of and the interest on bonds purchased and held by the state under the provisions of section 10-287b of the 1969 supplement to the general statutes, together with all net earnings on the temporary investment thereof, shall comprise a fund to be designated "School Building Construction Fund" and the moneys in said fund shall be used to pay the principal of and the interest on bonds issued by the State Treasurer under [sections] section 10-287d [and 10-292k,] and of notes, to the extent not paid by renewal notes, issued in anticipation of the receipt of the proceeds of such bonds.

Sec. 167. Subsection (b) of section 10-291 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(b) The Department of Administrative Services shall not approve a school building project plan or site, as applicable, if:

(1) The site is in an area of moderate or high radon potential, as indicated in the Department of Energy and Environmental Protection's Radon Potential Map, or similar subsequent publications, except where the school building project plan incorporates construction techniques to mitigate radon levels in the air of the facility;

(2) The plans incorporate new roof construction or total replacement

House Bill No. 5524

of an existing roof and do not provide for the following: (A) A minimum roof pitch that conforms with the requirements of the State Building Code, (B) a minimum twenty-year unlimited manufacturer's guarantee for water tightness covering material and workmanship on the entire roofing system, (C) the inclusion of vapor retarders, insulation, bitumen, felts, membranes, flashings, metals, decks and any other feature required by the roof design, and (D) that all manufacturer's materials to be used in the roofing system are specified to meet the latest standards for individual components of the roofing systems of the American Society for Testing and Materials;

(3) In the case of a major alteration, renovation or extension of a building to be used for public school purposes, the plans do not incorporate the guidelines set forth in the Sheet Metal and Air Conditioning Contractors National Association's publication entitled "Indoor Air Quality Guidelines for Occupied Buildings Under Construction" or similar subsequent publications;

(4) In the case of a new construction, extension, renovation or replacement, the plans do not provide that the building maintenance staff responsible for such facility are trained in or are receiving training in, or that the applicant plans to provide training in, the appropriate areas of plant operations including, but not limited to, heating, ventilation and air conditioning systems pursuant to section 10-231e, with specific training relative to indoor air quality;

(5) In the case of a project for new construction, extension, major alteration, renovation or replacement involving a school entrance for inclusion on any listing submitted to the General Assembly in accordance with section 10-283 on or after July 1, 2008, the plans do not provide for a security infrastructure for such entrance;

(6) In the case of a project for new construction, extension, major alteration, renovation or replacement on any listing submitted to the

House Bill No. 5524

General Assembly in accordance with section 10-283 on or after July 1, 2022, the plans do not provide for the installation of at least one water bottle filling station (A) per one hundred students of the projected enrollment for the school building, (B) on each new floor or wing of the school building, and (C) in any food service area of the school building; [or]

(7) In the case of a project for new construction of a school building on any listing submitted to the General Assembly in accordance with section 10-283 on or after July 1, 2023, the plans do not provide for the installation of level two electric vehicle charging stations, as defined in section 4b-77, in at least twenty per cent of the designated parking spaces for cars or light duty trucks at the school building; or

(8) In the case of a project for new construction of a school building on any listing submitted to the General Assembly in accordance with section 10-283, on or after July 1, 2025, the plans do not provide for single-user toilet and bathing rooms that are identified as being available for use by all students and school personnel.

Sec. 168. Section 10-292v of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

Any school building committee established by a town or regional school district to undertake a school building project, as defined in section 10-282, shall include (1) at least one member who has experience in the construction industry, and (2) the chairperson of the local or regional board of education, or the chairperson's designee, for the school district of such school building project.

Sec. 169. Section 10-265r of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(a) For the fiscal year ending June 30, 2023, and each fiscal year

House Bill No. 5524

thereafter, the Department of Administrative Services shall administer a heating, ventilation and air conditioning system grant program to reimburse local and regional boards of education, regional educational service centers, incorporated or endowed high schools or academies approved by the State Board of Education, pursuant to section 10-34, and state charter schools for costs associated with projects for the installation, replacement or upgrading of heating, ventilation and air conditioning systems or other improvements to indoor air quality in school buildings.

(b) (1) A local or regional board of education, [or a] regional educational service center, incorporated or endowed high school or academy or state charter school may apply, at such time and in such manner as the Commissioner of Administrative Services prescribes, for a grant for a project involving the installation, replacement or upgrading of heating, ventilation and air conditioning systems or other improvements to indoor air quality in school buildings. A local or regional board of education may submit an application for any such project that (A) was commenced on or after March 1, 2020, and completed before July 1, 2022, or (B) is commenced on or after July 1, 2022.

(2) The commissioner shall develop eligibility criteria for the awarding of grants under the program. Such criteria shall include, but need not be limited to, (A) the age and condition of the current heating, ventilation and air conditioning system or equipment being replaced or upgraded in the school, (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) a contract or plans for the routine maintenance and cleaning of the heating, ventilation and air conditioning system, and (G) the [local or regional board of education's or regional educational service center's] ability of the local or regional board of education, regional educational

House Bill No. 5524

service center, incorporated or endowed high school or academy or state charter school to finance the remainder of the costs for such project after receiving a grant under the program. The commissioner shall utilize such eligibility criteria when determining whether to award a grant to an applicant under the program.

