

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 25-174 — HB 7288
Emergency Certification

AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE AND CONCERNING GRANT PROGRAMS, STATE GRANT COMMITMENTS FOR SCHOOL BUILDING PROJECTS, REVISIONS TO THE SCHOOL BUILDING PROJECTS STATUTES AND VARIOUS PROVISIONS REVISING AND IMPLEMENTING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2027

TABLE OF CONTENTS:

[§§ 1-38, 55, 111, 116, 118-120, 138 & 139 — NEW BOND AUTHORIZATIONS FOR STATE AGENCY PROJECTS AND GRANTS](#)
Authorizes new state GO bonds for FYs 26 and 27 for various capital improvements, grant programs, and other initiatives

[§§ 39-50 — TRANSPORTATION BONDS](#)
Authorizes new STO bonds in FYs 26 and 27 for DOT projects

[§§ 51-54, 56, 59, 61-65, 71-73, 78-80, 83 & 105-107 — BOND AUTHORIZATIONS FOR PREVIOUSLY ENACTED PROGRAMS AND GRANTS](#)
Increases bond authorizations for various existing grants and purposes by authorizing new bonding for these purposes in FYs 26 and 27

[§ 57 — CSCU 2020 INFRASTRUCTURE PROGRAM](#)
Shifts most of the existing bond authorizations under the CSCU 2020 infrastructure program for land and property acquisition to authorizations for supplemental project funding

[§ 58 — SCHOOL AIR QUALITY IMPROVEMENT GRANTS](#)
Reduces the prior bond authorization for funding school air quality improvement grants and consolidates several earmarks into a single, smaller one; allows the funds to be used for school construction project grants

[§ 60 — TOWN AID ROAD GRANT REDUCTION TRIGGER](#)
Requires a 10% TAR program grant reduction if a town or district fails to timely submit its annual report on use of program funding

[§ 66 — INNOVATION CORRIDOR AND CONNECTICUT COMMUNITIES CHALLENGE PROGRAMS](#)
Makes changes to the Innovation Corridor and Connecticut Communities Challenge programs, including eliminating sunset dates

[§ 67 — COMMUNITY INVESTMENT FUND 2030](#)

OLR PUBLIC ACT SUMMARY

Reduces overall and FY 26 and FY 27 authorizations; makes qualifying projects in distressed municipalities eligible for funding from the CIF 2030 program and moves out the due date for the CIF board's annual report

§ 68 — BROWNFIELD MUNICIPAL GRANT PROGRAM

Makes several changes to the Brownfield Municipal Grant Program, including increasing the possible maximum award from \$4 million to \$6 million and expanding opportunities for participants to receive additional program awards under certain circumstances

§ 69 — TARGETED BROWNFIELD DEVELOPMENT LOAN PROGRAM

Increases the program's maximum annual loan amount from \$4 million to \$6 million, gives the DECD commissioner discretion on prioritizing applications for certain proposed projects, and adds an additional exemption for certain loan recipients from having to enter a property remediation program

§§ 70, 74, 81, 82, 85-90, 92-101, 103 & 104 — BOND CANCELLATIONS AND REDUCTIONS

Cancels or reduces prior bond authorizations for specified projects and grants

§§ 75 & 76 — HOUSING RECEIVERSHIP REVOLVING FUND

Modifies the types of funds available to compensate certain receivers and types of expenses that are covered by the funds; increases by \$5 million per year the amount that may be spent from the Housing Receivership Revolving Fund in any single municipality

§ 77 — UCONN FACULTY RECRUITMENT AND HIRING PROGRAM

Changes one of the purposes of the UConn Faculty Recruitment and Hiring Program so that it develops laboratories for faculty instead of supporting their compensation and restricts related bonds to that purpose

§ 84 — TECHNICAL HIGH SCHOOL SYSTEM TRAINING PROGRAMS

Transfers from SDE to CTECS the responsibility for handling bond proceeds dedicated to certain technical high school system training programs

§ 91 — STATE CAPITOL AND LEGISLATIVE OFFICE BUILDING

Broadens the allowable uses of an existing bond authorization to include construction work on the State Capitol and Legislative Office Building

§ 102 — DOH HEALTH CARE WORKER HOUSING PROGRAM REPORTING

Requires DOH and CHFA to submit a report on increasing health care worker housing options

§ 108 — HEAT PUMP DEPLOYMENT

Changes the purpose of proceeds from an existing bond authorization to direct DEEP to use them to support the deployment of heat pumps without specifically requiring it do so through rebates

§§ 109 & 110 — DOH REPORTING ON BOND-FUNDED HOUSING PROGRAMS

Eliminates prior law's requirement for DOH reporting to the Finance, Revenue and Bonding Committee on specified bond-funded programs and replaces it with a similar requirement; requires CHFA to post certain information on its website

§§ 112 & 113 — GREYFIELD REVITALIZATION PROGRAM

OLR PUBLIC ACT SUMMARY

Principally allows DECD to create a grant or loan program to facilitate the repurposing of commercial retail and office space; authorizes DECD to provide up to \$50 million in assistance under the program (from bonding and available resources)

§§ 114 & 137 — DECD GRANTS FOR CULTURAL AND HISTORIC SITES

Requires DECD to create a grant program for capital improvements to certain cultural and historic sites and annually report on it; authorizes the department to require a lien on certain properties as a condition for receiving grants of \$100,000 or less

§ 115 — STRATEGIC SUPPLY CHAIN PROGRAM

Authorizes DECD to create a strategic supply chain program to provide financial assistance to help develop the supply chains of major and emerging industries in Connecticut; allows the use of up to \$50 million in bond funds for program projects

§ 117 — DOH AFFORDABLE HOUSING BOND PROGRAM

Authorizes up to \$50 million in GO bonds for DOH to finance projects to create employment opportunities in the construction industry by developing affordable housing

§ 121 — CHILD CARE FACILITIES GRANTS

Requires OEC to establish a competitive grant program for child care facilities' design, construction, and renovations projects; authorizes up to an aggregate \$80 million in state GO bonds with a cap of \$11.5 million for each fiscal year FY 26-FY 32 and requires OEC to use the proceeds to fund the program

§ 122 — PLACEMENT OF LIENS BY OFFICE OF EARLY CHILDHOOD

Provides that OEC need not place a lien on real property to secure repayment of certain child care related grants of \$50,000 or less

§ 123 — PAYMENT OF BOND-FINANCED STATE HOUSING PROGRAM'S ADMINISTRATIVE EXPENSES

Makes all bond-financed state housing programs eligible to have their administrative expenses be paid from their related proceeds but limits payment of these expenses to those that are no more than \$1 million in any fiscal year

§§ 124-130 — HOMES FOR CT LOAN PROGRAM

Requires CHFA to administer a loan program that helps owners or developers get funding to build new residential buildings by guaranteeing loan repayment, up to certain thresholds, for participating banks and credit unions that loan to these borrowers

§ 131 — DISTRICT REPAIR AND IMPROVEMENT PROJECT (DRIP) PROGRAM

Creates the DRIP program to provide financial assistance to boards of education and other public school operators for constructing, renovating, repairing, and enlarging public school buildings, grounds, and infrastructure; sets a formula for allocating program amounts; authorizes \$60 million in GO bonds for OPM to administer the program

§ 132 — REPORTING ON THE OFFICE OF THE CHIEF MEDICAL EXAMINER FACILITIES

Reinstates the requirement that DAS report quarterly on the status of the design, alteration, renovation, and construction of the facilities for the Office of the Chief Medical Examiner

§§ 133-136 — NEW REPORTING REQUIREMENTS

Requires assorted reports by state agencies to, principally, the Finance, Revenue and Bonding Committee on various capital plans

[§§ 140 & 144 — HVAC GRANTS](#)

Repeals the existing school construction HVAC grant and instead merges it with an existing school construction grant program

[§§ 140, 144 & 146 — REMOVAL OF CTECS FROM SCHOOL CONSTRUCTION GRANT PROGRAM](#)

Removes Connecticut Technical Education and Career System (CTECS) from the school construction grant program

[§ 141 — SCHOOL CONSTRUCTION PRIORITY LIST GRANT COMMITMENTS](#)

Authorizes eight school construction state grant commitments totaling \$172.4 million toward total project costs of \$265.7 million; reauthorizes one project with an additional grant commitment of \$50.7 million

[§§ 142 & 143 — SCHOOL CONSTRUCTION GRANT BONUS REIMBURSEMENT RATES](#)

Applies the 15 point reimbursement rate bonus for certain elementary and early childhood projects to the entire project, not just the early childhood space; establishes a new 15-percent point bonus for parts of certain projects that expand or create special education program services

[§§ 144 & 145 — REPEALED SCHOOL CONSTRUCTION PROVISIONS](#)

Repeals three provisions related to priority-list school construction grants

[§ 147 — CHARTER SCHOOL GRANTS PRIORITY](#)

Requires the education commissioner to give preference to charter school capital improvements grant applications when the school's accountability index score meets or exceeds the statewide average

[§ 148 — INDOOR AIR QUALITY INSPECTIONS](#)

Broadens the window, to start July 1, 2022, rather than July 1, 2026, for when a school board's school HVAC inspection can count as a state-required inspection

[§§ 149-176 — SCHOOL CONSTRUCTION PROJECT EXEMPTIONS, WAIVERS, AND MODIFICATIONS](#)

Exempts school construction projects in 20 towns and one regional school district from statutory and regulatory requirements to allow these projects to, among other things, qualify for state reimbursement grants, receive higher grant reimbursement percentages, or have their projects reauthorized due to a change in scope or cost

[§§ 177-180, 182, 202, 203 & 224 — BUDGET AND MUNICIPAL GRANT PROVISIONS](#)

Makes changes related to the FY 26-27 biennial budget and certain municipal grants

[§ 181 — PROBATE COURT ADMINISTRATION FUND](#)

Beginning FY 26, requires any probate fund balance on June 30 exceeding 20%, rather than 15%, of the authorized expenditures in the coming fiscal year to be transferred from the Probate Court Administration Fund to the General Fund

[§§ 183-185 — CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM](#)

Creates a new benefit tier in CMERS named MERS 2.0 and sets its parameters; requires CMERC to create and administer a MERS defined contribution retirement plan by July 1, 2026; authorizes

CMERC to set up and implement an annuity plan as an alternative to CMERS for nonparticipating municipalities, subject to certain requirements

§ 186 — STATE EMPLOYEE RETIREE LIFE INSURANCE

Changes the service criteria used to determine a retired state employee's eligibility for certain life insurance benefits

§§ 187 & 188 — PARAMEDIC LICENSE FEE

Eliminates the \$150 application fee for a paramedic license, replacing a provision in PA 25-168 that eliminated both the application and annual renewal fee for the license

§§ 189 & 190 — SUPPLEMENTAL GRANTS TO SPECIFIED TOWNS

Makes certain grant payments to specified towns (Branford, Bridgeport, New London, and Voluntown) from MRSF payable as supplemental grants rather than additional PILOT payments

§§ 191-194 — BEVERAGE CONTAINER REDEMPTION (BOTTLE BILL)

Requires redemption centers to be approved to operate and annually register with DEEP, rather than registering once; generally prohibits redemption centers from accepting more than 5,000 beverage containers from any person in one day; establishes record requirements for the centers that accept more than 2,500 containers from a single person in one day; sets new reporting and record retention requirements; generally prohibits redemption centers from removing containers from their premises before distributors remove them; exempts hard cider and THC-infused beverages from the bottle bill; modifies the cap on how many containers a person may redeem at dealers or dealer RVMs; prohibits dealers from collecting or charging a refund value for containers that are not purchased in Connecticut

§ 195 — STUDY AND PILOT PROGRAM ON SUBSTITUTING COLLEGE COURSES FOR POLICE BASIC TRAINING

Requires POST to (1) study whether college-level criminal justice courses can be substituted for its police basic training courses and (2) create a related pilot program at the University of New Haven

§ 196 — RECOMMENDATIONS ON POLICE BONUSES

Requires DESPP and POST to create a report with recommendations on awarding bonuses to new and existing police officers

§ 197 — HIGHER EDUCATION DEGREES PATHWAY FOR POLICE OFFICERS

Requires the Board of Regents, UConn Board of Trustees, and POST to take specific actions towards helping police officers earn higher education degrees

§ 198 — STATE POLICE OFFICER RETIREES RETURNING TO SERVICE STUDY

Requires DESPP, in conjunction with SBLR, to study the feasibility of the state entering into negotiations with the State Police officers union to set conditions for retired officers to return to service

§ 199 — POLICE MENTAL HEALTH

Requires DESPP to investigate ways to develop and enhance programs addressing police officer mental health

§ 200 — TECHNICAL CORRECTIONS DURING CODIFICATION

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

[§ 201 — LIMITED PURPOSE TRUST COMPANIES STUDY](#)

Requires DOB to conduct a study on establishing limited purpose trust companies in Connecticut and report findings and recommendations to the Banking Committee

[§ 204 — TAX EXEMPTION FOR PROPERTY LOCATED ON CERTAIN RESERVATION LANDS](#)

Delays the effective date of a property tax exemption for property located on reservation land that is held in trust for a federally recognized Indian tribe

[§ 205 — INSTRUCTIONAL SUPPORT PARTNERS](#)

Allows, rather than requires as under PA 25-93, school boards to hire or designate a current employee to be an instructional support partner

[§§ 206-208 — STATE HISTORICAL COMMISSION](#)

Creates a 12-member State Historical Commission to examine and make recommendations on questions of memorialization and commemoration related to Connecticut and U.S. history; requires the commission to develop a (1) process for identifying and commissioning additional statues for the State Capitol's exterior and (2) plan to install historical placards around the building's exterior

[§§ 209 & 210 — TRIBE APPLICATIONS TO CONVERT LAND TO FEDERAL TRUST STATUS](#)

Removes a requirement for the state to oppose Native American tribe applications to convert fee interest land to federal trust status

[§§ 211 & 212 — PREVAILING WAGE FOR OFFSITE CUSTOM FABRICATION](#)

Extends the state's prevailing wage law to cover off-site custom fabrication for a public works project

[§ 213 — FAMILY ENTERTAINMENT WORKING GROUP](#)

Establishes a family entertainment working group to study and make recommendations on family entertainment in the state

[§§ 214 & 215 — OHE STUDENT LOAN REIMBURSEMENT PROGRAM](#)

Makes various changes to the OHE student loan reimbursement program, including expanding eligibility and revising certain qualification criteria related to the volunteer hour requirement

[§§ 216 & 217 — HIGHER EDUCATION FINANCIAL SUSTAINABILITY ADVISORY BOARD SUBCOMMITTEE AND REPEAL OF WORKING GROUP](#)

Establishes a subcommittee of the Higher Education Financial Sustainability Advisory Board to monitor Connecticut State Colleges and Universities (CSCU) expenditures and sustainability plans and requires the board to make recommendations to the General Assembly on these plans; repeals a budget bill provision creating a working group on CSCU reserve funds

[§ 218 — CHANGES TO ECS GRANT PHASE-IN SCHEDULE](#)

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

[§ 219 — POSTING CURRICULUM OBJECTIVES AND SCOPE](#)

Requires each school board to post approved curriculum objectives and scope on its website

[§ 220 — SUPPLEMENTAL FUNDING FOR NURSING HOMES](#)

OLR PUBLIC ACT SUMMARY

Replaces PA 25-168 (§ 334) and requires DSS to distribute up to \$55 million in supplemental funding to nursing homes and proportionally distribute it to support wage increases for nursing home employees

§§ 221 & 222 — DDS PAYMENTS TO PROVIDERS

Requires DDS to (1) distribute up to \$5 million in supplemental funding to residential services providers in FY 27 and (2) from an available \$105 million pool, increase provider rates in FY 28 to support wage increases (PA 25-175 instead sets specific increases for FY 28 for contracted services)

§ 223 — REPEAL OF RESTRICTIONS ON ASSIGNED MUNICIPAL LIENS FOR DELINQUENT PROPERTY TAXES AND SEWER ASSESSMENTS

Repeals provisions of the 2025 budget implementer that would have restricted certain municipal lien assignments

§ 225 — BRIDGEPORT ELECTION MONITOR

Requires SOTS to contract and install an election monitor for Bridgeport, and conduct a town-wide bilingual public awareness campaign to educate the public on their rights under the state's election laws

§§ 226 & 227 — SEEC EXECUTIVE DIRECTOR APPOINTMENTS

Repeals provisions passed during the 2025 legislative session on SEEC Executive Director appointments, including that they receive legislative approval, and instead requires that (1) any reappointment be limited to a single term of up to four years and (2) before any reappointment, the executive director appear at a joint legislative public hearing to discuss SEEC's efforts and the CEP program

§§ 228-232 — SOUTH MEADOWS SITE ADDITIONS AND REVISIONS

Requires the South Meadows site, which contains closed resource recovery and jet turbine facilities, to be part of any state PILOT grant to Hartford until the site is redeveloped; amends provisions in this year's budget and implementer act that establish the site and a related development district

§ 233 — PAID SICK LEAVE INCREMENTS

Allows boards of education and municipal employers to require that certain employees use their accrued paid sick leave in the increments set in their applicable collective bargaining agreements, rather than in one-hour increments, as long as they meet certain conditions

§§ 234-237 — PAID FAMILY AND MEDICAL LEAVE FOR CERTAIN SCHOOL EMPLOYEES

Extends the state's Paid Family and Medical Leave Insurance Program to cover school employees whose position does not require a professional certification; correspondingly extends the state's FMLA to cover these employees

§ 238 — BRIDGEPORT SOCCER STADIUM STUDY

Requires the DECD commissioner to assess the proposed Connecticut United Football club stadium's anticipated economic impact on Connecticut and Bridgeport

SUMMARY: This act (1) authorizes new state general obligation (GO) and special tax obligation (STO) bonds and new bond programs; (2) adjusts several existing bonds and bond programs; and (3) makes various other changes, including to school construction projects, as summarized in the section-by-section analysis that follows.