(3) The commissioner shall not award a grant under the program to any applicant that, on or after July 1, [2024] 2026, has not certified compliance with the uniform inspection and evaluation of an existing heating, ventilation and air conditioning system pursuant to subsection (d) of section 10-220.

(c) (1) Except as otherwise provided in subdivision [(4)] (5) of this subsection, a local board of education may receive a grant equal to a percentage of its eligible expenses. The percentage shall be determined by its ranking. Such ranking shall be determined as follows: (A) Each town shall be ranked in descending order from one to one hundred sixty-nine according to the adjusted equalized net grand list per capita, as defined in section 10-261, of the town two, three and four years prior to the fiscal year in which application is made, (B) based upon such ranking, a percentage of not less than twenty or more than eighty shall be assigned to each town on a continuous scale, and (C) the town ranked first shall be assigned a percentage of twenty and the town ranked last shall be assigned a percentage of eighty.

(2) A regional board of education may receive a grant equal to a percentage of its eligible expenses. The percentage shall be determined by its ranking. Such ranking shall be determined as follows: (A) Multiplying the total population, as defined in section 10-261, of each town in the district by such town's ranking, as determined in subdivision (1) of this subsection, (B) adding together the figures determined under subparagraph (A) of this subdivision, and (C) dividing the total computed under subparagraph (B) of this subdivision by the total population of all towns in the district. The ranking of each

House Bill No. 5524

regional board of education shall be rounded to the next higher whole number and each such board shall receive the same reimbursement percentage as would a town with the same rank plus ten per cent, except that no such percentage shall exceed eighty-five per cent.

(3) A regional educational service center may receive a grant equal to a percentage of its eligible expenses. The percentage shall be determined by its ranking. Such ranking shall be determined by (A) multiplying the population of each member town in the regional educational service center by such town's ranking, as determined in subdivision (1) of this subsection, (B) adding together the figures for each town determined under subparagraph (A) of this subdivision, and (C) dividing the total computed under subparagraph (B) of this subdivision by the total population of all member towns in the regional educational service center. The ranking of each regional educational service center shall be rounded to the next higher whole number and each such center shall receive the same reimbursement percentage as would a town with the same rank.

(4) An incorporated or endowed high school or academy approved by the State Board of Education, pursuant to section 10-34, may receive a grant equal to a percentage of its eligible expenses. The percentage shall be determined by its ranking. Such ranking shall be determined in accordance with the provisions of subsection (b) of section 10-285b.

(5) A state charter school may receive a grant equal to a percentage of its eligible expenses. The percentage shall be one-half of the percentage of the town in which the state charter school is located, as determined by its ranking in accordance with the provisions of subdivision (1) of this subsection.

[(4)] (6) The local board of education for (A) any town with a total population of eighty thousand or greater shall receive a grant equal to a percentage of its eligible expenses that is the greater of the percentage

House Bill No. 5524

calculated pursuant to subdivision (1) of this subsection or sixty per cent, and (B) the town of Cheshire shall receive a grant equal to a percentage of its eligible expenses that is the greater of the percentage calculated pursuant to subdivision (1) of this subsection or fifty per cent.

(d) If there are not sufficient funds to provide grants to all local and regional boards of education and regional educational service centers, based on the percentage determined pursuant to subsection (c) of this section, the commissioner shall give priority to applicants on behalf of schools with the greatest need for heating, ventilation and air conditioning systems or other improvements to indoor air quality in school buildings, as determined by the commissioner based on the eligibility criteria developed pursuant to subdivision (2) of subsection (b) of this section.

(e) The following expenses shall not be eligible for reimbursement under this section: (1) Routine maintenance and cleaning of the heating, ventilation and air conditioning system, (2) work that is otherwise eligible for a school building project grant under chapter 173, and (3) work performed at or on a public school administrative or service facility that is not located or housed within a public school building.

(f) A local or regional board of education or a regional educational service center may use any federal funds received by such board or center to finance a project for the installation, replacement or upgrading of heating, ventilation and air conditioning systems or other improvements to indoor air quality in school buildings for which a grant is received under this section, and such federal funds shall be deemed to be part or all of the town's local share for such project.

(g) Any project for the installation, replacement or upgrading of heating, ventilation and air conditioning systems or other improvements to indoor air quality in school buildings for which a grant is awarded under this section shall be completed by the end of the next

House Bill No. 5524

calendar year, unless the duration of such project is extended by the commissioner upon a showing of good cause by the local or regional board of education or regional educational service center.

(h) Any local or regional board of education or regional educational service center that receives a grant under this section shall (1) be responsible for the routine maintenance and cleaning of the heating, ventilation and air conditioning system, and (2) provide training to school personnel and building maintenance staff concerning the proper use and maintenance of the heating, ventilation and air conditioning system.

(i) For the fiscal years ending June 30, 2025, and June 30, 2026, the commissioner shall reconsider any application for a grant under this section that was submitted by a local or regional board of education or regional educational service center prior to July 1, 2024, and which the commissioner had denied. Such board or center shall not be required to submit a new application for such reconsideration, unless the reason for such denial was that such application was incomplete or the commissioner determines that additional information or revision to such application is necessary to be able to award a grant. The commissioner shall provide technical assistance during such reconsideration period to such boards and centers in order to assist such boards in being able to be awarded a grant under this section.

Sec. 170. Subsection (b) of section 10-265t of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Administrative Services for the purpose of providing grants-in-aid for school air quality improvements including, but not limited to, upgrades to, replacement of or installation of heating, ventilation and

House Bill No. 5524

air conditioning equipment, provided (1) not more than fifty million dollars of such proceeds may be used to provide reimbursements for such improvements that were completed not earlier than March 1, 2020, and not later than July 1, 2022, and (2) not more than fifteen million dollars of such proceeds shall be used for grants-in-aid for the purchase of equipment and materials for the construction and installation of individual classroom air purifiers, provided not more than eleven million five hundred thousand dollars of such proceeds shall be used by The University of Connecticut as part of the Supplemental Air Filtration for Education program under the Clean Air Equity Response Program for the purposes described in this subdivision, and the remainder of such proceeds shall be used by an organization or organizations that provide equipment and materials for individual classroom air purifiers to schools.

Sec. 171. Section 10-66i of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

All state statutes concerning education, including provisions for eligibility for state aid and the payment of grants in accordance with the provisions of sections 10-283, 10-286d, 10-287, and 10-288 [10-292d and 10-292l] with respect to bonds, notes or other obligations issued by a regional educational service center to finance building projects approved by the Commissioner of Education, shall apply to the operation of regional educational service centers. Notwithstanding the provisions of any other section of the general statutes, the board of a center shall be eligible to receive direct payment pursuant to the provisions of section 10-76g.

Sec. 172. Subparagraph (A) of subdivision (1) of subsection (g) of section 3-20 of the 2024 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2024*):

(g) (1) (A) With the exception of refunding bonds, whenever a bond

House Bill No. 5524

act empowers the State Bond Commission to authorize bonds for any project or purpose or projects or purposes, and whenever the State Bond Commission finds that the authorization of such bonds will be in the best interests of the state, it shall authorize such bonds by resolution adopted by the approving vote of at least a majority of said commission. No such resolution shall be so adopted by the State Bond Commission unless it finds that:

(i) There has been filed with it (I) any human services facility colocation statement to be filed with the Secretary of the Office of Policy and Management, if so requested by the secretary, pursuant to section 4b-23; (II) a statement from the Commissioner of Agriculture pursuant to section 22-6, for projects which would convert twenty-five or more acres of prime farmland to a nonagricultural use; (III) prior to the meeting at which such resolution is to be considered, any capital development impact statement required to be filed with the Secretary of the Office of Policy and Management; (IV) a statement as to the full cost of the project or purpose when completed and the estimated operating cost for any structure, equipment or facility to be constructed or acquired; and (V) such requests and such other documents as it or such bond act requires, provided no resolution with respect to any school building project financed pursuant to section 10-287d [or any interest subsidy financed pursuant to section 10-292k] shall require the filing of any statements pursuant to this clause and provided further any resolution requiring a capital impact statement shall be deemed not properly before the State Bond Commission until such capital development impact statement is filed; and

(ii) Such authorization does not exceed the limit specified under subdivision (2) of subsection (d) of this section.

Sec. 173. (NEW) (*Effective July 1, 2024*) (a) Not later than January 1, 2025, the Public Utilities Regulatory Authority shall initiate a docket to develop a program to encourage the installation of solar photovoltaic

House Bill No. 5524

systems and energy storage systems at public schools. The authority shall incorporate such program into the programs authorized pursuant to sections 16-243ee, and 16-244z of the general statutes. The authority may establish a separate tariff for projects selected under such program and may identify a reasonable cap, not to exceed twenty-five megawatts per year, on the annual generating capacity of projects under such program, provided the authority shall permit any unused allowance under such cap in any given year to accrue. The megawatts available under such cap shall be separate from and shall not count toward the number of total available megawatts under subparagraph (A) of subdivision (1) of subsection (c) of section 16-244z of the general statutes.

(b) A proposal for a project under such program may base such project's capacity on an estimate of electricity usage on the customer side of the revenue meter that exceeds existing on-site usage at the time of such proposal to account for additional future uses of the electricity, as determined by the authority, including, but not limited to: (1) Electric vehicle charging stations; (2) electricity-dependent heating and cooling systems; and (3) powering equipment used in the provision of food or equipment used to provide water for drinking or hygiene.