OLR PUBLIC ACT SUMMARY

EFFECTIVE DATE: Various, see below

§§ 1-38, 55, 111, 116, 118-120, 138 & 139 — NEW BOND AUTHORIZATIONS FOR STATE AGENCY PROJECTS AND GRANTS

Authorizes new state GO bonds for FYs 26 and 27 for various capital improvements, grant programs, and other initiatives

The act authorizes new GO bonds for FYs 26 and 27 for the state projects and grant programs listed in the table below. The bonds are subject to standard issuance procedures and have a maximum term of 20 years.

For bonds authorized under §§ 13 and 32, the act includes a standard provision requiring that, as a condition of bond authorizations for grants to private entities, each granting agency include repayment provisions in its grant contract in case the facility for which the grant is made stops being used for the grant purposes within 10 years of the grantee receiving it. The required repayment is reduced by 10% for each full year that the facility is used for the grant purpose.

GO Bond Authorizations for State Projects and Grant Programs for FYs 26 and 27

| §§ | Agency | For | FY 26 | FY 27 |
|-------------------------------|---|--|--------------|--------------|
| STATE CAPITAL PROJECTS | | | | |
| 2(a), 21(a) | Office of Policy and Management (OPM) | Information technology capital investment program | \$75,000,000 | \$75,000,000 |
| | | Statewide flood and resiliency mapping | 5,000,000 | 0 |
| 118 | | (1) Benefit the operation of the electric grid in the state, (2) promote energy efficiency, (3) benefit ratepayers, (4) reduce the annual costs of hardship protection measures and other hardship protections within the systems benefits charge to their average annual cost in the five years before the COVID-19 pandemic (2016 to 2020), and (5) fund electric vehicle (EV) charging programs | 250,000,000 | 250,000,000 |
| 2(b), 21(b) | Department of Veterans Affairs | Alterations, renovations, and improvements to buildings and grounds, and land acquisition | 20,000,000 | 10,000,000 |
| | | Expansion of the Middletown State Veterans Cemetery | 7,500,000 | 0 |
| 2(c), 21(c) | Department of Administrative Services (DAS) | Upgrades and modernization of the Capitol Area System | 42,000,000 | 0 |
| | | Installation of solar photovoltaic systems on state property, excluding state forests, parks, | 40,000,000 | 20,000,000 |

OLR PUBLIC ACT SUMMARY

| §§ | Agency | For | FY 26 | FY 27 |
|-------------|--|--|------------|------------|
| | | open spaces, farmland, and natural area preserves | | |
| | | Infrastructure repairs and improvements, including (1) fire and safety improvements; (2) improvements in compliance with the Americans with Disabilities Act (ADA); (3) improvements to state-owned buildings and grounds, including energy conservation and off-site improvements; (4) preservation of unoccupied buildings and grounds, including office development, acquisition, and renovations for additional parking; and (5) security improvements at state-occupied buildings | 0 | 10,000,000 |
| | | Purchase of equipment, minor improvements, and other associated costs for a new data center | 0 | 16,000,000 |
| 2(d), 21(d) | Department of Emergency Services and Public Protection (DESPP) | Alterations, renovations, and improvements to buildings and grounds, including utilities, mechanical systems, and energy conservation projects | 10,000,000 | 50,000,000 |
| 2(e), 21(e) | Department of Motor Vehicles | Alterations, renovations, and improvements to buildings and grounds | 10,000,000 | 2,500,000 |
| | | Alterations, including relocation, of the Wethersfield office | 15,000,000 | 0 |
| 2(f), 21(f) | Military Department | State matching funds for anticipated federal reimbursable projects | 5,000,000 | 3,000,000 |
| | | Alterations, renovations, and improvements to buildings and grounds, including utilities, mechanical systems, and energy conservation | 1,000,000 | 1,000,000 |
| | | Construction of a Medical Readiness Center | 5,000,000 | 0 |
| | | State matching funds for the anticipated federal reimbursable project at the Theater Aviation Sustainment Maintenance Group in Groton | 17,000,000 | 0 |

OLR PUBLIC ACT SUMMARY

| §§ | Agency | For | FY 26 | FY 27 |
|----------------|--|--|------------|------------|
| 2(g) | Department of Agriculture (DoAg) | Alterations, renovations, and improvements to existing state-owned buildings | 5,000,000 | 0 |
| 2(h), 21(g) | Department of Energy and Environmental Protection (DEEP) | Recreation and natural heritage trust program for recreation, open space, resource protection, and resource management | 3,000,000 | 3,000,000 |
| | | Alterations, renovations, and new construction at state parks and other recreation facilities, including ADA improvements | 40,000,000 | 30,000,000 |
| | | Water pollution control projects at state facilities and engineering reports for regional planning agencies | 500,000 | 500,000 |
| | | Renewable energy or combined heat and power projects in state buildings or projects in state buildings and assets to decrease environmental impacts, including those that (1) improve energy efficiency; (2) reduce greenhouse gas emissions from building heating and cooling, including by installing renewable thermal heating systems; (3) expand EV charging infrastructure to support charging on state property; (4) reduce water use; and (5) reduce waste generation and disposal | 5,000,000 | 5,000,000 |
| | | Dam repairs, including state-owned dams | 2,500,000 | 2,500,000 |
| | | Design costs and purchase of a research vessel | 500,000 | 7,000,000 |
| | | | | |
| 2(i), 21(h) | Capital Region Development Authority (CRDA) | Alterations, renovations, and improvements at the Connecticut Convention Center and Rentschler Field | 17,000,000 | 17,000,000 |
| | | Alterations, renovations, and improvements to parking garages in Hartford | 5,000,000 | 5,000,000 |
| 2(j) | Connecticut Agricultural Experiment Station | Alterations, renovations, and improvements to existing state-owned buildings, including predesign costs | 1,200,000 | 0 |
| 2(k) | Department of Public Health | Alterations, renovations, and improvements to existing state-owned buildings | 500,000 | 0 |

OLR PUBLIC ACT SUMMARY

| §§ | Agency | For | FY 26 | FY 27 |
|----------------|---|---|-------------|------------|
| 2(l), 21(i) | Department of Developmental Services | (1) Fire, safety, and environmental improvements to regional facilities and intermediate care facilities for client and staff needs, including compliance with current codes, and (2) site improvements, handicapped access improvements, utilities, repair or replacement of roofs, air conditioning, and other building renovations and additions at all state-owned facilities | 7,000,000 | 7,000,000 |
| 2(m), 21(j) | Department of Mental Health and Addiction Services | (1) Fire, safety, and environmental improvements to regional facilities and intermediate care facilities for client and staff needs, including compliance with current codes, and (2) site improvements, handicapped access improvements, utilities, repair or replacement of roofs, air conditioning, and other building renovations and additions at all state-owned facilities | 20,000,000 | 40,000,000 |
| | | Design and installation of sprinkler systems, including related fire safety improvements, in direct patient care buildings | 10,000,000 | 15,000,000 |
| | | Planning and design for replacement of Whiting Forensic Hospital at Connecticut Valley Hospital in Middletown | 50,000,000 | 0 |
| 2(n), 21(k) | Connecticut Technical Education and Career System (CTECS) | District-wide facility infrastructure upgrades, security improvements, vehicle and equipment purchases, and emergency repairs | 30,000,000 | 30,000,000 |
| | | Information technology and support equipment | 8,000,000 | 8,000,000 |
| | | Design and construction of a new Windham Technical High School | 113,705,019 | 0 |
| | | Capital improvement projects at E.C. Goodwin Technical High School | 0 | 35,000,000 |
| 2(o), 21(l) | UConn Health Center | System telecommunications infrastructure upgrades, improvements, and expansions | 3,000,000 | 3,000,000 |
| | | Equipment, library collections, and telecommunications | 25,000,000 | 10,000,000 |

O L R P U B L I C A C T S U M M A R Y

| §§ | Agency | For | FY 26 | FY 27 |
|----------------|---|---|------------|------------|
| | | Deferred maintenance, code compliance, and infrastructure improvements | 0 | 30,000,000 |
| 2(p), 21(m) | Connecticut State Colleges and Universities | All community colleges: deferred maintenance, code compliance, and infrastructure improvements | 30,000,000 | 0 |
| | | All universities: deferred maintenance, code compliance, and infrastructure improvements | 30,000,000 | 0 |
| | | All state colleges and universities: energy-efficiency program | 5,000,000 | 0 |
| | | Gateway Community College: acquisition, design, and construction of facilities for workforce development programs, including such programs for the transportation, alternative energy, advanced manufacturing, and health sectors | 1,000,000 | 0 |
| | | Naugatuck Valley Community College: design for the renovation of Kinney Hall | 1,000,000 | 0 |
| | | Norwalk Community College: alterations, renovations, and improvements to the B wing building | 1,000,000 | 0 |
| | | System telecommunications infrastructure upgrades, improvements, and expansions | 0 | 5,000,000 |
| 2(q), 21(n) | Department of Correction | Alterations, renovations, and improvements to existing state-owned buildings for inmate housing, programming and staff training space, and additional inmate capacity, and for support facilities and off-site improvements | 50,000,000 | 55,000,000 |
| 2(r), 21(o) | Department of Children and Families | Alterations, renovations, and improvements to existing state-owned buildings | 5,000,000 | 5,000,000 |
| 2(s), 21(p) | Judicial Department | Alterations, renovations, and improvements to buildings and grounds at state-owned and maintained facilities | 10,000,000 | 10,000,000 |
| | | Security improvements at various state-owned and maintained facilities | 2,000,000 | 2,000,000 |
| | | Alterations and improvements in compliance with the ADA | 5,000,000 | 5,000,000 |

OLR PUBLIC ACT SUMMARY

| §§ | Agency | For | FY 26 | FY 27 |
|------------------|------------------------------|---|-------------|-------------|
| | | Implementation of the Technology Strategic Plan Project | 10,000,000 | 5,000,000 |
| | | Development of new courthouses, including land acquisition and parking | 25,000,000 | 25,000,000 |
| | | Renovations to juvenile courts and juvenile residential centers | 5,000,000 | 5,000,000 |
| 2(t) | UConn | Equipment, library collections, and telecommunications | 5,000,000 | 0 |
| | | Improvements to digital learning infrastructure at a regional campus | 3,000,000 | 0 |
| 111 | Office of Workforce Strategy | Supporting workforce innovation and sustainability | 30,000,000 | 0 |
| HOUSING PROJECTS | | | | |
| 9, 28 | Department of Housing (DOH) | Housing development and rehabilitation, including improvements to certain kinds of state-assisted affordable housing and housing-related financial assistance programs, including administrative expenses | 200,000,000 | 200,000,000 |
| 119 | | Middle housing development grant program for housing authorities that expand middle housing availability in towns with up to 50,000 people | 50,000,000 | 50,000,000 |
| 120 | | Grants to landlords who provide housing to formerly incarcerated people | 6,000,000 | 6,000,000 |
| GRANTS | | | | |
| 13(a), 32(a) | OPM | Grants to distressed municipalities (see <i>Background — Distressed Municipalities</i>) | 7,000,000 | 7,000,000 |
| | | Grants to support municipalities, homeowners, and small businesses that have been impacted by a catastrophic event | 15,000,000 | 0 |
| | | Grants to state-licensed acute care hospitals for construction of facilities for adult inpatient psychiatric beds | 2,500,000 | 2,500,000 |
| 55 | | Grants to municipalities (specifies the grant amounts for each municipality) (but see § 139 below) | 150,000,000 | 150,000,000 |
| 13(b), | DEEP | Grants to contain, remove, or | 7,600,000 | 17,000,000 |

OLR PUBLIC ACT SUMMARY

| §§ | Agency | For | FY 26 | FY 27 |
|-----------------|---|--|------------|------------|
| 32(b) | | mitigate identified hazardous waste disposal sites | | |
| | | Grants to municipalities for improvements to incinerators and landfills, including bulky waste landfills | 6,800,000 | 2,900,000 |
| | | Grants to identify, investigate, contain, remove, or mitigate contaminated industrial sites in urban areas | 20,000,000 | 20,000,000 |
| | | Grants to municipalities for (1) providing potable water and (2) assessing and remediating pollution from perfluoroalkyl and polyfluoroalkyl (PFAS) substances | 5,000,000 | 5,000,000 |
| | | Various flood control improvements, flood repair, erosion damage repairs, and municipal dam repairs | 2,500,000 | 2,500,000 |
| | | Grants to municipalities for open space land acquisition and development for conservation or recreational purposes | 10,000,000 | 10,000,000 |
| | | Grant for the removal of Kinneytown Dam | 25,000,000 | 0 |
| | | Grants to municipalities for renovations and expansion of, and equipment for, solid waste facilities | 15,000,000 | 0 |
| | | Microgrid and resilience grant and loan pilot program | 0 | 25,000,000 |
| | | | | |
| 13(c), 32(c) | Department of Economic and Community Development (DECD) | Brownfield Remediation and Revitalization program | 40,000,000 | 40,000,000 |
| | | Connecticut Manufacturing Innovation Fund | 20,000,000 | 25,000,000 |
| | | Greyfield Revitalization Program (see §§ 112 & 113 below) | 20,000,000 | 30,000,000 |
| | | Alterations, renovations, and improvements at the Tweed-New Haven Airport | 10,000,000 | 0 |
| 116 | | Grants for infrastructure projects, including the establishment or expansion of utility services (e.g., water, electric distribution, and sewer services), needed to support housing or economic development in “rural areas” (defined as (1) municipalities with a population of up to 10,000 | 30,000,000 | 0 |

OLR PUBLIC ACT SUMMARY

| §§ | Agency | For | FY 26 | FY 27 |
|-----------------|-------------------------------------|---|------------|------------|
| | | people (based on the most recent federal decennial census) or with a population density of less than 500 people per square mile, or (2) census tracts or towns designated as rural by the federal Health Resources and Services Administration) | | |
| 13(d), 32(d) | State Department of Education (SDE) | Grants to regional educational service centers and Goodwin University Education Services for capital expenses at interdistrict magnet schools | 20,000,000 | 0 |
| | | Grants to support in-district programming for students with disabilities | 10,000,000 | 10,000,000 |
| | | Grants to support a board of education for a municipality with a population over 140,000 (based on the most recent federal decennial census) that must appear before the Municipal Finance Advisory Commission by December 30, 2025, on the condition that the SDE commissioner determines the use of the proceeds (see also § 138 below) | 5,000,000 | 5,000,000 |
| 13(e), 32(e) | CRDA | Grants to encourage development according to CRDA's statutory purposes | 31,000,000 | 25,000,000 |
| | | Grants to East Hartford for general economic development activities, including the development of the infrastructure and improvements to the riverfront; the creation of housing units through rehabilitation and new construction; the demolition or redevelopment of vacant buildings; and redevelopment | 20,000,000 | 20,000,000 |
| 13(f), 32(f) | Department of Transportation (DOT) | Grants to municipalities for the Town Aid Road (TAR) program | 40,000,000 | 40,000,000 |
| 13(g) | DoAg | Grants to hold land for agricultural preservation purposes | 10,000,000 | 0 |
| 13(h) | Department of Aging and Disability | Grants for aging in place | 5,000,000 | 0 |

OLR PUBLIC ACT SUMMARY

| §§ | Agency | For | FY 26 | FY 27 |
|--------------|--|---|------------|------------|
| | Services | | | |
| 13(i) | Commission on Human Rights and Opportunities | Acquisition, design, construction, and renovation of a facility for a civil rights museum | 5,000,000 | 0 |
| 13(j), 32(g) | DOH | Grants to the Connecticut Housing Finance Authority (CHFA) for administering the Homes for CT loan program (see §§ 124-130 below) | 10,000,000 | 10,000,000 |
| | | Affordable Housing Real Estate Investment Trust pilot program | 2,000,000 | 0 |

Bridgeport Actions to Be Done Before Receiving State Grants (§ 138)

Prior to receiving certain grants (those under §§ 13 and 32 of the act), the act requires Bridgeport's mayor to (1) submit a written report with a corrective action plan to the Municipal Finance Advisory Commission (MFAC) by September 1, 2025, and (2) appear before MFAC by December 31, 2025, at a time and place MFAC determines, to present the report and answer any of MFAC's questions. These requirements apply regardless of an existing law on corrective action plans and MFAC referrals.