Sec. 174. Section 16-244z of the 2024 supplement to the general statutes is amended by adding subsection (h) as follows (*Effective July 1, 2024*):

(NEW) (h) Notwithstanding any provision of this section, the authority shall incorporate the program established pursuant to section 173 of this act into the programs authorized pursuant to this section.

Sec. 175. Section 16-243ee of the general statutes is amended by adding subsection (e) as follows (*Effective July 1, 2024*):

(NEW) (e) Notwithstanding any provision of this section, the

House Bill No. 5524

authority shall incorporate the program established pursuant to section 173 of this act into the programs authorized pursuant to this section.

Sec. 176. (NEW) (*Effective July 1, 2024*) (a) Effective July 1, 2025, prior to submitting any application for a school building project pursuant to subsection (a) of section 10-283 of the general statutes, any local or regional board of education shall provide for a solar feasibility assessment for the school building that is the subject of such application, unless such school building already utilizes solar energy. The purpose of such solar feasibility assessment shall be to provide information to such local or regional board of education concerning the feasibility of installing solar photovoltaic systems on the premises of such school building. Such information shall include: (1) The annual load at the electric meters for such school building during the most recent calendar year, if applicable; (2) the area of rooftop space and impervious surface on the premises of such school building that is available to host solar photovoltaic systems; (3) available opportunities for interconnection with the electric distribution system; and (4) a description of anticipated costs, savings and contractual terms for any such solar photovoltaic systems, including interconnection costs and electric bill credits.

(b) Such local or regional board of education may provide for such a solar feasibility assessment pursuant to subsection (a) of this section in coordination with other local or regional boards of education.

Sec. 177. Section 384 of public act 22-118, as amended by section 136 of public act 23-205, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2021, the new construction project at Danbury Career Academy at

House Bill No. 5524

Cartus (Project Number 034-0153 N) in the town of Danbury with costs not to exceed [one hundred fifty-four million] one hundred seventy-nine million five hundred thousand dollars shall be included in subdivision (1) of section 362 of public act 22-118 and shall subsequently be considered for a grant commitment from the state, provided the town of Danbury files an application for such school building project prior to October 1, 2022, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Danbury may use the reimbursement rate of eighty per cent for the new construction project, including site acquisition, limited eligible costs and the associated board of education/central administration facility project, at Danbury Career Academy at Cartus.

(c) Notwithstanding the provisions of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, the town of Danbury shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the new construction project at Danbury Career Academy at Cartus.

(d) Notwithstanding the provisions of section 10-285a of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of

House Bill No. 5524

education may be eligible to receive for a school building project, the town of Danbury may use the reimbursement rate of eighty per cent for site acquisition costs associated with the purchase of any parcels of land adjacent to the site of the new construction project at Danbury Career Academy at Cartus.

(e) Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning ineligible costs, the town of Danbury shall be eligible to receive reimbursement for certain ineligible costs for the new construction project at Danbury Career Academy at Cartus, provided such reimbursement for such ineligible costs do not exceed nine hundred ninety-two thousand eight hundred forty-two dollars.

(f) Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning ineligible costs and section 10-286d of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section relating to grants for site acquisition costs, the town of Danbury shall be eligible to receive reimbursement in an amount of [thirty-nine million four hundred thousand] forty-five million seven hundred sixty thousand dollars for its site acquisition costs for the new construction project at Danbury Career Academy at Cartus.

(g) Notwithstanding the provisions of section 10-286d of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring the site for a school building project to be approved by the Commissioner of Administrative Services prior to the date of the beginning of construction, the town of Danbury shall be eligible to receive reimbursement for its eligible costs for the new construction

House Bill No. 5524

project at Danbury Career Academy at Cartus.

Sec. 178. (*Effective from passage*) Notwithstanding the provisions of subdivision (6) of subsection (a) of section 10-286 of the general statutes or any regulations adopted by the State Board of Education or the Department of Administrative Services regarding eligible costs for roof replacement projects and requiring that a roof be at least twenty years old to qualify for a grant for a replacement of such roof, the roof at Ellsworth Avenue School shall be deemed to be twenty years old and the town of Danbury may replace the roof at Ellsworth Avenue School and be eligible to receive a grant based on the eligible percentages determined pursuant to said section of the eligible project costs.

Sec. 179. (*Effective from passage*) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning ineligible costs, the town of New London shall be eligible to receive reimbursement for certain ineligible costs for the interdistrict magnet facility and extension and alteration project at Science/Technology Magnet High School (Project Number 095-0078 MAG/EA), provided such reimbursement for such ineligible costs do not exceed one million five hundred ninety-one thousand seven hundred thirty-six dollars.

Sec. 180. (*Effective from passage*) Notwithstanding the provisions of section 10-286 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, the town of Milford shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the following school building projects: Calf Pen Meadow Elementary School (Project Number 084-0215 A); John F. Kennedy Elementary School (Project Number 084-0210 A); Live Oaks Elementary School (Project Number 084-0214 A); Mathewson

House Bill No. 5524

Elementary School (Project Number 084-0212 A); Meadowside Elementary School (Project Number 084-0202 A); Orange Avenue Elementary School (Project Number 084-0209 A); Orchard Hills Elementary School (Project Number 084-0204 A); Pumpkin Delight Elementary School (Project Number 084-0213 EA); East Shore Middle School (Project Number 084-0208 A); Harborside Middle School (Project Number 084-0203 A); West Shore Middle School (Project Number 084-0200 EA/RR); Joseph A. Foran High School (Project Number 084-0211 A); Jonathan Law High School (Project Number 084-0206 A); and The Academy (Project Number 084-0205 A).

Sec. 181. (*Effective from passage*) Notwithstanding the provisions of section 10-286 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, the town of Tolland shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the school building project at Birch Grove Primary School (Project Number 142-0083 N).

Sec. 182. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2023, the renovation project at Central Middle School in the town of Greenwich with costs not to exceed one hundred twelve million seventeen thousand dollars shall be included in subdivision (1) of section 151 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Greenwich files an application for such school building project prior to October 1, 2024, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to

House Bill No. 5524

said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Greenwich may use the reimbursement rate of twenty per cent for the renovation project at Central Middle School.

(c) Notwithstanding the provisions of section 10-286 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, the town of Greenwich shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the renovation project at Central Middle School.

Sec. 183. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2023, the new construction project at Hillcrest Middle School in the town of Trumbull with costs not to exceed one hundred forty million nine hundred sixty-two thousand eight hundred twenty-three dollars shall be included in subdivision (1) of section 151 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Trumbull files an application for such school building project prior to December 1, 2024, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

House Bill No. 5524

(b) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Trumbull may use the reimbursement rate of forty-four per cent for the new construction project at Hillcrest Middle School.

Sec. 184. (*Effective from passage*) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning ineligible costs, the town of Derby shall be eligible to receive reimbursement for certain ineligible costs associated with ineligible panels for the photovoltaic project at Irving School (Project Number 037-0065 PV), photovoltaic project at Bradley School (Project Number 037-0064 PV) and photovoltaic project at Derby Middle School (Project Number 037-0063 PV).

Sec. 185. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2023, the renovation project at Smith Elementary School in the town of New Britain with costs not to exceed one hundred forty-five million dollars shall be included in subdivision (1) of section 151 of this act and shall subsequently be considered for a grant commitment from the state, provided (1) such renovation project includes the construction of preschool facilities as part or on the site of Smith Elementary School, (2) the town of New Britain files an application for such school building project prior to October 1, 2026, and (3) meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is

House Bill No. 5524

eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of New Britain may use the reimbursement rate of ninety-five per cent for the renovation project at Smith Elementary School, provided (1) the school district for the town of New Britain is an educational reform district, as defined in section 10-262u of the general statutes, on the effective date of this section, and (2) the school building committee responsible for undertaking such school building project is established in accordance with the provisions of section 120 of public act 21-111.

(c) Notwithstanding the provisions of section 10-286 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, the town of New Britain shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the renovation project at Smith Elementary School.

Sec. 186. Section 117 of public act 21-111, as amended by section 398 of public act 22-118, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring that the description of a project type for a school building project be made at the time of application for a school building project grant, the town of New Britain may change the description and scope of the renovation project at Chamberlain Elementary School (Project

House Bill No. 5524

Number 20DASY089169RNV0620) to not include the construction of preschool facilities on a site reviewed and approved by the Department of Administrative Services, provided the total project costs for the renovation project do not exceed seventy-five million dollars and such preschool facilities project is included as part of the renovation project at Smith Elementary School, as described in section 185 of this act.

Sec. 187. Section 125 of public act 23-205 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section [10-283] requiring a completed grant application be submitted prior to June 30, 2022, the renovation project at Jefferson Elementary School in the town of New Britain with costs not to exceed seventy million dollars shall be included in subdivision (1) of section 114 of [this act] public act 23-205 and shall subsequently be considered for a grant commitment from the state, provided the town of New Britain files an application for such school building project prior to October 1, [2026] 2028, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of New Britain may use the reimbursement rate of ninety-five per cent for the renovation project at Jefferson Elementary School, provided (1) the school district for the town of New Britain is an educational reform district, as defined in section 10-262u of the general statutes, on

House Bill No. 5524

the effective date of this section, and (2) the school building committee responsible for undertaking such school building project is established in accordance with the provisions of section 120 of public act 21-111, as amended by [this act] public act 23-205.