Under the act, the report must include a plan for corrective actions to ensure the city will not require supplemental education grants in future fiscal years. The plan must include:

1. cost containment policies the city may adopt,
2. fiscal policy adjustments,
3. collaboration with one or more municipalities or boards of education on shared services,
4. ways to maximize federal funding,
5. possible efficiencies in providing services, and
6. the prioritization of city-identified core services.

Partial Withholding of Municipal Grants-in-Aid Program Funds to Bridgeport, Danbury, Hartford, New Haven, New London, Norwalk, and Waterbury (§ 139)

The act withholds from certain municipalities part of their funding through OPM's Municipal Grants-in-Aid program that the act authorizes in FYs 26 and 27 (under § 55) until they take certain actions. The withholdings apply to municipalities designated to receive Municipal Grants-in-Aid program funding in FY 26 in an amount that is at least 75% greater than their designated program amounts for FY 25. Bridgeport, Danbury, Hartford, New Haven, New London, Norwalk, and Waterbury appear to meet this criterion.

For these municipalities, the act requires their chief executive officers (CEOs) to appear before the OPM secretary by October 1, 2025, to discuss actions their municipality may take to mitigate its reliance on state funding in the future. These

OLR PUBLIC ACT SUMMARY

actions may include:

1. cost containment policies the municipality may adopt,
2. fiscal policy adjustments for municipal revenue and expenditures,
3. collaboration with one or more other municipalities on shared municipal services,
4. possible efficiencies in providing municipal services, and
5. the prioritization of municipality-identified core services.

The OPM secretary may require each CEO to submit a written plan to implement these actions.

The act prohibits these municipalities from receiving the portion of their Municipal Grants-in-Aid program funding in FY 26 that exceeds the amount they received for FY 25 until their respective CEOs appear before the OPM secretary and, if required to do so, submit their written plan.

EFFECTIVE DATE: July 1, 2025, for FY 26 bond authorizations; July 1, 2026, for FY 27 bond authorizations; and upon passage for the provisions on withholding specific grants for certain municipalities (§§ 138 and 139).

Background — Distressed Municipalities

“Distressed municipality” is a designation under state law used to target funds to fiscally and economically distressed municipalities. DECD annually designates 25 municipalities as distressed using certain statistical indicators that generally measure municipal fiscal capacity. Municipalities that were once deemed distressed but no longer meet the criteria receive a subsequent grace period during which they are still considered a distressed municipality under the law. A municipality may reject the continued designation by a vote of its legislative body within three months after the DECD commissioner notifies it about its removal from the list (CGS § 32-9p(b)).

The current (2024) distressed municipalities are Ansonia, Bridgeport, Chaplin, Derby, East Hartford, Griswold, Hartford, Lisbon, Mansfield, Meriden, Montville, Naugatuck, New Britain, New London, Norwich, Plainfield, Plymouth, Putnam, Sprague, Sterling, Torrington, Waterbury, West Haven, Winchester, and Windham. Municipalities currently in a grace period are Bristol, East Haven, Groton, Killingly, New Haven, North Stonington, Preston, Stratford, and Voluntown.

§§ 39-50 — TRANSPORTATION BONDS

Authorizes new STO bonds in FYs 26 and 27 for DOT projects

The act authorizes new STO bonds in FYs 26 and 27 for DOT projects, as shown in the table below.

STO Bond Authorizations for DOT Projects

| <i>Authorized Program Areas</i> | <i>FY 26</i> | <i>FY 27</i> |
|--|---------------------|---------------------|
| <i>Bureau of Engineering and Highway Operations</i> | | |
| Interstate highway program | \$31,326,000 | \$12,000,000 |

OLR PUBLIC ACT SUMMARY

| Authorized Program Areas | FY 26 | FY 27 |
|---|--------------|--------------|
| Urban systems projects | 27,400,000 | 27,500,000 |
| Intrastate highway program | 90,000,000 | 85,000,000 |
| Environmental compliance, soil and groundwater remediation, hazardous material abatement, demolition, salt shed construction and renovation, storage tank replacement, and environmental emergency response at or near state-owned properties or related to DOT operations | 23,695,000 | 23,559,000 |
| State bridge improvement, rehabilitation, and replacement projects | 70,600,000 | 40,600,000 |
| Capital resurfacing and related reconstruction | 175,000,000 | 185,000,000 |
| Fix-it-First program to repair the state's bridges | 220,000,000 | 238,600,000 |
| Fix-it-First program to repair the state's roads | 159,600,000 | 193,000,000 |
| Local Transportation Capital Improvement Program | 80,000,000 | 80,000,000 |
| Grants to municipalities for the TAR Program | 40,000,000 | 40,000,000 |
| Local Bridge Program | 20,000,000 | 20,000,000 |
| Highway and bridge renewal equipment | 41,035,214 | 41,035,214 |
| Community connectivity and alternative mobility program | 15,000,000 | 15,000,000 |
| Transportation Rural Improvement Program | 10,000,000 | 10,000,000 |
| Purchase, installation, and implementation of advanced wrong-way driving technology and other wrong-way driving countermeasures | 20,000,000 | 20,000,000 |
| Automated Work Zone Speed Control Program | 5,000,000 | 5,000,000 |
| Renovations and improvements to service plazas along highways, excluding projects to maintain them in a state of good repair, outfit tenant space or build-out for a new tenant, and costs associated with tenant trade fixtures, tenant branding, promotions, or advertising | 11,750,000 | 11,750,000 |
| Bureau of Public Transportation | | |
| Bus and rail facilities and equipment, including rights-of-way, other property acquisition, and related projects | 277,430,000 | 284,850,000 |
| Northeast Corridor Modernization Match Program | 100,000,000 | 100,000,000 |
| Commercial Rail Freight Lines | 10,000,000 | 10,000,000 |
| Waterways Program | 6,000,000 | 11,000,000 |
| Bureau of Administration | | |
| Department facilities | 140,880,000 | 127,060,000 |

EFFECTIVE DATE: July 1, 2025, for FY 26 bond authorizations and July 1, 2026, for FY 27 bond authorizations.

§§ 51-54, 56, 59, 61-65, 71-73, 78-80, 83 & 105-107 — BOND AUTHORIZATIONS FOR PREVIOUSLY ENACTED PROGRAMS AND GRANTS

OLR PUBLIC ACT SUMMARY

Increases bond authorizations for various existing grants and purposes by authorizing new bonding for these purposes in FYs 26 and 27

The act increases bond authorizations for various existing grants and purposes by authorizing new bonding for these purposes in FYs 26 and 27, as shown in the table below. The act also makes technical changes and removes a reference to a fulfilled earmark (§§ 51 & 71).

FYs 26 and 27 Authorizations for Previously Enacted Programs and Grants

| § | Agency | Purpose/Fund | FY 26 | FY 27 |
|----|--------|--|---------------|---------------|
| 51 | OPM | Urban Action (economic and community development project grants) | \$200,000,000 | \$200,000,000 |
| 52 | OPM | Small Town Economic Assistance Program | 0 | 40,000,000 |
| 53 | OPM | Capital Equipment Purchase Fund | 40,000,000 | 40,000,000 |
| 54 | OPM | Local Capital Improvement Program | 45,000,000 | 45,000,000 |
| 56 | DOH | Housing Trust Fund (the act increases, from \$200 million to \$330 million, the amount that may be used for CHFA to administer a revolving loan fund for workforce housing projects) | 150,000,000 | 150,000,000 |
| 59 | DAS | School construction projects | 550,000,000 | 550,000,000 |
| 61 | DEEP | Clean Water Fund grants | 133,000,000 | 175,000,000 |
| 62 | DEEP | Clean Water Fund loans (revenue bonds) | 50,000,000 | 500,000,000 |
| 63 | DEEP | Connecticut bikeway, pedestrian walkway, recreational trail, and greenway grant program | 10,000,000 | 10,000,000 |
| 64 | DESPP | Nonprofit security infrastructure competitive grant program | 10,000,000 | 10,000,000 |
| 65 | DECD | Manufacturing Assistance Act (the act earmarks up to \$50 million for supporting strategic defense initiatives) | 100,000,000 | 100,000,000 |
| 71 | DOH | Grants for supportive housing for persons with an intellectual disability or other developmental disabilities, including autism spectrum disorder | 10,000,000 | 0 |
| 72 | DEEP | Financing and grants for certain retrofitting projects for multi-family residences | 0 | 100,000,000 |

OLR PUBLIC ACT SUMMARY

| § | Agency | Purpose/Fund | FY 26 | FY 27 |
|-----|--|---|------------|------------|
| 83 | SDE | School security infrastructure competitive grant program | 10,000,000 | 10,000,000 |
| 105 | DOH | Time to Own program | 60,000,000 | 60,000,000 |
| 106 | Connecticut Municipal Redevelopment Authority (now known as the Connecticut Municipal Development Authority) | Capitalization | 0 | 30,000,000 |
| 107 | DOH | Grants or forgivable loans to Time to Own program participants for capital improvements to residential properties purchased with program assistance | 0 | 5,000,000 |

Crumbling Foundations Assistance Fund (§ 73)

The act increases the existing authorization for the Crumbling Foundations Assistance Fund by \$100 million, in the amounts of \$25 million per year for FYs 27-30.

UConn 2000 Infrastructure Program (§§ 78-80)

The act increases the bond authorization for an existing UConn 2000 project at the Hugh S. Greer Field House by \$4 million (from \$160 million to \$164 million). The act correspondingly increases the total bond authorization and the FY 26 bond cap for the program by \$4 million.

EFFECTIVE DATE: July 1, 2025

§ 57 — CSCU 2020 INFRASTRUCTURE PROGRAM

Shifts most of the existing bond authorizations under the CSCU 2020 infrastructure program for land and property acquisition to authorizations for supplemental project funding

The act reallocates existing bond authorizations between projects within Phases II and III of the Connecticut State Colleges and Universities (CSCU) 2020 infrastructure program. For Phase II (covering FYs 12-14), the act reduces the Board of Regents' land and property acquisition authorization by approximately \$2.4 million (from \$2.6 million to \$192,756) and correspondingly increases its supplemental project funding authorization by the same amount (from \$0 to \$2,407,224). For Phase III (covering FYs 15-21), the act similarly alters the former project's authorization by reducing it by approximately \$3.9 million (from \$4

OLR PUBLIC ACT SUMMARY

million to \$100,592) and correspondingly increasing the latter project's authorization by the same amount (from \$16 million to \$19,899,408).

EFFECTIVE DATE: July 1, 2025

§ 58 — SCHOOL AIR QUALITY IMPROVEMENT GRANTS

Reduces the prior bond authorization for funding school air quality improvement grants and consolidates several earmarks into a single, smaller one; allows the funds to be used for school construction project grants

Existing law authorizes state GO bonds for DAS to fund certain school air quality improvement grants. The act further allows the bonds to be used for certain school construction project grants (see § 59) and reduces the prior authorization by \$138.5 million (from \$375 million to \$236.5 million).

The act also modifies earmarks that, under prior law, were up to \$15 million of the authorization for grants to purchase equipment and materials for constructing and installing individual classroom air purifiers, with up to \$11.5 million of that amount for UConn as part of the Supplemental Air Filtration for Education program and the remainder for an organization or organizations that provide equipment and materials for individual classroom air purifiers to schools. The act reduces these to a single earmark of up to \$11.5 million for grants for the above purchases by UConn under the program.

EFFECTIVE DATE: July 1, 2025

§ 60 — TOWN AID ROAD GRANT REDUCTION TRIGGER

Requires a 10% TAR program grant reduction if a town or district fails to timely submit its annual report on use of program funding

The act requires the OPM secretary to reduce a town or district's grant under the TAR program by 10% in any fiscal year that the town or district fails to timely (by September 1) submit its annual report to the DOT commissioner detailing how the program funds it received were used during the previous fiscal year. However, the act requires the secretary to waive a reduction if the town or district submits its report after the due date and gives him proof of its submission.

EFFECTIVE DATE: July 1, 2025

§ 66 — INNOVATION CORRIDOR AND CONNECTICUT COMMUNITIES CHALLENGE PROGRAMS

Makes changes to the Innovation Corridor and Connecticut Communities Challenge programs, including eliminating sunset dates

Prior law authorized DECD, until June 30, 2024, as part of implementing the state's Economic Action Plan, to (1) establish the Innovation Corridor program to provide grants for major projects in Connecticut and the Connecticut Communities Challenge program to provide community development grants, and (2) use bond funds, federal American Rescue Plan Act (ARPA) funding, and available resources

to provide grants under these programs. The act eliminates the sunset date on these authorizations and the department's ability to use ARPA funding. Under existing law, unchanged by the act, total funding for grants under these programs is capped at \$200 million (\$100 million each).

The act also makes several changes related to the Innovation Corridor program. Specifically, the act (1) renames it as the Innovation Clusters program, (2) exempts financial assistance awarded through it from existing law's cap on financial assistance from DECD given without specific legislative approval (see *Background — Cap on Financial Assistance*), and (3) allows the DECD commissioner (or his designee) to serve on the board of directors for an organization that is awarded financial assistance through the program.

EFFECTIVE DATE: Upon passage

Background — Cap on Financial Assistance

By law, DECD and Connecticut Innovations, Inc. are generally prohibited from awarding more than \$10 million of total financial assistance during any two-year period to an applicant or for a business project unless the assistance is specifically authorized by an act of the legislature (or more than \$20 million in the case of biotechnology business projects) (CGS § 32-462).

§ 67 — COMMUNITY INVESTMENT FUND 2030

Reduces overall and FY 26 and FY 27 authorizations; makes qualifying projects in distressed municipalities eligible for funding from the CIF 2030 program and moves out the due date for the CIF board's annual report

The act makes several changes related to the Community Investment Fund (CIF) 2030 program, which is, broadly, a five-year, state bond-funded program for financing qualifying economic and community development projects in eligible municipalities. First, it reduces the program's total bond authorization by \$108 million (from \$875 million to \$767 million) and correspondingly reduces its FY 26 and 27 bond caps by \$54 million each year (from \$175 million to \$121 million). Second, the act extends CIF project eligibility beyond public investment communities and alliance districts to also include distressed municipalities (see *Background — Distressed Municipalities* for §§ 13(a) & 32(a), above). Lastly, the act moves out the due date for the CIF board's annual report from August 31 to October 15.

EFFECTIVE DATE: Upon passage

§ 68 — BROWNFIELD MUNICIPAL GRANT PROGRAM

Makes several changes to the Brownfield Municipal Grant Program, including increasing the possible maximum award from \$4 million to \$6 million and expanding opportunities for participants to receive additional program awards under certain circumstances

Under existing law, DECD administers a Brownfield Municipal Grant Program

that gives grants to municipalities, Connecticut brownfield land banks, and economic development agencies for eligible costs of brownfield remediation or assessment projects and reasonable administrative expenses of up to 5% of the grant awarded.

The act specifies that these grants may also cover eligible costs for distinct phases of brownfield remediation and assessment projects and makes related conforming changes. Additionally, the act increases, from \$4 million to \$6 million, the maximum grant that may be awarded. It allows for additional awards over that amount to related but distinct phases of a project (or project addresses) if separate applications are submitted for them.

The act also makes other changes to the program. It allows, rather than requires, as under prior law, the DECD commissioner to give priority to grant applications for brownfields located in federally designated opportunity zones. It also exempts grant recipients from having to enter a remediation program for the property if the (1) grant funds are used for remediation actions that are not site-wide and (2) property, presumably, will not benefit from being in a remediation program.

Additionally, the act modifies the law's allowance for awarding additional grants to a participant. By law, the DECD commissioner may award an additional grant if he and the DEEP commissioner identify the project as a priority for remediation and the grant will be used to cover unexpected cost overruns or cleanup activities that increase the project's environmental benefits. Under prior law, the additional grant also could not (1) exceed 50% of the original grant amount or (2) increase the project's total grant funding under the program to more than \$4 million. The act eliminates the former provision and increases the cap to \$6 million, while specifying that the cap covers grants toward a project site or distinct project phase.

Lastly, if the projected need for additional funding identified in project implementation exceeds 50% of the original grant award or \$6 million, the act allows for a new application if proof is given to the DECD commissioner's satisfaction that (1) new parcels have been added to the original project, (2) the budget required to complete the remediation actions has increased due to issues identified during remediation action work, or (3) the initial scope of remediation action has been altered or expanded.

EFFECTIVE DATE: July 1, 2025

§ 69 — TARGETED BROWNFIELD DEVELOPMENT LOAN PROGRAM

Increases the program's maximum annual loan amount from \$4 million to \$6 million, gives the DECD commissioner discretion on prioritizing applications for certain proposed projects, and adds an additional exemption for certain loan recipients from having to enter a property remediation program

The act makes several changes to DECD's Targeted Brownfield Development Loan Program, which generally gives loans for brownfield remediation projects to eligible property owners and potential purchasers. Specifically, the act:

1. increases the maximum loan a recipient may receive from \$4 million to \$6 million;
2. allows, rather than requires, as under prior law, the DECD commissioner to

OLR PUBLIC ACT SUMMARY

give priority to loan applications for proposed projects in federally designated opportunity zones; and

3. exempts loan recipients from having to enter a remediation program for the property if the (a) funds are used for remediation actions that are not site-wide and (b) property, presumably, will not benefit from being in a remediation program.