Sec. 188. Section 382 of public act 22-118 is repealed and the following is inserted in lieu thereof (*Effective from passage*):

(a) Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2021, for any school building project that was previously authorized and that has changed substantially in scope or cost and is seeking reauthorization, the new construction project at Torrington Middle & High School (Project Number 143-0076 N) with costs not to exceed one hundred seventy-nine million five hundred seventy-five thousand dollars shall be included in section 362 of [this act] public act 22-118 and shall subsequently be considered for a grant commitment from the state, provided the town of Torrington meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project for any school build project that was previously authorized and that has changed substantially in scope or cost and is seeking reauthorization, the town of Torrington may use the reimbursement rate of eighty-five per cent for the reauthorized amount of the new construction project at Torrington Middle & High School (Project Number 143-0076 N),

House Bill No. 5524

provided the town of Torrington meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(c) (1) Notwithstanding the provisions of section 10-285a of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Torrington may use the reimbursement rate of eighty-five per cent for the construction of a central administration facility as part of the board of education/central administration facility and new construction project at Torrington Middle & High School (Project Number 143-0077 BE/N).

(2) Notwithstanding the provisions of subdivision (3) of subsection (a) of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services limiting reimbursement to one-half of the eligible percentage of the net eligible cost of construction to a town for construction, the town of Torrington shall receive full reimbursement of the reimbursement percentage described in subdivision (1) of this subsection of the net eligible cost of the board of education/central administration facility and new construction project at Torrington Middle & High School.

(d) (1) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Torrington may use the reimbursement rate of eighty-five per cent for the construction of outdoor athletic facilities, including artificial turf, as part of the board of education/central administration facility

House Bill No. 5524

and new construction project at Torrington Middle & High School (Project Number 143-0077 BE/N).

(2) Notwithstanding the provisions of subdivision (3) of subsection (a) of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services limiting reimbursement to one-half of the eligible percentage of the net eligible cost of construction to a town for construction, the town of Torrington shall receive full reimbursement of the reimbursement percentage described in subdivision (1) of this subsection of the net eligible cost of the board of education/central administration facility and new construction project at Torrington Middle & High School.

(3) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning ineligible costs, the town of Torrington shall be eligible to receive reimbursement for certain ineligible costs related to the construction of outdoor athletic facilities, including artificial turf, as part of the board of education/central administration facility and new construction project at Torrington Middle & High School (Project Number 143-0077 BE/N), provided such reimbursement for such ineligible costs for such projects do not exceed six million dollars.

Sec. 189. *(Effective from passage)* (a) Notwithstanding the provisions of subsection (b) of section 10-287 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring that all orders and contracts be awarded after a public invitation to bid has been advertised in a newspaper having circulation in the town in which construction is to take place, and the provisions of section 4b-91 of the general statutes or any regulation adopted by the Department of Administrative Services pursuant to said section requiring that every contract for the construction, reconstruction, alteration, remodeling,

House Bill No. 5524

repair or demolition of any public building or any other public work by a public agency that is paid for, in whole or in part, with state funds and that is estimated to cost more than five hundred thousand dollars be awarded after the public agency has invited bids by posting notice on the State Contracting Portal, contracts let by the town of Ellington for the renovation project at Windermere Elementary School (Project Number 048-0060 RNV) may be reimbursed, provided such project complies with all other provisions of chapter 173 of the general statutes and regulations adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2023, for any school building project that was previously authorized and that has changed substantially in scope or cost and is seeking reauthorization, the renovation project at Windermere Elementary School (Project Number 048-0060 RNV) in the town of Ellington with costs not to exceed seventy-four million six hundred thousand dollars shall be included in subdivision (2) of section 151 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Ellington meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

Sec. 190. (*Effective from passage*) Notwithstanding the provisions of section 10-292 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services requiring that a bid not be let out until plans and specifications have been approved by the Department of Administrative Services, the town of Darien may let out for bid on and commence a project for roof

House Bill No. 5524

replacement at Holmes Elementary School (Project Number 035-0118 RR), provided the town of Darien meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

Sec. 191. (*Effective from passage*) Notwithstanding the provisions of section 10-292 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services requiring that a bid not be let out until plans and specifications have been approved by the Department of Administrative Services, the town of Darien may let out for bid on and commence a project for roof replacement at Hindley Elementary School (Project Number 035-0119 RR), provided the town of Darien meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

Sec. 192. (*Effective from passage*) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2023, for any school building project that was previously authorized and that has changed substantially in scope or cost and is seeking reauthorization, the extension and alteration project at Hindley Elementary School (Project Number 035-0121 EA) in the town of Darien with costs not to exceed thirty-three million four hundred seventy-nine thousand forty-five dollars shall be included in subdivision (2) of section 151 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Darien meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is

House Bill No. 5524

eligible for grant assistance pursuant to said chapter.

Sec. 193. (*Effective from passage*) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2023, for any school building project that was previously authorized and that has changed substantially in scope or cost and is seeking reauthorization, the extension and alteration project at Holmes Elementary School (Project Number 035-0122 EA) in the town of Darien with costs not to exceed thirty-four million three thousand eight hundred dollars shall be included in subdivision (2) of section 151 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Darien meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

Sec. 194. (*Effective from passage*) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2023, for any school building project that was previously authorized and that has changed substantially in scope or cost and is seeking reauthorization, the extension and alteration project at Royle Elementary School (Project Number 035-0123 EA) in the town of Darien with costs not to exceed thirty-four million seven thousand eight hundred ninety dollars shall be included in subdivision (2) of section 151 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Darien meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of

House Bill No. 5524

Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

Sec. 195. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2023, the new construction project at the new middle school in the town of Ansonia shall be included in subdivision (1) of section 151 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Ansonia files an application for such school building project prior to October 1, 2024, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Ansonia may use the reimbursement rate of eighty-seven per cent for the new construction project at the new middle school.