EFFECTIVE DATE: July 1, 2025

§§ 70, 74, 81, 82, 85-90, 92-101, 103 & 104 — BOND CANCELLATIONS AND REDUCTIONS

Cancels or reduces prior bond authorizations for specified projects and grants

The act cancels or reduces prior bond authorizations for the projects and grants shown in the table below. It makes conforming changes to the corresponding bond supertotals.

Cancellations and Reductions

| § | Agency and Purpose | Prior Authorization | Amount Cancelled |
|-----|---|---------------------|------------------|
| 70 | DOH: Homelessness prevention and response fund | \$18,329,993 | \$7,875,000 |
| 74 | DECD & CTNext: CTNext Fund and its statutory purposes | 20,200,000 | 20,000,000 |
| 82 | OPM: Design and implement the consolidation of higher education systems with the state's CORE system | 5,000,000 | 3,000,000 |
| 86 | OPM: Develop and implement databases in the CORE financial system associated with results-based accountability | 3,000,000 | 350,000 |
| 88 | | 3,500,000 | 850,000 |
| 90 | DAS: Grants to alliance districts for general improvements to school buildings | 18,000,000 | 18,000,000 |
| 93 | DAS: Grants to priority school districts for projects (including expenditure reimbursements) that are ineligible for school building project grants | 30,000,000 | 30,000,000 |
| 94 | Paid Family and Medical Leave Insurance Authority: Grants for capitalizing the Family and Medical Leave Insurance Trust Fund | 25,000,000 | 8,980,265 |
| 96 | DAS: Grants to priority school districts for projects (including expenditure reimbursements) that are ineligible for school building project grants | 25,000,000 | 25,000,000 |
| 97 | Paid Family and Medical Leave Insurance Authority: Grants for capitalizing the Family and Medical Leave Insurance Trust Fund | 25,000,000 | 15,000,000 |
| 99 | DECD: CareerConneCT workforce training programs | 20,000,000 | 10,000,000 |
| 101 | | 20,000,000 | 20,000,000 |
| 104 | DAS: EV purchases and charging infrastructure construction and installation at state facilities | 35,000,000 | 10,000,000 |

EFFECTIVE DATE: July 1, 2025

§§ 75 & 76 — HOUSING RECEIVERSHIP REVOLVING FUND

Modifies the types of funds available to compensate certain receivers and types of expenses that are covered by the funds; increases by \$5 million per year the amount that may be spent from the Housing Receivership Revolving Fund in any single municipality

By law, apartment buildings in serious disrepair may be placed in receivership when the owner fails to comply with an order to abate a nuisance. Existing law establishes the Housing Receivership Revolving Fund, administered by the DOH commissioner, and authorizes the Superior Court to allow the fund to be used to cover a receiver's expenses. The law also allows receivers' expenses to be covered by the rents they or the municipality in which the building is located collect (CGS §§ 47a-56 to 47a-56i).

The act modifies the type of collections available to compensate receivers by replacing "rents" with "revenue." It also adds expenses managing a property according to a receiver appointment for associations, communities, and corporations in which members are dependent for support as expenses that may be covered by the revenue collections and the Housing Receivership Revolving Fund.

The act also increases, from \$1 million to \$6 million per year, the amount that may be spent from the fund in any single municipality.

EFFECTIVE DATE: July 1, 2025

§ 77 — UCONN FACULTY RECRUITMENT AND HIRING PROGRAM

Changes one of the purposes of the UConn Faculty Recruitment and Hiring Program so that it develops laboratories for faculty instead of supporting their compensation and restricts related bonds to that purpose

Existing law requires UConn's Board of Trustees to biennially develop a plan for recruiting and hiring research faculty and to implement a research faculty recruitment and hiring program according to its plan. Relatedly, existing law authorizes \$46.1 million in GO bonds over a five-year period, from FY 22 to FY 26, for this program (CGS § 10a-110n).

The act changes one of the program's purposes by requiring it to be used to develop laboratories for hired faculty, including related construction, renovation, and equipment costs, instead of supporting their compensation. The act relatedly restricts the use of authorized bonds to this purpose.

EFFECTIVE DATE: July 1, 2025

§ 84 — TECHNICAL HIGH SCHOOL SYSTEM TRAINING PROGRAMS

Transfers from SDE to CTECS the responsibility for handling bond proceeds dedicated to certain technical high school system training programs

Prior law required SDE to use proceeds from an \$8.5 million GO bond

OLR PUBLIC ACT SUMMARY

authorization for (1) a technical high school system pilot program to provide expanded educational opportunities for academic enrichment and trades training for secondary and adult learners by extending hours at technical high schools in Hamden, Hartford, New Britain, and Waterbury, and (2) grants to technical high schools to provide evening training programs in skilled trades, including manufacturing, masonry, electrical, plumbing, and carpentry, that prepare participants to earn a credential or degree recognized by employers or trade associations.

The act transfers the responsibility for handling these bond proceeds from SDE to CTECS.

EFFECTIVE DATE: Upon passage

§ 91 — STATE CAPITOL AND LEGISLATIVE OFFICE BUILDING

Broadens the allowable uses of an existing bond authorization to include construction work on the State Capitol and Legislative Office Building

Existing law authorizes \$1.8 million in GO bonds for the Office of Legislative Management to replace, repair, and repave the State Capitol Complex's roads and sidewalks. The act broadens the acceptable use of these bonds to include altering, renovating, and restoring the State Capitol and Legislative Office Building, including interior and exterior restoration and compliance with the ADA.

EFFECTIVE DATE: July 1, 2025

§ 102 — DOH HEALTH CARE WORKER HOUSING PROGRAM REPORTING

Requires DOH and CHFA to submit a report on increasing health care worker housing options

Existing law requires the DOH commissioner and the CHFA executive director to seek to partner with one or more hospitals in the state to increase workforce housing options. It also authorizes up to \$20 million in state GO bonds for DOH to fund the costs associated with the partnership and develop housing for health care workers.

The act requires, by January 1, 2026, DOH and CHFA to report to the Finance, Revenue and Bonding and Housing committees on the partnership's status, their activities to increase workforce housing options, and recommendations on other ways to increase these housing options.

EFFECTIVE DATE: July 1, 2025

§ 108 — HEAT PUMP DEPLOYMENT

Changes the purpose of proceeds from an existing bond authorization to direct DEEP to use them to support the deployment of heat pumps without specifically requiring it do so through rebates

Existing law authorizes \$25 million in GO bonds for DEEP. Under prior law, the proceeds from these bonds were to be used to fund a program that a 2024 bill would have established to provide rebates, at the point of sale, for the purchase of

heat pumps intended for heating systems in Connecticut. (That bill was not enacted.) The act instead requires DEEP to use the proceeds to support the cost-effective deployment of heat pumps for thermal needs throughout Connecticut.
EFFECTIVE DATE: July 1, 2025

§§ 109 & 110 — DOH REPORTING ON BOND-FUNDED HOUSING PROGRAMS

Eliminates prior law's requirement for DOH reporting to the Finance, Revenue and Bonding Committee on specified bond-funded programs and replaces it with a similar requirement; requires CHFA to post certain information on its website

Since September 1, 2024, and until September 1, 2026, prior law required DOH to report biannually to the Finance, Revenue and Bonding Committee specified information on bond funds the department received for (1) the Housing Trust Fund and (2) housing development and rehabilitation under the FY 24-25 bond act or any similar public act. The act eliminates this requirement (§ 110) and instead creates a new, but similar, reporting requirement (§ 109).

Under the act's new requirement, DOH must report by September 1, 2025, and every six months after that. The reports must be done in consultation with CHFA, and be submitted to both the Finance, Revenue and Bonding and Housing committees. Additionally, the reports must contain the following for the prior fiscal year and prior six months:

1. the amount from each bond authorization used for the Build for CT program and other DOH-administered programs that address affordable housing, supportive housing, homelessness, or workforce development housing (excluding the Time to Own and Down Payment Assistance programs);
2. for the above-mentioned programs, a list of the number of projects that are approved, underway, and completed, itemized by municipality;
3. a description of DOH's programs that address affordable housing, supportive housing, homelessness, and workforce development housing; and
4. the number of applications received, loans granted, and applications denied for the Time to Own and Down Payment Assistance programs and aggregate information on the reasons for denials under these programs.

The act also requires CHFA to maintain on its website information about the Time to Own and Down Payment Assistance programs. Specifically, it must post information regarding the race, ethnicity, income, and property location of these programs' borrowers.

EFFECTIVE DATE: July 1, 2025

§§ 112 & 113 — GREYFIELD REVITALIZATION PROGRAM

Principally allows DECD to create a grant or loan program to facilitate the repurposing of commercial retail and office space; authorizes DECD to provide up to \$50 million in assistance under the program (from bonding and available resources)

The act allows the DECD commissioner, in coordination with the DOH commissioner, Connecticut Municipal Redevelopment Authority (now known as Connecticut Municipal Development Authority (CMDA)), and CRDA, to create a greyfield revitalization program. Under the act, a “greyfield” is any previously developed commercial retail or office property that (1) is economically nonviable in its current state and exhibits conditions that significantly complicate its redevelopment or reuse, as determined by the DECD commissioner, and (2) is not currently eligible for any brownfield remediation and development program.

The act requires the greyfield revitalization program to provide (1) grants or loans to facilitate the repurposing of greyfields and (2) grants to CMDA or CRDA to give grants or loans to facilitate the same. The DECD commissioner may use bond funds and available resources to provide up to \$50 million in the aggregate for program grants and loans. (Other sections of the act authorize \$50 million in GO bonds for the program; see the table above listing GO bond authorizations.)

Under the act, the DECD commissioner must develop a competitive application process and criteria to evaluate applications submitted and select projects for funding. He may contract with nongovernmental entities, including nonprofit organizations, economic and community development organizations, lending institutions, and technical assistance providers, to administer the program.

Eligible uses of grant or loan funds include:

1. architectural and engineering assessment of buildings and site readiness to determine suitability for conversion to multi-family housing,
2. demolition,
3. remediation and abatement of building materials that were used according to the State Building Code when the structure was constructed,
4. renovation or conversion construction costs,
5. planning studies to assess the viability of potential future project sites under the program, and
6. reasonable administrative expenses not to exceed 5% of any grant awarded.

The act exempts financial assistance awarded through the program from existing law’s cap on financial assistance from DECD given without specific legislative approval (see *Background — Cap on Financial Assistance* for § 66, above).

Relatedly, the act creates the greyfield revitalization account as a separate, nonlapsing account that must contain (1) the proceeds of bonds issued by the state for deposit into it, (2) interest or other income earned on the investment of money in the account, and (3) any money required by law to be deposited in it. Any balance remaining in the account at the end of any fiscal year must be carried forward in the account for the next fiscal year.

The act requires all money received in consideration of financial assistance, including payments of principal and interest on any loans made through the greyfield revitalization program, to be credited to the account and become part of its assets. Additionally, regardless of any state statute, the act allows proceeds of certain Urban Action bond sales to be used to capitalize the account if approved by the governor and the State Bond Commission.

Under the act, the DECD commissioner may use the account’s funds to provide

financial assistance for the greyfield revitalization program and up to 5% of the account's funds for administrative costs.

EFFECTIVE DATE: July 1, 2025

Background — Related Act

PA 25-164 requires the DECD commissioner to prioritize the greyfield revitalization program's funding for municipalities that adopt zoning regulations that allow for converting or partially converting commercial buildings into residential developments according to the act. However, it references provisions establishing the program under a different bill that was not enacted.

§§ 114 & 137 — DECD GRANTS FOR CULTURAL AND HISTORIC SITES

Requires DECD to create a grant program for capital improvements to certain cultural and historic sites and annually report on it; authorizes the department to require a lien on certain properties as a condition for receiving grants of \$100,000 or less

The act requires the DECD commissioner to establish, within available resources, a program for nonprofit organizations that own or operate cultural and historic sites in the state to provide them grants for making capital improvements. The commissioner must develop eligibility criteria and application forms and accept applications on a continuing basis. By January 1, 2026, and annually after, the commissioner must submit a report to the Finance, Revenue and Bonding Committee on the (1) number of grant applications he received during the previous calendar year and (2) total amount of funds requested in them (§ 137).

Separately, the act authorizes the DECD commissioner to require, for any grant up to \$100,000 to a nonprofit organization sponsoring cultural and historic sites, a lien placed on real or personal property in favor of the state to ensure that the grant amount will be repaid in the event of a change in use of the property. However, the act does not require DECD to place a lien on property owned by the state, a municipality, or a housing authority. This authorization applies regardless of laws that require, as a condition of specified past grants to private entities, that each granting agency include repayment provisions and a corresponding lien in case the facility ceases to be used for the grant purposes within 10 years after the grantee receives it (§ 114).

EFFECTIVE DATE: Upon passage, except the lien provision is effective July 1, 2025.

§ 115 — STRATEGIC SUPPLY CHAIN PROGRAM

Authorizes DECD to create a strategic supply chain program to provide financial assistance to help develop the supply chains of major and emerging industries in Connecticut; allows the use of up to \$50 million in bond funds for program projects

The act allows the DECD commissioner to create a strategic supply chain program, which may provide grants, loans, subsidies, or tax credits in support of

proposed projects to establish, grow, upgrade, or expand companies, facilities, or workforce training efforts within the supply chains of major and emerging industries in Connecticut, as determined by the commissioner. In consultation with the OPM secretary, the commissioner may use bond funds, available authorized bond funds, and available allocated bond funds to give up to \$25 million per fiscal year and up to \$50 million in the aggregate for the program's projects.

The act requires DECD to develop a competitive application process and criteria to evaluate applications submitted and select projects for funding. It exempts financial assistance awarded through the program from existing law's cap on financial assistance from DECD given without specific legislative approval (see *Background — Cap on Financial Assistance* for § 66, above).

By June 30, 2029, the DECD commissioner must submit a report to the Commerce Committee on the projects funded through the program.

EFFECTIVE DATE: July 1, 2025

§ 117 — DOH AFFORDABLE HOUSING BOND PROGRAM

Authorizes up to \$50 million in GO bonds for DOH to finance projects to create employment opportunities in the construction industry by developing affordable housing

The act authorizes up to \$50 million in GO bonds over four years, in amounts of up to \$12.5 million per year from FY 26 through FY 29, for DOH to finance projects to create employment opportunities in the construction industry by developing affordable housing. (PA 25-49, § 27, (VETOED) would have generally required DOH to develop and administer a program for these projects.)

If DOH does not use all or part of the capped amount in a fiscal year, that amount is added to the capped amount for the following year. Any issuance costs and capitalized interest may be added to the capped amounts. Subject to the caps, the act deems the principal amount of the authorized bonds to be an appropriation, allocation, and allotment of the bond amounts. The bonds are subject to standard statutory conditions.

EFFECTIVE DATE: July 1, 2025

§ 121 — CHILD CARE FACILITIES GRANTS

Requires OEC to establish a competitive grant program for child care facilities' design, construction, and renovations projects; authorizes up to an aggregate \$80 million in state GO bonds with a cap of \$11.5 million for each fiscal year FY 26-FY 32 and requires OEC to use the proceeds to fund the program

The act requires the Office of Early Childhood (OEC) to establish a competitive grant program to help licensed child care facilities (i.e. child care centers or group or family child care homes that provide child care services) with the costs of planning and designing, constructing, and renovating child care facilities. OEC must establish (1) an application process and (2) grant eligibility criteria that prioritizes grants by considering the scope of each design, construction, or renovation project and the type of facility. The act allows OEC to (1) contract with

OLR PUBLIC ACT SUMMARY

a third party to administer the program and provide technical assistance to grant applicants and recipients and (2) use funds from the Early Childhood Education Endowment to pay costs of providing that technical assistance.

The act (1) authorizes up to an aggregate \$80 million in state GO bonds with a cap of \$11.5 million for each fiscal year starting FY 26 through FY 31 and \$11 million for FY 32, except unused portions may be carried over to the next fiscal year, and (2) requires OEC to use the proceeds to fund the grant program. The bonds are subject to standard statutory bond issuance procedures and repayment requirements.

The act also requires that grant contracts with entities that are not political subdivisions of the state must indicate that if the premises ceases to be used as a child care facility within 10 years after receiving the grant, (1) the recipient must repay the state the total grant amount reduced by 10% for each full year that the facility is used for the grant purpose and (2) a lien must be placed on the property to ensure the repayment. However, OEC does not need to place a lien if the premises are owned by the state, a municipality, or a housing authority.