(c) (1) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Ansonia may use the reimbursement rate of eighty-seven per cent for the construction of a central administration facility as part of the new construction project at the new middle school.

House Bill No. 5524

(2) Notwithstanding the provisions of subdivision (3) of subsection (a) of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services limiting reimbursement to one-half of the eligible percentage of the net eligible cost of construction to a town for construction, the town of Ansonia shall receive full reimbursement of the reimbursement percentage described in subdivision (1) of this subsection of the net eligible cost for the construction of a central administration facility as part of the new construction project at the new middle school.

(d) Notwithstanding the provisions of section 10-286 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, the town of Ansonia shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the new construction project at the new middle school.

Sec. 196. Section 404 of public act 22-118, as amended by section 137 of public act 23-205, is repealed and the following is inserted in lieu thereof (*Effective from passage*):

(a) Notwithstanding the provisions of section 10-283 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, [2022] 2023, the interdistrict magnet facility and [alteration] new construction project at Goodwin University Industry 5.0 Magnet Technical High School on the East Hartford Campus (Project Number 542-TBD [MAG/A] MAG/N) with costs not to exceed [seventy-five] eighty-five million dollars shall be included in subdivision (1) of public act 22-118 and shall subsequently be considered for a grant commitment from the state, provided Goodwin University files an application for such school building project prior to [December 31, 2023] June 1, 2024,

House Bill No. 5524

and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-264h of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services concerning the reimbursement rate for the construction of interdistrict magnet schools, Goodwin University may use one hundred per cent as the reimbursement rate for the interdistrict magnet facility and [alteration] new construction project at Goodwin University Industry 5.0 Magnet Technical High School on the East Hartford Campus, provided such project assists the state in meeting its obligations pursuant to the decision in *Sheff v. O'Neill*, 238 Conn. 1 (1996), or any related stipulation or order in effect, as determined by the Commissioner of Education.

(c) Notwithstanding the provisions of section 10-286 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, Goodwin University shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the interdistrict magnet facility and [alteration] new construction project at Goodwin University Industry 5.0 Magnet Technical High School on the East Hartford Campus.

Sec. 197. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2023, the alteration project at John Winthrop Middle School in Regional District 4 with costs not to exceed five million eight hundred thousand dollars shall be included in section 151 of this

House Bill No. 5524

act and shall subsequently be considered for a grant commitment from the state, provided Regional District 4 meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-286 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the calculation of grants using the state standard space specifications, Regional District 4 shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the alteration project at John Winthrop Middle School.

Sec. 198. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2023, the school building project for an early learning center at the former Roger Wolcott School in the town of Windsor with costs not to exceed four million eight hundred eighty-seven thousand nine hundred twenty-eight dollars shall be included in section 151 of this act and shall subsequently be considered for a grant commitment from the state, provided the Capitol Regional Education Council meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-264h of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services concerning the reimbursement rate for the school building project for an early learning

House Bill No. 5524

center at the former Roger Wolcott School in the town of Windsor, the Capitol Regional Education Council may use one hundred per cent as the reimbursement rate for such school building project for an early learning center at the former Roger Wolcott School.

Sec. 199. (*Effective from passage*) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2023, the alteration project at Davenport Elementary School in the town of Stamford with costs not to exceed three million seven hundred sixty-seven thousand eight hundred one dollars shall be included in subdivision (1) of section 151 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Stamford files an application for such school building project prior to October 1, 2024, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

Sec. 200. (*Effective from passage*) The Commissioner of Administrative Services shall waive any audit deficiencies for the town of Waterbury related to costs associated with the following school building projects: (1) Code violation project (Project Number 151-0243 RNV/CV), (2) Duggan Elementary School (Project Number 151-0252 RNV/E), (3) Jonathan E. Reed Elementary (Project Number 151-0253 N/PS), (4) Carrington Elementary School (Project Number 151-0275 N), (5) Waterbury Career Academy (Project Number 151-0276 N/PS), (6) Michael F. Wallace Middle School (Project Number 151-0285 EA), and (7) John F. Kennedy High School (Project Number 151-0288 EA).

Sec. 201. (*Effective from passage*) Notwithstanding the provisions of section 10-292 of the general statutes or any regulation adopted by the

House Bill No. 5524

State Board of Education or the Department of Administrative Services requiring that a bid not be let out until plans and specifications have been approved by the Department of Administrative Services, the town of Thompson may let out for bid on and commence the code violation and oil tank replacement project at Tourtellotte Memorial High School (Project Number 141-0022 CV/OT) and shall be eligible to subsequently be considered for a grant commitment from the state, provided plans and specifications have been approved by the Department of Administrative Services.