EFFECTIVE DATE: July 1, 2025

§ 122 — PLACEMENT OF LIENS BY OFFICE OF EARLY CHILDHOOD

Provides that OEC need not place a lien on real property to secure repayment of certain child care related grants of \$50,000 or less

Existing law authorizes state GO bonds for OEC to give grants for constructing, improving, or equipping child care centers, including paying associated costs for the infant and toddler pilot program's architectural, engineering, or demolition services. Relatedly, under existing law, OEC must include in its grant contracts to private entities a provision that requires a portion of the grant to be repaid if the premises stop being used for the grant's purposes within 10 years of the grantee receiving it. To secure repayment, the law requires the contract to provide that a lien may be placed on the premises' land. However, the law also specifies that a lien does not need to be placed on premises owned by the state, a municipality, or a housing authority.

For grants of \$50,000 or less made through the above bond funding, the act provides that OEC need not place a lien on the real property for which the grant was made.

EFFECTIVE DATE: July 1, 2025

§ 123 — PAYMENT OF BOND-FINANCED STATE HOUSING PROGRAM'S ADMINISTRATIVE EXPENSES

Makes all bond-financed state housing programs eligible to have their administrative expenses be paid from their related proceeds but limits payment of these expenses to those that are no more than \$1 million in any fiscal year

The act makes several changes affecting the payment of administrative expenses for a "bond-financed state housing program," which, by law and under

the act, is any DOH-administered program that provides financial assistance for housing acquisition, development, rehabilitation, or support services and is financed in whole or in part from state GO bond proceeds.

Prior law allowed the administrative expenses for certain specified bond-financed state housing programs to be paid for with the state's GO bond proceeds for the program. The act makes all bond-financed state housing programs eligible to have their administrative expenses be paid from their related proceeds but limits payment of these expenses to those that are no more than \$1 million in any fiscal year. By law, unchanged by the act, this use of bond proceeds must be approved by the State Bond Commission and governor.

The act also makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2025

§§ 124-130 — HOMES FOR CT LOAN PROGRAM

Requires CHFA to administer a loan program that helps owners or developers get funding to build new residential buildings by guaranteeing loan repayment, up to certain thresholds, for participating banks and credit unions that loan to these borrowers

The act requires CHFA to administer a “Homes for CT” loan program that helps owners or developers get funding to build new “residential buildings” (i.e. single- or multi-family residential units, including condominium or common interest community units, or buildings with one or more of these units). CHFA must do this by guaranteeing loan repayment, up to specified total thresholds, for participating banks and credit unions that make loans to these borrowers. It may also, within available resources, make additional subordinate loans. (The act authorizes up to \$20 million in bonding for FYs 26 and 27 for the program (see §§ 13(j) and 32(g), above.))

The act allows the bank or credit union loans to have loan-to-value ratios exceeding typical underwriting standards and subjects the loans to any conditions or limitations CHFA establishes in consultation with representatives from the banking industry (which must be published on CHFA's website). CHFA's subordinate loans are subject to terms CHFA establishes, including on loan amounts, interest rates, and terms to maturity.

The act caps the total amount of (1) program loans at \$100 million and (2) claims paid to honor loan guarantees at \$10 million. And among other things, it:

1. limits the use of program loans to expenses (a) needed to complete residential building construction or build related improvements and (b) that CHFA determines are necessary;
2. establishes requirements for participating in the program and receiving a loan guarantee payment, including making good faith collection efforts;
3. allows CHFA to end a loan guarantee with a bank or credit union that misrepresents information about the guarantee or fails to comply with the act's good faith collection requirements;
4. requires CHFA to keep program administration records, including a record of the issued loans and loan guarantee payments made; and
5. authorizes the comptroller, CHFA, and the Department of Banking (DOB)

OLR PUBLIC ACT SUMMARY

to enter into a memorandum of understanding to carry out the act's requirements.

EFFECTIVE DATE: Upon passage

Lender Participation

Under the act, banks and credit unions with a physical presence in Connecticut may participate in the program if they first notify DOB and CHFA of their intent to do so. The act requires DOB and CHFA to set the process for the notice, which must include the institution's contact information.

The act requires DOB and CHFA, by October 1, 2025, to publish on their websites a (1) program summary and (2) list of the participating banks and credit unions, with their contact information, which DOB and CHFA must update. DOB must also give Connecticut-licensed mortgage servicers information about the program.

The act allows the participating banks and credit unions to suspend their involvement in or withdraw from the program after notifying DOB and CHFA in writing of the date it will take effect, but this date must be at least five business days after the notice is given. The act specifies that a suspension or withdrawal does not affect the institution's ability to submit a guarantee claim for a loan properly noticed to CHFA before the suspension or withdrawal took effect.

The act specifies that a bank's or credit union's program participation does not stop it from issuing loans to this same category of borrowers outside the program.

Program Capacity

The act requires a bank or credit union that agrees to make a loan to an eligible borrower under the program to notify CHFA in writing within one business day of doing so. The notice must include the loan amount and any other information about the borrower and the loan that CHFA requests. Additionally, these entities must give CHFA a (1) copy of the loan's promissory note and the mortgage deed securing the note within seven business days after agreeing to make the loan and (2) written report disclosing the loan's status on a monthly basis. These reports must at least include the principal amount, outstanding balance, and amount of any funds that the bank or credit union agreed to lend to the eligible borrower but has not yet disbursed.

The act caps the total amount of loans under the program at \$100 million, including outstanding loans and those that banks or credit unions have agreed to make. CHFA must immediately close participation in the program when this threshold is reached, based on the loan notices it receives, and notify the participating banks and credit unions. Correspondingly, the act allows banks and credit unions to condition loan agreements on the program's availability.

Loan Requirements

Under the act, for a participating bank or credit union to make a loan under the

program, the borrower must (1) show the bank or credit union that its project meets the standards for a residential building development, which CHFA must set, and (2) give CHFA a covenant that each dwelling unit in these buildings, when offered for sale to the public, will only be sold to participants in a CHFA-administered homebuyer loan program. The act requires that a mortgage deed on the borrower's residential buildings and all related improvements under development secure the loan.

The act requires the banks and credit unions to follow their underwriting policies and standards when making these loans, other than using a loan-to-value ratio that exceeds typical standards. It caps the loans' interest rates at the applicable rate of the Federal Home Loan Bank of Boston (FHLBank Boston) for short- or long-term advances through the New England Fund program. This rate is that which (1) is on FHLBank Boston's website on the date the borrower and bank or credit union lock in the rate and (2) has an advance term that most closely matches the loan's term.

Standard Procedures and Documents

The act requires CHFA, by October 1, 2025, to develop the following for participating banks and credit unions:

1. reasonable standards to show good faith collection efforts of outstanding loan principal and
2. a readily accessible communication portal to verify the most recently available total amount of (a) program loans CHFA has been notified about and (b) claims submitted to the comptroller.

It allows CHFA to develop standard promissory note and mortgage deed forms that can be used by the participating banks and credit unions.

Under the act, the standards and forms must be (1) developed in consultation with banking industry representatives and (2) to the extent feasible, closely aligned with industry standards, except the act prohibits them from requiring post-delinquency collection efforts that extend beyond 90 days.

Loan Guarantees

Under the act, a participating bank or credit union may make a claim to CHFA to recover the outstanding principal on a defaulted loan, but only after it shows CHFA that (1) it has made a good faith effort to collect it from the eligible borrower and any person (other than CHFA) who issued a loan guarantee and (2) the loan has been delinquent for four consecutive months. The collection efforts must be done according to the bank's or credit union's loan servicing and collection policies.

The act requires CHFA to submit accepted claims to the comptroller for payment from the General Fund. It caps the amount of claims that CHFA may process and have paid to honor the program's loan guarantees at \$10 million. When this threshold is met, CHFA must immediately stop processing claims and notify the comptroller and the participating banks and credit unions that it will no longer

honor guarantees.

Under the act, once the comptroller pays the claim, the loan tied to it (including any loan guarantee a person other than CHFA issued) is assigned to the state and CHFA assumes the loan's collection rights. Any funds CHFA receives from collection efforts on these loans must be deposited in the General Fund.

§ 131 — DISTRICT REPAIR AND IMPROVEMENT PROJECT (DRIP) PROGRAM

Creates the DRIP program to provide financial assistance to boards of education and other public school operators for constructing, renovating, repairing, and enlarging public school buildings, grounds, and infrastructure; sets a formula for allocating program amounts; authorizes \$60 million in GO bonds for OPM to administer the program

The act creates the District Repair and Improvement Project (DRIP) program to provide financial assistance for constructing, renovating, repairing, and enlarging public school buildings, grounds, and infrastructure. More specifically, the program gives grants to local and regional boards of education and other public school operators (PSOs) for reimbursement and costs associated with these types of school-related capital projects.

Under the act, the OPM secretary must allocate amounts set for the DRIP program using a formula where, generally, 20% goes to each PSO equally, 50% is proportional to certain student enrollment percentages, and 30% is proportional to specific grand list percentages. The act imposes various reporting and record keeping requirements on PSOs that get a program grant.

The act also authorizes up to \$60 million in new general obligation bonds (\$30 million each in FY 26 and FY 27) for OPM to administer the DRIP program. The bonds are subject to standard issuance procedures and have a maximum term of 20 years. The act relatedly creates the district repair and improvement account as a separate, nonlapsing account that must contain any money required by law to be deposited in it. The account's money must be spent by the OPM secretary for the DRIP program's purposes.

EFFECTIVE DATE: July 1, 2025

Program Purpose

Under the act, the DRIP program must assist PSOs with the costs of minor capital repairs, improvements, and maintenance; mitigate their need for more costly and extensive future renovations and construction; and improve accessibility to safe and well-maintained school buildings and grounds for students and educators.

Eligible Recipients and Projects

The act limits DRIP program grants to PSOs for district repair and improvement projects.

Under the act, a "public school operator" is any (1) local or regional board of education, (2) regional educational service center, (3) endowed academy approved

by the State Board of Education (SBE), and (4) state charter school. It also includes certain interdistrict magnet school operators. Specifically, this applies to any interdistrict magnet school operator that is (1) the board of governors for a nonprofit, independent higher education institution; (2) the equivalent of such a board, on behalf of the independent higher education institution; or (3) any other third-party nonprofit corporation approved by the education commissioner.

A “district repair and improvement project” is a capital expenditure project approved by a PSO for any of the following purposes:

1. the construction, renovation, repair, or enlargement of school buildings or school grounds, including parking lots, athletic fields, and playgrounds;
2. improvements to school facilities to comply with health, safety, or code requirements; or
3. the purchase, installation, or maintenance of, or improvements to, fixed school infrastructure, including heating, ventilation, and air conditioning systems; plumbing; electrical systems; and roofing.

Allocation Requirements

On February 1 of each year, the act requires the OPM secretary to allocate amounts from the district repair and improvement account’s resources to each PSO according to the act’s allocation formula, totaling no more than the amount the legislature authorizes for the fiscal year. The secretary must credit all allocations to a subaccount for each PSO and make district repair and improvement project grants from the subaccounts. He must also keep records indicating, for each PSO’s subaccount, the (1) amount credited to the subaccount each year, (2) amount paid out in district repair and improvement project grants and charged to the subaccount, and (3) balance available for additional district repair and improvement project grants.

On March 1 of each year, the OPM secretary must notify each PSO of the amount allocated to it and post on OPM’s website the allocation amounts and the calculations for all PSOs. By June 30 of each fiscal year, allocations credited to PSOs’ subaccounts must be issued as grants by the secretary to the PSOs.

The act requires PSOs to use the grants for reimbursement and costs associated with district repair and improvement projects. It prohibits amounts allocated under the DRIP program from being used (1) to meet a local matching requirement for any state assistance program or (2) for any school building project under the DAS school construction grant program.

Allocation Formula

The act requires each allocation to a PSO be done according to a formula where 20% of the program’s annual amount goes to each PSO equally and the remaining 80% are based on two different percentages.

Student Enrollment Percentage. Under the act, 50% of the program’s annual amount must be allocated proportionally based on the following ratio for the fiscal year prior to the year in which the grant is to be paid: the (1) PSO’s total need

students enrolled in a school or schools, as applicable, under the PSO's jurisdiction to (2) total need students enrolled in all PSO schools in the state.

"Total need students" are the sum of:

1. the number of students enrolled for the school year;
2. 30% of the number of students eligible for free or reduced price meals or free milk;
3. 25% of the number of students enrolled who are multilingual learners, as defined in state law;
4. 30% of the number of students enrolled who require special education, as defined in state law; and
5. for PSOs where the number of students eligible for free or reduced price meals or free milk exceeds 60% of the number of students enrolled for the school year, 15% of that excess.

Under the act, "number of students enrolled" is the number of all students enrolled in a school or schools, as applicable, under the PSO's jurisdiction on October 1 or the full school day immediately before that date.

"Number of students eligible for free or reduced price meals or free milk" is the number of students enrolled in a school or schools, as applicable, under the PSO's jurisdiction on October 1, or the full school day immediately before that date, in families that meet the income eligibility guidelines set by the federal Department of Agriculture for free or reduced price meals or free milk under the National School Lunch Program.

Grand List Percentage. Under the act, 30% of the program's annual amount must be allocated proportionally based on the following ratio: (1) the PSO's total need students enrolled in a school or schools, as applicable, under the PSO's jurisdiction for the fiscal year prior to the year in which the grant is to be paid, multiplied by (2) the inverse of the adjusted equalized net grand list per capita of the PSO (which will be the numerator (upper number) of the fraction) and the sum of the resulting products for all the PSOs (which will be the denominator (bottom number) of the fraction).

The adjusted equalized net grand list per capita of a PSO varies depending on the entity. For local boards of education and charter schools, it is the same as the adjusted equalized net grand list per capita, as defined in state law, of the town of the board and town in which the charter school is located, respectively. For regional boards of education, regional educational service centers, interdistrict magnet school operators, and endowed academies, it is based on the entity's rank under the DAS school construction grant program so that its adjusted equalized net grand list per capita will be the same as the adjusted equalized net grand list per capita of a town with the same ranking.

Reporting and Record Keeping Requirements

By September 1, 2027, and annually after, each PSO issued a DRIP program grant must submit a report to the OPM secretary, in a form and way he prescribes, describing each district repair and improvement project for which amounts were expended in the fiscal year and the amounts expended for each project. The report

must include a certification by the PSO that (1) the district repair and improvement project was approved by the PSO or a board, council, or other body responsible for overseeing the project and (2) no grant money was used to satisfy a local matching requirement for any state assistance program or for any school building project under the DAS school construction grant program. The secretary must post all reports submitted on the office's website.

The act also requires each PSO getting a DRIP program grant to keep, for at least three years after the project's completion, detailed accounting records of all expenses incurred for the project. If the OPM secretary determines that the records are not kept or a review of the records shows that the grant, or any portion of it, was used for something other than its intended purpose, the secretary must give written notification to the PSO of his finding. Upon issuing a finding, the secretary may require the PSO to promptly pay the full grant back to the state or may reduce, by that amount, any future DRIP program grant the PSO gets.

§ 132 — REPORTING ON THE OFFICE OF THE CHIEF MEDICAL EXAMINER FACILITIES

Reinstates the requirement that DAS report quarterly on the status of the design, alteration, renovation, and construction of the facilities for the Office of the Chief Medical Examiner

PA 25-168 and this act make related changes affecting reporting on certain medical facilities. PA 25-168, § 83, repeals, among other things, a requirement for DAS to report quarterly to the Finance, Revenue and Bonding and Government Administration and Elections (GAE) committees on the status of the design, alteration, renovation, and construction of the facilities for the Office of the Chief Medical Examiner until the construction is completed. The repeal is effective as of June 30, 2025. This act reinstates this reporting requirement with the first report due by October 1, 2025.

EFFECTIVE DATE: July 1, 2025

§§ 133-136 — NEW REPORTING REQUIREMENTS

Requires assorted reports by state agencies to, principally, the Finance, Revenue and Bonding Committee on various capital plans

The act creates several new reporting requirements for state agencies, as described below.

By October 1, 2025, and quarterly after, the CSCU chancellor, in consultation with the OEC commissioner, must submit a report to the Finance, Revenue and Bonding Committee describing the coordination of efforts between CSCU and OEC to construct, improve, or equip child care centers on or near college and university campuses in the state.

Additionally, by January 1, 2026, and annually after, the CSCU chancellor must submit to the Finance, Revenue and Bonding Committee a five-year capital plan for the CSCU system and a description of the efforts taken in the prior year to increase its enrollment.

The act also requires DAS, by January 1, 2026, to develop a plan to install solar photovoltaic systems on developed state properties and submit the plan to the Finance, Revenue and Bonding and GAE committees.

Lastly, by January 1, 2027, and biennially after, CTECS must develop a five-year capital plan for its system and submit it to the Finance, Revenue and Bonding Committee.

EFFECTIVE DATE: July 1, 2025, except the provision on CSCU's five-year capital plan is effective October 1, 2025, and the provision on the CTECS five-year capital plan is effective January 1, 2026.

§§ 140 & 144 — HVAC GRANTS

Repeals the existing school construction HVAC grant and instead merges it with an existing school construction grant program

The act repeals the existing school construction heating, ventilation, and air conditioning systems (HVAC) grant program and instead merges it with an existing school construction grant program that provides grants for a broader range of school building projects (such as roof replacements and addressing building code violations). The act subjects the new HVAC grants to the same application and eligibility criteria that apply to existing non-priority school building projects (see *Background — Non-Priority List School Building Projects*).

Under prior law, the DAS commissioner could approve grants to reimburse school districts for project costs to install, replace, or upgrade HVAC systems or related improvements. Under the act, the commissioner may approve grants to upgrade HVAC systems or make other improvements to indoor air quality in school buildings. (The act's language does not include installing or replacing systems.)

While the statute for these grants does not include a dollar limit, the non-priority list projects tend to be smaller than the priority list projects, ranging from \$100,000 to \$5 million. Priority list projects commonly range from \$1 million to, in some cases, \$200 million.

Inspection and Maintenance Requirements

As under prior law, the act:

1. prohibits awarding grants for HVAC or indoor air quality improvements to recipients unless they have certified compliance with the uniform inspection and evaluation of their school buildings' HVAC systems as required by law (CGS § 10-220(d)),
2. makes (a) routine maintenance and cleaning of the HVAC system and (b) work performed at or on a public school administrative or service facility that is not located or housed within a public school building ineligible for reimbursement, and
3. requires grant recipients to (a) be responsible for the routine maintenance and cleaning of the HVAC system and (b) provide training to school personnel and maintenance staff on the system's proper use and maintenance.

Repealed HVAC Grant Provisions

The act repeals provisions on:

1. grant eligibility for charter schools (although a separate charter school capital projects grant law is unchanged);
2. specific grant eligibility criteria including (a) the age and condition of the HVAC system or equipment being replaced or upgraded, (b) current air quality issues at the school, (c) the age and condition of the overall school building, (d) the school district's master plan, (e) the availability of maintenance records, (f) the school's routine HVAC maintenance contract or plan, and (g) the applicant's ability to finance the remaining costs;
3. requiring DAS to reconsider grant applications it has denied through the end of FY 26 and provide technical assistance to the denied school board to help the board gain approval;
4. requiring DAS, if there is not enough grant funding, to prioritize schools with the greatest need based on the eligibility criteria; and
5. requiring an HVAC project to be completed by the end of the next calendar year after the grant was awarded unless extended by DAS for good cause.

EFFECTIVE DATE: Upon passage

Background — Non-Priority List School Building Projects

The law authorizes the DAS commissioner, in consultation with the education commissioner, to award grants on a case-by-case basis without going through the annual priority list process, which requires legislative approval. Non-priority list projects include:

1. helping school building projects remedy damage from fire and catastrophe;
2. correcting safety, health, and other code violations;
3. replacing roofs, including the replacement or installation of skylights as part of the project;
4. remediating a certified school indoor air quality emergency;
5. installing insulation for exterior walls and attics; and
6. purchasing and installing limited use and access elevators, windows, photovoltaic panels, wind generation systems, building management systems, or, within certain limitations, portable classroom buildings.

Once a grant is approved, projects must also get approval from DAS architects for each biddable project stage.

Under the law, school boards and towns may receive a reimbursement grant for 20%-80% of eligible expenses, based on the town's ranking among all Connecticut towns as generally measured by their grand list (CGS § 10-285a).

§§ 140, 144 & 146 — REMOVAL OF CTECS FROM SCHOOL CONSTRUCTION GRANT PROGRAM

Removes Connecticut Technical Education and Career System (CTECS) from the school construction grant program

OLR PUBLIC ACT SUMMARY

The act removes CTECS from the school construction grant program. Under prior law, CTECS projects had to undergo the school construction process, including being on the construction priority list that DAS submits to the legislature each year for approval to have the project's cost fully covered by the state. As a state agency, CTECS projects are already 100% state-funded and do not require the local approval and funding match that the school construction grant program requires of school boards and towns. (Chapter 60 of the General Statutes governs the state building construction project process.)

The act also repeals a related requirement for DAS to submit a biennial status report on all current and pending CTECS school construction projects and their costs to the Education Committee.

EFFECTIVE DATE: Upon passage

§ 141 — SCHOOL CONSTRUCTION PRIORITY LIST GRANT COMMITMENTS

Authorizes eight school construction state grant commitments totaling \$172.4 million toward total project costs of \$265.7 million; reauthorizes one project with an additional grant commitment of \$50.7 million

Under the state school construction grant program, the state reimburses towns and local districts for a percentage of eligible school construction costs through state GO bonds (with less wealthy municipalities receiving a higher reimbursement). The municipalities pay the remaining costs. For the state-operated CTECS, also known as the technical high schools, the state pays 100% of the project costs.

School Construction Grant Commitments

The act authorizes school construction state grant commitments totaling \$172.4 million toward total estimated project costs of \$265.7 million. For each project the act authorizes, the table below shows the district, school, project type, estimates for total cost and state grant commitment, and state reimbursement rate.

2025 School Construction Grant Commitments

| <i>District</i> | <i>School</i> | <i>Project Type</i> | <i>Estimated Project Costs</i> | <i>Estimated Grant</i> | <i>Reimbursement Rate</i> |
|-----------------|------------------------------------|---------------------|--------------------------------|------------------------|---------------------------|
| Fairfield | Osborne Hill Elementary School | Alteration | \$597,500 | \$155,768 | 26% |
| Fairfield | North Stratfield Elementary School | Alteration | 652,500 | 170,107 | 26% |

OLR PUBLIC ACT SUMMARY

| <i>District</i> | <i>School</i> | <i>Project Type</i> | <i>Estimated Project Costs</i> | <i>Estimated Grant</i> | <i>Reimbursement Rate</i> |
|-------------------|------------------------------------|---|--------------------------------|------------------------|---------------------------|
| Fairfield | Fairfield Woods Middle School | Alteration | 769,500 | 200,609 | 26% |
| Greenwich | Old Greenwich School | Extension/Alteration/ Roof Replacement | 48,124,812 | 9,624,962 | 20% |
| Norwich | John M. Moriarty Elementary School | New | 74,065,026 | 59,252,021 | 80% |
| Norwich | Uncas Elementary School | New | 76,468,605 | 61,174,884 | 80% |
| Plainville | Middle School of Plainville | Renovation | 61,915,000 | 40,467,644 | 65% |
| Region District 5 | Amity Regional High School | Alteration | 3,152,596 | 1,351,203 | 43% |
| Totals | | | 265,745,539 | 172,397,198 | |

Reauthorized Project

The act reauthorizes one school construction project with a change in cost, resulting in a \$50.7 million additional state grant commitment. The table below describes the project's cost changes.

Reauthorized School Construction Project

| <i>District</i> | <i>School</i> | <i>Prior Law</i> | | <i>Act</i> | <i>Reimbursement Rate</i> |
|-----------------|-----------------------------|-------------------------|---------------|---------------|---------------------------|
| CTECS | Platt Technical High School | Estimated project costs | \$124,566,000 | \$175,231,500 | 100% |
| | | Estimated grant | 124,566,000 | 175,231,500 | |

EFFECTIVE DATE: Upon passage

§§ 142 & 143 — SCHOOL CONSTRUCTION GRANT BONUS REIMBURSEMENT RATES

OLR PUBLIC ACT SUMMARY

Applies the 15 point reimbursement rate bonus for certain elementary and early childhood projects to the entire project, not just the early childhood space; establishes a new 15-percentage point bonus for parts of certain projects that expand or create special education program services

Early Childhood Space in Elementary Schools

By law, the state gives a 15-percentage-point reimbursement rate bonus for new or expansion elementary school construction projects that include an early childhood care and education program that provides space for children from birth to age five. Under prior law, this bonus applied only to the portion of the building used primarily for the program. The act eliminates this limitation and instead applies the bonus to the entire project.

Special Education Program Space

The act establishes a new 15 percentage-point reimbursement rate bonus for new buildings or renovation or expansion school construction projects that include certain plans for expanding or creating in-district special education programs and services. The rate bonus applies to the portion of the project used primarily for this purpose. To be eligible, the portion must be part of a school building (1) used for general education programs for non-special education students and (2) that is being built, renovated, or expanded under the project. The act specifies that the bonus rate cannot cause the project's total reimbursement rate to exceed 100%. Additionally, under the act, any additional funding a school board receives because of, or related to, including the plans for expanding or creating in-district special education programs and services must be spent to construct, renovate, or expand the building for those programs and services.

EFFECTIVE DATE: Upon passage

§§ 144 & 145 — REPEALED SCHOOL CONSTRUCTION PROVISIONS

Repeals three provisions related to priority-list school construction grants

The act repeals three provisions related to priority-list school construction grants.

Conditions School Districts Affirm in Their Applications (§ 144)

Prior law required a superintendent to affirm, as part of the grant application, that the school district has considered: (1) maximizing natural light, (2) wireless connectivity technology use and feasibility, and (3) the school safety infrastructure criteria. The act repeals these affirmations. By law and unchanged by the act, the commissioner must review each grant application for a school building project for compliance with the school safety infrastructure criteria.

Grant Refund Forgiveness (§ 144)

OLR PUBLIC ACT SUMMARY

By law, any town or school district that abandons, sells, leases, demolishes, or otherwise redirects the use of a school building project for non-public uses during the amortization period must give the state a refund for the unamortized balance of the state grant remaining. Under prior law, this repayment requirement applied if the school building was redirected for any non-public school use purposes. PA 24-151 broadened this to allow redirection for other public uses without requiring repayment of the grant.

The act makes a related conforming change by repealing the ability for a town or school district to seek repayment forgiveness if a school building is redirected for public use. A town or school district must still repay the remaining grant if the building is redirected for non-public uses.

Under the act, DAS is no longer required to include any proposed repayment forgiveness on the annual priority list. Under prior law, the forgiveness was deemed approved when the General Assembly approved the priority list.

Prior Approval for Consultant Contracts (§ 145)

The act repeals the requirement that consultant services contracts must have prior approval from DAS to be eligible for state grant reimbursement. Under current practice, DAS already conducts compliance reviews through the grant process, which includes reviewing these contracts.

EFFECTIVE DATE: Upon passage

§ 147 — CHARTER SCHOOL GRANTS PRIORITY

Requires the education commissioner to give preference to charter school capital improvements grant applications when the school's accountability index score meets or exceeds the statewide average

The act requires the education commissioner to give preference to state charter school capital improvements grant applications that do not provide matching funds from nonstate sources if the school's accountability index (AI) score meets or exceeds the statewide average AI score for at least two of the previous three school years. The AI ranks school performance based on a number of measures including student performance on standardized tests and graduation rates.

By law, the commissioner also must give preference to state charter school grant applications under this program that provide for matching funds from nonstate sources.

EFFECTIVE DATE: July 1, 2025

§ 148 — INDOOR AIR QUALITY INSPECTIONS

Broadens the window, to start July 1, 2022, rather than July 1, 2026, for when a school board's school HVAC inspection can count as a state-required inspection

Prior law required school boards to conduct a uniform inspection and evaluation of their schools' HVAC systems between July 1, 2026, and June 30, 2031. The act

OLR PUBLIC ACT SUMMARY

retroactively expands this window to begin July 1, 2022, which allows inspections done between July 1, 2022, and June 30, 2026, to count for the requirement. By law, certain waivers are allowed if conditions are met.

Failure to meet the requirement means a school board is prohibited from qualifying for additional HVAC grants (see §§ 140 & 144).

EFFECTIVE DATE: July 1, 2025

§§ 149-176 — SCHOOL CONSTRUCTION PROJECT EXEMPTIONS, WAIVERS, AND MODIFICATIONS

Exempts school construction projects in 20 towns and one regional school district from statutory and regulatory requirements to allow these projects to, among other things, qualify for state reimbursement grants, receive higher grant reimbursement percentages, or have their projects reauthorized due to a change in scope or cost

The act exempts school construction projects in 20 towns (including projects by the state or a different entity) and one regional school district from statutory and regulatory requirements to allow them to, among other things, (1) qualify for state reimbursement grants, (2) receive higher reimbursement percentages for the grants, or (3) have their project reauthorized due to a change in scope or cost. (These exemptions are commonly referred to as “notwithstandings.”) Generally, other than the specific notwithstanding provisions mentioned below, the projects must meet all other eligibility requirements.

The table below describes the notwithstandings that the act grants.

Notwithstandings for School Construction Projects

| Act § | Town or District | School and Project | Exemption, Waiver or Other Change |
|--------------|--|---|---|
| 149 | Region 13 (i.e. Durham and Middlefield) | Middlefield Memorial School, project unspecified | <p>Waives the filing deadline to be on the 2025 priority list (see above) for the project with a maximum cost of \$76.13 million if the district applies before October 1, 2025</p> <p>Allows the district to change the project's description to a renovation project and then qualify as a renovation</p> |
| 150 | Ansonia | New middle school construction | Amends a 2024 notwithstanding for the same project by extending the application deadline from October 1, 2024, to July 1, 2026 |
| 151 | Glastonbury | Naubuc Elementary School, alterations and code compliance | Requires reimbursement for the project regardless of the requirement that a construction bid not be let out without DAS plan and specifications approval |

OLR PUBLIC ACT SUMMARY

| Act § | Town or District | School and Project | Exemption, Waiver or Other Change |
|--------------|-------------------------|--|--|
| 152 | Ashford | Ashford School, code compliance and oil tank replacement | Requires reimbursement for the project regardless of the requirement that a construction bid not be let out without DAS plan and specifications approval |
| 153 | Cheshire | North End Elementary School, new construction | <p>Waives the standard building space requirements</p> <p>Allows project to qualify as an early childhood care and education program for 20 years and receive a 15 point reimbursement rate bonus</p> |
| 154 | Cheshire | Norton Elementary School, new construction | Waives the standard building space requirements |
| 155 | Stamford | Westhill High School, new construction | Reauthorizes the project with an allowable cost of up to \$446 million |
| 156 | Stamford | New Roxbury Elementary School, new construction | <p>Reauthorizes the project and allows a change in scope if the project cost does not exceed \$130 million</p> <p>Waives the filing deadline to be on the 2024 priority list</p> |
| 157 | North Haven | North Haven High School, new construction | Allows reimbursement of up to \$2.6 million for otherwise ineligible project costs |
| 158 | Danbury | King Street Primary School, project unspecified | <p>Waives the filing deadline to be on the 2025 priority list (see above) for the project with a maximum cost of \$7 million if the district applies before October 1, 2025</p> <p>Sets an 80% reimbursement rate instead of 63.93%*</p> |
| 159 | Middletown | Macdonough Elementary School, project unspecified | <p>Waives the filing deadline to be on the 2025 priority list for the project with a maximum cost of \$48.9 million if the district applies before October 1, 2025</p> <p>Authorizes a 15 point reimbursement rate increase (Middletown's current rate is 66.07%*)</p> |
| 160 | Middletown | Keigwin Elementary School, alteration | Waives the filing deadline to be on the 2025 priority list for the project with a maximum cost of \$2 million if the district applies before October 1, 2025 |

OLR PUBLIC ACT SUMMARY

| Act § | Town or District | School and Project | Exemption, Waiver or Other Change |
|--------------|------------------------------------|--|---|
| | | | Authorizes a 15 point reimbursement rate increase (Middletown's current rate is 66.07%*) |
| 161 | New Haven | Roberto Clemente Leadership Academy for Global Awareness, new construction Hill Central School, new construction Bowen Field | Allows the municipality to receive up to \$17,824,348 in reimbursements for otherwise ineligible costs for the two schools and requires DAS to offset the remaining ineligible project costs against the amount due to the municipality for Bowen Field project Requires the municipality to spend this amount to cover the local share of the costs for any school building projects for which applications are filed and approved on or after July 1, 2025 |
| 162 | Farmington | Farmington High School, new construction and central administration facility | Waives the requirement that orders and contracts be awarded after a publicly advertised invitation to bid, for architectural and other professional services related to these projects (Replaces provision from 2024 law that allowed reimbursement of up to \$1.8 million for otherwise ineligible project costs for these projects) |
| 163 | Wethersfield | Highcrest Elementary School, new construction | Waives the filing deadline to be on the 2025 priority list for the project with a maximum cost of \$73,504,329 if the district applies before October 1, 2025 |
| 164 | Wethersfield | Samuel Webb Elementary School, project unspecified | Waives the filing deadline to be on the 2025 priority list and grants the project a maximum cost of \$106 million if the application is filed before October 1, 2025 |
| 165 | Wethersfield | Highcrest Elementary School Samuel Webb Elementary School Charles Wright Elementary School | Allows a 15 point reimbursement rate increase for projects at these schools if the application is filed on or before June 30, 2030 (Wethersfield's current rate is 56.79%*) |
| 166 | East Hartford (Goodwin University) | Connecticut River Academy, new magnet school | Allows the entity to receive up to \$2,764,493 in reimbursements for certain ineligible costs |