Sec. 202. (*Effective from passage*) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Simsbury may use the reimbursement rate of thirty-five per cent for the renovation project at Latimer Lane School (Project Number 128-0111 RNV).

Sec. 203. (*Effective from passage*) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning ineligible costs, and section 10-286g of the general statutes concerning the waiver of audit deficiencies, the town of Middletown shall be eligible to receive reimbursement for certain ineligible costs and audit deficiencies associated with the new construction project at Middletown High School, provided such reimbursement for such ineligible costs and audit deficiencies do not exceed three million five hundred thousand dollars.

Sec. 204. (*Effective from passage*) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning ineligible costs, the town of

House Bill No. 5524

Farmington shall be eligible to receive reimbursement for certain ineligible costs (1) for the new construction project at Farmington High School (Project Number 052-0076 N) and the board of education/central administration facility project at Farmington High School (Project Number 052-0077 BOE), and (2) provided such reimbursement for such ineligible costs for such projects do not exceed one million eight hundred thousand dollars.

Sec. 205. (*Effective from passage*) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2023, for any school building project that was previously authorized and that has changed substantially in scope or cost and is seeking reauthorization, the Connecticut Technical High School Facility and extension and alteration project at Ella T. Grasso Technical High School (Project Number 900-0014 VT/EA) with costs not to exceed one hundred thirty-five million eight hundred twenty-one thousand eight hundred ninety-five dollars shall be included in subdivision (2) of section 151 of this act and shall subsequently be considered for a grant commitment from the state, provided such project meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

Sec. 206. (*Effective from passage*) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2023, the school building project at H.C. Wilcox Technical High School with costs not to exceed fifteen million five hundred thousand dollars shall be included in subdivision (1) of

House Bill No. 5524

section 151 of this act and shall subsequently be considered for a grant commitment from the state, provided an application for such school building project is submitted prior to October 1, 2024, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

Sec. 207. (*Effective from passage*) Notwithstanding the provisions of subparagraph (A) of subdivision (3) of subsection (a) of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the beginning of the amortization period for a project on the date a project was accepted as complete by a local or regional board of education and the inclusion as an addendum to the priority list those towns requesting forgiveness of a refund to the state for the unamortized balance of the state grant remaining as of the date of the abandonment, sale, lease, demolition or redirection of a school building project to other than a public school use during such amortization period, the state shall grant forgiveness to the town of Enfield for the extension and alteration project at Nathan Hale Elementary School (Project Number 049-0126 EA).

Sec. 208. (*Effective from passage*) Notwithstanding the provisions of section 10-283d and subdivision (2) of subsection (b) of section 10-286 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the deduction of any federal funds or other state funds from project costs prior to computation of the grant for any school building project authorized prior to July 1, 2023, the Department of Administrative Services shall not deduct all federal funds, other state funds and Eversource funds received by the town of Manchester to finance the school building projects at Bowers Elementary School

House Bill No. 5524

(Project Number 077-0139 RNV), Buckley Elementary School (Project Number 177-0140 RNV) and Keeney Elementary School (Project Number 177-0141 RNV) from such project costs prior to computation of the grant for each such project, and such federal funds, other state funds and Eversource funds shall be deemed to be part or all of the town's local share for such projects.

Sec. 209. (*Effective from passage*) (a) Notwithstanding the provisions of section 10-283 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section requiring a completed grant application be submitted prior to June 30, 2023, the renovation project at Sherman School (Project Number 127-0009 RNV) in the town of Sherman with costs not to exceed forty-two million five hundred thousand dollars shall be included in subdivision (1) of section 151 of this act and shall subsequently be considered for a grant commitment from the state, provided the town of Sherman files an application for such school building project prior to October 1, 2024, and meets all other provisions of chapter 173 of the general statutes or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said chapter and is eligible for grant assistance pursuant to said chapter.

(b) Notwithstanding the provisions of section 10-285a of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section concerning the reimbursement percentage that a local board of education may be eligible to receive for a school building project, the town of Sherman may use the reimbursement rate of thirty per cent for the renovation project at Sherman School.

(c) Notwithstanding the provisions of section 10-286 of the general statutes, or any regulation adopted by the State Board of Education or the Department of Administrative Services pursuant to said section

House Bill No. 5524

concerning the calculation of grants using the state standard space specifications, the town of Sherman shall be exempt from the state standard space specifications for the purpose of the calculation of the grant for the renovation project at Sherman School.

Sec. 210. Sections 3-76t, 10-285f, 10-285h, 10-287a, 10-287f, 10-287j and 10-292c to 10-292n, inclusive, of the general statutes are repealed.
(*Effective July 1, 2024*)

Sec. 211. (*Effective from passage*) The Legislative Commissioners' Office shall, in engrossing and codifying the provisions of this act, make such technical, grammatical and punctuation changes as are necessary to carry out the purposes of this act, including, but not limited to, correcting inaccurate internal references.

Approved June 6, 2024