OLR PUBLIC ACT SUMMARY

| Act § | Town or District | School and Project | Exemption, Waiver or Other Change |
|--------------|---|---|--|
| | Magnet Schools, Inc.) | | Allows the DAS commissioner to pay both the state and local share of eligible project costs if the (1) local share does not exceed \$2,732,664 and (2) project complies with the state school construction laws and SBE regulations |
| 167 | East Hartford (Goodwin University Magnet Schools, Inc.) | Early Childhood Magnet School, new magnet school and site acquisition | Allows the entity to receive up to \$369,813 in reimbursements for certain ineligible costs Allows the DAS commissioner to pay both the state and local share of eligible project costs if the (1) local share does not exceed \$811,348 and (2) project complies with the state school construction laws and SBE regulations |
| 168 | East Hartford (Goodwin University Magnet Schools, Inc.) | Pathways Academy of Design and Technology, new magnet school and site acquisition | Allows the entity to receive up to \$1,766,245 in reimbursements for certain ineligible costs |
| 169 | Fairfield | Mill Hill Elementary School, extension and alteration project | Allows the town to receive up to \$600,000 in reimbursements for certain ineligible costs and audit deficiencies |
| 170 | Waterbury (ACES) | ACES @ Chase, magnet school project | Reauthorizes the project with allowable costs up to \$84,435,280 |
| 171 | Norwich | Norwich Free Academy (NFA), alteration | Waives the filing deadline to be on the 2025 priority list for the project with a maximum cost of \$5,610,000 if NFA applies before October 1, 2025 Allows reimbursement for specified otherwise ineligible project costs Waives the standard building space requirements |
| 172 | Bridgeport | Special education program elementary school, new construction | Waives the filing deadline to be on the 2025 priority list for the project with a maximum cost of \$78,000,000 if the town of Bridgeport applies before September 1, 2025 Sets a 95% project reimbursement rate (Bridgeport's current rate is 68.57%*) |

OLR PUBLIC ACT SUMMARY

| Act § | Town or District | School and Project | Exemption, Waiver or Other Change |
|--------------|-------------------------|--|---|
| 173 | Hartford | University High School of Science and Engineering Capitol Preparatory Magnet School R.J. Kinsella Magnet School Environmental Sciences Magnet School Hartford Public High School Fisher Magnet School Webster School Sport and Medical Sciences Academy | Amends an existing notwithstanding that requires reimbursements of up to \$19,239,432 in ineligible costs for these projects subject to certain spending requirements to add as an eligible use of the reimbursement funds paying off deficits associated with the projects |
| 174 | New London | East End Elementary School, new construction | Sets a 95% project reimbursement rate for a cost increase not to exceed \$10 million approved by the administrative services commissioner by July 1, 2025 (New London's current rate is 68.21%*) |
| 175 | Greenwich | Central Middle School, new construction | Amends a 2024 notwithstanding for the project to change project type from renovation to new construction |
| 176 | Willington | Any project the municipality applies for before June 30, 2027 | Authorizes a 15 point reimbursement rate increase (currently, Willington's rate is 64.64%*) |

*FY 25 reimbursement rates for general construction are shown for reference; actual rates depend upon the year the application is submitted and the final determination of the project type (new or renovation)

EFFECTIVE DATE: Upon passage

§§ 177-180, 182, 202, 203 & 224 — BUDGET AND MUNICIPAL GRANT PROVISIONS

OLR PUBLIC ACT SUMMARY

Makes changes related to the FY 26-27 biennial budget and certain municipal grants

PA 25-168, §§ 1-12, appropriate money for state agency operations and programs in FYs 26 and 27. This act eliminates a Tourism Fund appropriation in that act and makes changes related to appropriations for OPM and SDE, as described below. It also makes technical changes to correct a statutory reference in a municipal grant provision in PA 25-168, § 473 (§ 180).

EFFECTIVE DATE: July 1, 2025

Tourism Fund (§ 177)

This act eliminates a \$500,000 appropriation to DECD for the CT Convention & Sports Bureau that was in PA 25-168, § 9. In doing so, it resolves a conflict in that act between the stated FY 26 net appropriation from the Tourism Fund and the actual sum of all the FY 26 line item appropriations.

OPM (§§ 178, 182, 202 & 203)

From OPM's General Fund FY 26 appropriation for Other Expenses, this act (1) reserves \$500,000 for a grant to the CT Convention & Sports Bureau and \$300,000 for staff support in the Office of Consumer Counsel's Office of State Broadband, and (2) carries forward \$600,000 to its General Fund FY 27 appropriation for Other Expenses.

Additionally, this act amends PA 25-168, § 472, by modifying the amounts the OPM secretary must grant to Ledyard and Montville as additional municipal aid, from unspecified Other Expenses, so that they each receive \$800,000 and only in FY 27 instead of \$500,000 in both FY 26 and FY 27.

SDE (§§ 179 & 224)

From SDE's General Fund FY 26 appropriation for Other Expenses, this act increases, from \$25,000 to \$100,000, the amount for robotics in FY 27. Also, from SDE's FY 27 appropriation for Magnet Schools, it reserves \$12 million for interdistrict magnet school programs operated by entities that are not a local or regional board of education, an independent institution of higher education's board of governors (or equivalent), or any other SDE-approved third-party, not-for-profit corporation, with the amount distributed proportionally based on the share of students enrolled in these programs.

§ 181 — PROBATE COURT ADMINISTRATION FUND

Beginning FY 26, requires any probate fund balance on June 30 exceeding 20%, rather than 15%, of the authorized expenditures in the coming fiscal year to be transferred from the Probate Court Administration Fund to the General Fund

By law, the Probate Court Administration Fund is established for authorized expenditures for the administration of each probate court. Under prior law, each

year any probate fund balance on June 30 that exceeded 15% of the authorized expenditures in the coming fiscal year had to be transferred from the Probate Court Administration Fund to the General Fund. Beginning FY 26, the act increases this threshold to 20%.

EFFECTIVE DATE: July 1, 2025

§§ 183-185 — CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM

Creates a new benefit tier in CMERS named MERS 2.0 and sets its parameters; requires CMERC to create and administer a MERS defined contribution retirement plan by July 1, 2026; authorizes CMERC to set up and implement an annuity plan as an alternative to CMERS for nonparticipating municipalities, subject to certain requirements

The act creates a new benefit tier in the Connecticut Municipal Employees Retirement System (CMERS) named MERS 2.0 and sets its parameters. It generally requires CMERS-participating municipalities to enroll in MERS 2.0 anyone first hired on or after July 1, 2027, unless the person is hired for a position covered by a collective bargaining agreement in effect on that date. For those positions covered by an agreement, the municipality must enroll in MERS 2.0 anyone first hired after the agreement expires. (Employees first hired before that date continue under the traditional MERS plan.)

The act allows any nonparticipating municipality to enroll in MERS 2.0 on the later of July 1, 2026, or the expiration date of an applicable collective bargaining agreement that was in effect on July 1, 2026. After the municipality enrolls in MERS 2.0, anyone who first becomes eligible there must be enrolled in MERS 2.0.

The act also requires the Connecticut Municipal Employees Retirement Commission (CMERC), by July 1, 2026, to create and administer a MERS defined contribution retirement plan. It requires all CMERS members to contribute 0.25% of their pay to the plan and MERS 2.0 members to contribute an additional 5% of their “other pay” (for regular employers) or 8% of their “other pay” (for public safety employees). (“Other pay” includes overtime pay, bonuses, and any other employee compensation other than regular pay.) It also requires CMERS-participating municipalities to make matching contributions for their MERS 2.0 members.

Lastly, the act authorizes CMERC to set up and implement an annuity plan as an alternative to CMERS for nonparticipating municipalities, subject to certain requirements.

EFFECTIVE DATE: Upon passage

MERS 2.0 (§ 183)

Employee Contributions. Under the act, MERS 2.0 members must contribute (1) 5% of their regular pay (for regular employees) or (2) 8% of their regular pay (for public safety employees). An employee’s “regular pay” is his or her “base pay” plus other predictable ongoing compensation (other than overtime pay), as determined under regulations adopted by CMERC. “Base pay” includes annual

salary, wages, or earnings, but not (1) other pay; (2) any workers' compensation payments received; and (3) payouts for accrued vacation time, sick leave, or compensatory time. "Public safety employees" are uniformed members of a municipality's paid fire department or regular members of its paid police department.

Service Period and Normal Retirement. Under the act, participating MERS 2.0 members who complete five years of continuous service or 15 years of active aggregate service in a participating municipality are generally eligible for full retirement benefits once they (1) have 30 years of aggregate service in a participating municipality or (2) are age 65 and have five years of continuous service. However, those who are public safety employees are eligible once they (1) have 25 years of aggregate service in a participating municipality or (2) are age 55 and have five years of continuous service.

Under the act, "active service" is service with a participating municipality for which the member made the required contributions to MERS 2.0, as described below. As under existing law, "aggregate service" includes both (1) active service and (2) any other form of service for which the member has purchased credit as allowed under the law. "Continuous service" is generally active service as a member or, under certain conditions, before becoming a member.

Early Retirement. The act generally allows MERS 2.0 members, other than public safety employees, who are separated from their employment with the municipality to elect to receive early retirement benefits on or after reaching age 55 if they (1) have at least five years of continuous service but less than 30 years of aggregate service and (2) have not reached age 65. These employees are not eligible, however, if they were separated from their employment for cause. CMERC must determine the early retirement benefit amount as the actuarial equivalent of the member's full retirement allowance (presumably, reduced to reflect the member's age).

Retirement Benefit Calculation. Under the act, a member's monthly retirement benefit is calculated as a percentage of his or her "average annual pay" (i.e. average regular pay during his or her five highest-paid years of active service). Specifically, it equals monthly installments of (1) one-twelfth of 1.8% of average annual pay for regular members or (2) one-twelfth of 2.2% of average annual pay for public safety members, multiplied by the member's months of aggregate service.

The act also specifies how to calculate a member's average annual pay for any year in which (1) he or she held more than one position or (2) the regular pay for his or her position changed. Specifically, the regular pay for each position the member held during the year must be multiplied by the fraction of the year for which he or she held the position and then added together.

Applicable CMERS Provisions. With certain exceptions, the act subjects MERS 2.0 to existing CMERS requirements in the same way and with the same force and effect as if those requirements had been fully incorporated in the act. If any provision conflicts, the act's provisions supersede with respect to MERS 2.0.

Additionally, the act explicitly applies the following existing CMERS provisions to also cover MERS 2.0 members:

1. eligibility for disability retirement and a disability retirement benefit for

- qualifying members with at least 10 years of continuous service;
- 2. survivors' benefits for firefighters and police killed in the line of duty;
- 3. spousal benefits for employees who die during active employment; and
- 4. annual cost of living adjustments (COLAs) for retirees, including those for retirements on or after July 1, 2029 (i.e. where the minimum COLA is tied to inflation in years where inflation increases by 2% or less).

Defined Contribution Plan (§ 184)

The act requires CMERC to create a defined contribution retirement plan by July 1, 2026. CMERC must administer the plan and may (1) make deposits or payments to the plan, subject to its terms, and (2) contract with a private entity for the plan's consolidated billing or other administrative services. Under the act, municipalities must make payroll deductions for each member of the MERS defined contribution plan, as specified under the act.

Annuity Plan (§ 185)

To establish the annuity plan, the act requires CMERC's eight appointed trustees who represent either employee or employer interests to unanimously approve it. Once established, CMERC must set the process for nonparticipating municipalities to adopt the plan. Any municipality participating in CMERS on the date the annuity plan is implemented is ineligible to participate.

The plan must give municipalities the option of transferring to it any previously adopted defined contribution plan's accounts and assets. Municipalities that adopt the plan must make payroll deductions for each member.

The state comptroller must administer the plan and may:

- 1. enter into contracts on the state's behalf with plan members to defer any portion of the member's compensation from the municipality;
- 2. make deposits or payments to the plan, subject to its terms; and
- 3. contract with a private entity for the plan's consolidated acting or other administrative services.

§ 186 — STATE EMPLOYEE RETIREE LIFE INSURANCE

Changes the service criteria used to determine a retired state employee's eligibility for certain life insurance benefits

By law, state employees who participate in the state-sponsored group life insurance plan qualify for continued "paid-up" coverage under the policy when they retire from state service. For those employees who retire on or after July 1, 2025, the act requires 25 years of "credited state service" to qualify. Under the act, this is service for which the employee or other eligible person was eligible to participate in a state-sponsored retirement system other than the Teachers' Retirement System or CMERS. As under existing law, employees who retire before that date continue to qualify if they retire with at least 25 years of "state service," which is occupying for pay any office or position or employment in the service of the state, but not its

OLR PUBLIC ACT SUMMARY

local governmental subdivisions.

Regardless of the retirement date, and unchanged by the act, (1) those with the required amount of service time receive coverage for 50% of the amount of life insurance they were insured for immediately before retiring; (2) those with less than the required amount of service time receive a proportionate amount of life insurance coverage, rounded to the nearest \$100; (3) the coverage must be for at least \$10,000; and (4) the retiree cannot be required to pay for the insurance.

EFFECTIVE DATE: July 1, 2025

§§ 187 & 188 — PARAMEDIC LICENSE FEE

Eliminates the \$150 application fee for a paramedic license, replacing a provision in PA 25-168 that eliminated both the application and annual renewal fee for the license

The act repeals a provision in the budget and implementer act (PA 25-168, § 424) that eliminated both the \$150 application fee and \$155 annual renewal fee for a paramedic license. Instead, the act eliminates the \$150 application fee but retains the \$155 renewal fee for the license.

EFFECTIVE DATE: October 1, 2025, except the repealer is effective upon passage.

§§ 189 & 190 — SUPPLEMENTAL GRANTS TO SPECIFIED TOWNS

Makes certain grant payments to specified towns (Branford, Bridgeport, New London, and Voluntown) from MRSF payable as supplemental grants rather than additional PILOT payments

The Municipal Revenue Sharing Fund (MRSF) is used to fund certain municipal grants, including payment in lieu of taxes (PILOT) grants for real property tax losses due to exemptions for state-owned property, private colleges, and certain hospitals. The law specifies additional amounts from MRSF for four municipalities annually:

1. \$100,000 for Branford;
2. \$5 million for Bridgeport;
3. \$1 million for New London; and
4. \$60,000 for Voluntown.

Under prior law, these amounts were paid as additional PILOT payments. Beginning with FY 26, the act instead makes these same amounts payable as supplemental revenue sharing grants. By law, these supplemental grants must be proportionally reduced if the funds appropriated do not cover their full amounts.

EFFECTIVE: July 1, 2025

§§ 191-194 — BEVERAGE CONTAINER REDEMPTION (BOTTLE BILL)

Requires redemption centers to be approved to operate and annually register with DEEP, rather than registering once; generally prohibits redemption centers from accepting more than 5,000 beverage containers from any person in one day; establishes record requirements for the centers that accept more than 2,500 containers from a single person in one day; sets new reporting and record retention requirements; generally prohibits redemption centers from removing containers

OLR PUBLIC ACT SUMMARY

from their premises before distributors remove them; exempts hard cider and THC-infused beverages from the bottle bill; modifies the cap on how many containers a person may redeem at dealers or dealer RVMs; prohibits dealers from collecting or charging a refund value for containers that are not purchased in Connecticut

The act makes several changes to the state's beverage container redemption law ("bottle bill"), many of which expand the state's oversight and enforcement of redemption centers.

Regarding redemption centers, the act:

1. requires them to be approved to operate and annually register with DEEP in order to establish themselves or operate, rather than registering once as prior law required;
2. prohibits them from accepting for redemption more than 5,000 beverage containers from any one person in a day, excluding nonprofit organizations and verified fundraising activities;
3. requires those that accept more than 2,500 containers from any one person in one day to record certain identifying information about that person;
4. requires them and reverse vending machine (RVM) operators to keep certain records for at least two years and allows the DEEP commissioner to examine accounts and records;
5. adds a quarterly reporting requirement to DEEP;
6. prohibits them from removing beverage containers from the premise or transferring them between premises under their control before a distributor removes them, unless the distributor authorizes it in writing;
7. limits the facilities that qualify as redemption centers to those whose primary business is redeeming and sorting empty beverage containers and preparing them for redemption, rather than any facility for these purposes; and
8. makes minor and technical changes, including specifying that the centers are not considered dealers, which, by law, are sellers of beverages in bottle bill-covered containers to consumers.

The act exempts hard cider and THC-infused beverages from the bottle bill's provisions. Hard cider was explicitly subject to them under prior law.

It also (1) changes the cap on how many beverage containers a person may redeem at a dealer's RVM, from 240 at a time to 240 in a day and (2) applies this cap to redemptions at dealers generally, not just at their RVMs.

Lastly, the act prohibits dealers from collecting or charging a refund value (the deposit amount) for beverage containers that are not purchased in Connecticut. Doing so subjects them to the bottle bill's existing fines for certain violations, ranging from \$50 to \$500 depending on the number of offenses involved (CGS § 22a-246).

EFFECTIVE DATE: Upon passage

Redemption Center Requirements

Approval and Annual Registration. Under prior law, prospective redemption center owners had to register once with DEEP and give certain information,

including the business's address and hours; principals, sponsors, and dealers served; beverage containers accepted; and whether containers from consumers would be accepted. Redemption center operators also had to report any change in procedure within 48 hours of it happening.

The act instead requires anyone establishing or operating a redemption center to get approval to do so and annually register with DEEP. They must initially provide the same information as under prior law, but do not need to report a change to consumer acceptance. The act specifies that the required reporting must occur within 48 hours after the change occurs.

Records on People Redeeming More Than 2,500 Containers. The act requires redemption centers that accept more than 2,500 containers from any one person in one day to create a record with the following information for the person:

1. the person's name and a copy of his or her driver's license,
2. the license plate number of any vehicle used to bring the containers to the redemption center,
3. the collection points of the containers, and
4. the number of containers brought to the redemption center.

The redemption center must also have the person certify that, to the best of their knowledge, the containers were originally sold as filled beverages in Connecticut and not previously redeemed.

Record Keeping. The act requires redemption centers (and RVM operators) to maintain the records described above for at least two years. It allows the DEEP commissioner to examine accounts and records maintained in this way, or any accounts and records the centers or RVM operators keep due to state waste management laws. This includes (1) receipts, (2) disbursements, and (3) any other item the commissioner deems appropriate.

Quarterly Reporting. The act requires redemption center operators to submit quarterly reports to the DEEP commissioner, on a department-provided form, with the following information:

1. the number and type of containers redeemed, aggregated by each town in which they operate;
2. each record created concerning their registration and approval, changes in registration information, and redemptions of more than 2,500 containers; and
3. any other redemption information the commissioner finds necessary.

Penalties. Under the act, violations of the above requirements are subject to the bottle bill's existing fines for certain violations, which range from \$50 to \$500 depending on the number of offenses involved (CGS § 22a-246).

Additionally, PA 25-168, § 405, authorizes the attorney general to (1) investigate, among other things, these alleged violations, either independently or upon complaint, and (2) bring a civil action against alleged violators.

Lastly, the act authorizes DEEP to deny the annual registration of a redemption center that fails to submit the required quarterly report.

§ 195 — STUDY AND PILOT PROGRAM ON SUBSTITUTING COLLEGE COURSES FOR POLICE BASIC TRAINING

OLR PUBLIC ACT SUMMARY

Requires POST to (1) study whether college-level criminal justice courses can be substituted for its police basic training courses and (2) create a related pilot program at the University of New Haven

The act requires the Police Officer Standards and Training Council (POST) to examine the criminal justice courses offered by colleges and universities in Connecticut and determine (1) if any courses equal those required as part of a police officer's minimum basic law enforcement training at the Connecticut Police Academy and (2) under what conditions a police trainee would not need to complete an academy course because he or she had already completed an equivalent college-level course. POST must submit a report of its examination and determination to the Public Safety and Security Committee by January 1, 2026.

By that same date, the act requires POST to establish a pilot program with the University of New Haven to allow someone who attends the police academy for basic training to complete it by taking courses related to legal issues at the university and the remaining courses at the academy.

By January 1, 2027, POST must submit a report to the Public Safety and Security Committee that:

1. describes the pilot program;
2. analyzes the program's impact on police recruitment and training procedures and resources; and
3. recommends whether to end, continue, revise, or expand the program.

EFFECTIVE DATE: Upon passage

§ 196 — RECOMMENDATIONS ON POLICE BONUSES

Requires DESPP and POST to create a report with recommendations on awarding bonuses to new and existing police officers

By January 1, 2026, the act requires DESPP and POST to jointly submit a report to the Public Safety and Security Committee with recommendations on awarding bonuses to encourage individuals to begin and continue careers as police officers. Specifically, the report must include recommendations for a schedule of bonuses to be awarded to (1) new officers when they begin service and (2) existing officers based on years of service.

Under the act, DESPP and POST may consult with municipal police chiefs and anyone else in developing their recommendations.

EFFECTIVE DATE: Upon passage

§ 197 — HIGHER EDUCATION DEGREES PATHWAY FOR POLICE OFFICERS

Requires the Board of Regents, UConn Board of Trustees, and POST to take specific actions towards helping police officers earn higher education degrees

By January 1, 2026, the act requires the Board of Regents for Higher Education, UConn's Board of Trustees, and POST to jointly submit a report to the Public Safety and Security Committee that includes a career pathway and schedule that

they must develop. The pathway must help police officers earn higher education degrees and include a schedule of credits that officers may receive at UConn (and all its campuses) and C SCU for the training they received in order to be certified, and maintain their certification, as police officers. The boards and POST must promote this pathway to encourage police officers to earn higher education degrees, and their report must describe their plans for promoting it.

EFFECTIVE DATE: Upon passage

§ 198 — STATE POLICE OFFICER RETIREES RETURNING TO SERVICE STUDY

Requires DESPP, in conjunction with SBLR, to study the feasibility of the state entering into negotiations with the State Police officers union to set conditions for retired officers to return to service

The act requires DESPP, in conjunction with the State Board of Labor Relations (SBLR), to study the feasibility of the state entering into negotiations with the State Police officers union to seek amendments to their collective bargaining agreement that would set conditions under which a retired officer may return to service and (1) resume earning credit toward retirement benefits, in the same way as the officer did before retirement, and (2) be eligible for earning his or her pre-retirement benefits. DESPP and SBLR must jointly submit a report with the study's results to the Public Safety and Security Committee by January 1, 2026.

EFFECTIVE DATE: Upon passage

§ 199 — POLICE MENTAL HEALTH

Requires DESPP to investigate ways to develop and enhance programs addressing police officer mental health

The act requires the DESPP commissioner to investigate ways to develop and enhance programs and initiatives addressing the mental health needs of police officers.

The investigation must examine peer-to-peer support programs, programs that train officers to help themselves and fellow officers deal with work-related mental health issues, programs that employ psychologists or other mental health professionals within a law enforcement unit to help officers with their mental health needs, employee assistance programs, and any other programs and resources that may address officers' mental health needs.

In its investigation, DESPP must consult with the Department of Mental Health and Addiction Services, POST, the Connecticut Police Chiefs Association, law enforcement units throughout the state, employee organizations that represent police officers, and any other entities the commissioner deems appropriate.

By January 1, 2026, the DESPP commissioner must submit a report to the Public Safety and Security Committee with (1) the investigation results; (2) a list of programs, services, and resources identified as best practices that could be implemented by units across the state to address officers' mental health needs; and

(3) any legislative recommendations.

EFFECTIVE DATE: Upon passage

§ 200 — TECHNICAL CORRECTIONS DURING CODIFICATION

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

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

EFFECTIVE DATE: Upon passage

§ 201 — LIMITED PURPOSE TRUST COMPANIES STUDY

Requires DOB to conduct a study on establishing limited purpose trust companies in Connecticut and report findings and recommendations to the Banking Committee

The act requires DOB, by December 1, 2025, to study and report to the Banking Committee on the establishment of limited purpose trust companies in Connecticut. Along with study results, the report must include recommendations for legislation needed to authorize the companies' establishment.

EFFECTIVE DATE: Upon passage

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

Delays the effective date of a property tax exemption for property located on reservation land that is held in trust for a federally recognized Indian tribe

PA 25-168, § 434, establishes a property tax exemption for real and tangible personal property located on reservation land that is held in trust for a federally recognized Indian tribe. Under this act, the exemption applies to assessment years starting on or after October 1, 2026, rather than those starting on or after October 1, 2025.

EFFECTIVE DATE: Upon passage

§ 205 — INSTRUCTIONAL SUPPORT PARTNERS

Allows, rather than requires as under PA 25-93, school boards to hire or designate a current employee to be an instructional support partner

The act amends section 28 of PA 25-93, to allow, rather than require, school boards to hire or designate a current employee to serve as an instructional support partner in each school or school building under the board's jurisdiction beginning with the 2026-27 school year.

Under PA 25-93 and this act, an instructional support partner's responsibilities include:

OLR PUBLIC ACT SUMMARY

1. reducing teachers' administrative burden, including responsibilities related to the individualized education program (IEP) process, scheduling and taking minutes during planning and placement team meetings, being a designated staff member for specialized responsibilities, and attending (a) professional development trainings, (b) trainings for students' individualized interventions, and (c) testing;
2. helping school-based personnel improve the delivery and administration of the IEP process;
3. collaborating with parents and school-based personnel on instructional decision-making for students with disabilities;
4. finding and attending, as a representative of the school or school building, trainings and professional development on student interventions;
5. planning and delivering to staff, parents, and others, professional learning activities based on these trainings to increase students with disabilities' achievement; and
6. consulting with school-based instructional staff on IEP development and writing, extended school year, behavioral interventions, and transition plans for students with disabilities.

As under PA 25-93, the act requires anyone hired or designated as a school or school building's instructional support partner to spend at least 50% of their time performing the position's duties.

EFFECTIVE DATE: July 1, 2025

§§ 206-208 — STATE HISTORICAL COMMISSION

Creates a 12-member State Historical Commission to examine and make recommendations on questions of memorialization and commemoration related to Connecticut and U.S. history; requires the commission to develop a (1) process for identifying and commissioning additional statues for the State Capitol's exterior and (2) plan to install historical placards around the building's exterior

The act creates a 12-member State Historical Commission to examine and make recommendations to the legislative, executive, and judicial branches on questions of memorialization and commemoration related to Connecticut and U.S. history. It also requires the commission to develop a process for identifying and commissioning additional statues for the State Capitol building's exterior that reflect the state's diversity, character, and accomplishments.

Correspondingly, the act requires the existing State Capitol Preservation and Restoration Commission to implement the State Historical Commission's process. It also specifically allows the Legislative Management Committee to commission additional statues through this process, using authorized capital funds and following state bidding laws.

The act also requires the State Historical Commission, by February 1, 2026, to (1) develop a plan to install placards or other signs around the State Capitol building's exterior to give the public a written historical explanation of the various statues and other markers on the building's exterior and (2) submit the plan to the State Capitol Preservation and Restoration Commission and Legislative

OLR PUBLIC ACT SUMMARY

Management Committee. The Preservation and Restoration Commission must make recommendations to the committee on implementing the plan.

EFFECTIVE DATE: July 1, 2025

State Historical Commission Membership

The act creates the commission as an independent body within the Legislative Department for administrative purposes only. Its membership consists of the following state officials: the chief court administrator or her designee, state historian, state librarian, and state historic preservation officer. It also includes eight appointed members, one each representing the organizations listed in the table below.

State Historical Commission Appointed Members

| <i>Appointing Authority</i> | <i>Organization Appointee Must Represent</i> |
|------------------------------------|--|
| House speaker | CT Humanities |
| House majority leader | Connecticut Library Association |
| Senate president pro tempore | Connecticut Democracy Center |
| Senate majority leader | Mashantucket Pequot Tribal Nation |
| House minority leader | Connecticut Museum of Culture and History |
| Senate minority leader | Mohegan Tribe of Indians of Connecticut |
| Governor (two appointments) | (1) Freeman Center for History and Community, Inc. and (2) undesignated |

Appointing authorities must make their initial appointments by September 1, 2025, and fill any vacancy. Vacancies occurring during a term must be filled for the rest of the unexpired term. Appointed members (excluding gubernatorial appointees) may be legislators.

Members serve three-year terms starting on their appointment date and continue to serve until their successors are appointed. They serve without compensation, but are reimbursed for necessary, duty-related expenses, within available funds.

Leadership and Meetings

Under the act, the House speaker and Senate president pro tempore must select the chairperson from among the commission members. The chairperson must schedule and hold the first meeting by September 15, 2025. A majority of commission members constitutes a quorum to conduct business.

The GAE Committee's administrative staff serves in this capacity for the commission.

Powers and Duties

The act authorizes the commission to:

OLR PUBLIC ACT SUMMARY

1. issue reports and recommendations to all three branches of government on historical questions of memorialization and commemoration related to Connecticut and U.S. history, on its own initiative or upon request of any state agency, department, board, or commission;
2. develop a process for identifying and commissioning additional statues for the State Capitol building's exterior;
3. obtain available assistance and data from these government entities needed to carry out the commission's purposes;
4. accept gifts, donations, or bequests to perform its duties; and
5. perform other appropriate and necessary acts to carry out its duties.

Reporting Requirements

The act requires the commission, by January 1, 2026, to develop the process for identifying and commissioning additional statues and submit a report detailing the process to the State Capitol Preservation and Restoration Commission. The State Historical Commission must update the process when it deems necessary and submit these revisions to the State Capitol Preservation and Restoration Commission.

The act also requires the State Historical Commission, starting by February 1, 2026, to report annually to the governor and the GAE Committee on its activities during the prior year and any policy changes or legislation needed to implement its recommendations.

§§ 209 & 210 — TRIBE APPLICATIONS TO CONVERT LAND TO FEDERAL TRUST STATUS

Removes a requirement for the state to oppose Native American tribe applications to convert fee interest land to federal trust status

The act removes a requirement for the state to oppose any application by a Native American tribe to convert any parcel of fee interest land (i.e. land owned with no restrictions) to federal trust status under federal regulations on Bureau of Indian Affairs (BIA) land acquisitions. It also makes conforming changes.

Generally, land in federal trust status is held in trust by the United States on behalf of an individual Native American or tribe. Among other things, the land:

1. may qualify for certain BIA programs and services;
2. is not subject to state or local taxes; and
3. cannot be alienated or encumbered (e.g., sold, gifted, or leased) without the federal secretary of the interior's approval.

EFFECTIVE DATE: October 1, 2025

§§ 211 & 212 — PREVAILING WAGE FOR OFFSITE CUSTOM FABRICATION

Extends the state's prevailing wage law to cover off-site custom fabrication for a public works project

OLR PUBLIC ACT SUMMARY

The act extends the state's prevailing wage law to cover off-site custom fabrication for a covered public works project. Under the act, "off-site custom fabrication" is fabricating mechanical systems specifically for a public works project at a site other than the project's location, but still in Connecticut. It includes plumbing, heating, cooling, pipefitting, ventilation, and exhaust duct systems, but not components or materials that are stock shelf items or readily available.

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

(The act repeals a substantially similar provision in PA 25-168 (§ 148) and replaces it with this provision to specify that the covered systems being fabricated off-site are "mechanical" ones.)

EFFECTIVE DATE: July 1, 2025

§ 213 — FAMILY ENTERTAINMENT WORKING GROUP

Establishes a family entertainment working group to study and make recommendations on family entertainment in the state

The act requires the General Law Committee's chairpersons and ranking members, or their designees, to convene a working group by August 1, 2025, to study and make recommendations on family entertainment in the state, including:

1. family entertainment options and venues, including live venues (theaters, concert halls, and movie theaters);
2. ways to increase these options and support these venues, including by (a) ensuring families and patrons, including those with disabilities, have access to them and (b) offering financial and other incentives to ensure venues' economic viability, such as tax credits for capital improvements, swipe fee reform, and entertainment districts;
3. the benefits and consequences of disclosing the actual start time of a movie before viewers enter the room where it will be shown, and practical and technological ways to make that disclosure;
4. other ways to increase transparency to consumers to enhance their experience and promote economic growth; and
5. other matters the group deems relevant.

The committee chairpersons, or their designees, serve as the working group's chairpersons. The working group must report on its studies and recommendations to the General Law Committee by January 1, 2026. It terminates on that date or when it submits its report, whichever is later.

EFFECTIVE DATE: Upon passage

§§ 214 & 215 — OHE STUDENT LOAN REIMBURSEMENT PROGRAM

OLR PUBLIC ACT SUMMARY

Makes various changes to the OHE student loan reimbursement program, including expanding eligibility and revising certain qualification criteria related to the volunteer hour requirement

The act makes various changes to the Office of Higher Education's (OHE) student loan reimbursement program, including:

1. expanding eligibility to people with a degree at any level and to certain former Stone Academy students,
2. making various changes to the volunteer hour requirement,
3. changing the income criteria qualification to be based on federal adjusted gross income (AGI) rather than Connecticut AGI,
4. specifying that OHE must reimburse each program participant who meets the program's requirements for student loan payments paid during the preceding calendar year, and
5. carrying over the program's funding to make it available in FY 26.

The student loan reimbursement program was created in 2023 and launched in January 2025. Under the program, eligible participants are reimbursed for up to \$5,000 of their student loan payments per year (for up to four years).

Lastly, the act makes technical and grammatical changes.

EFFECTIVE DATE: July 1, 2025, except the provision carrying over the program's funding is effective from passage.

Income Qualification

Under prior law, to qualify for the program's student loan reimbursement, participants were required to be below a set income threshold based on their Connecticut AGI. The act changes the criteria to be based instead on the participant's federal AGI.

Eligibility Expansion

Under prior law, only participants that earned an associate or bachelor's degree from a Connecticut higher education institution (or meet a licensure or hardship requirement) were eligible for reimbursement. The act instead allows participants to receive reimbursement if they have earned any degree from a Connecticut higher education institution.

The act also extends student loan reimbursement eligibility to include people enrolled in Stone Academy's practical nurse education program between November 1, 2021, and February 28, 2023, who:

1. did not complete the program;
2. have not participated in a teach-out (a plan to let students finish their course or full program after a private school closes) or proctored comprehensive predictor examination administered by a higher education institution identified by OHE; and
3. submit evidence that they filed a closed school loan discharge application not later than six months before applying for the student loan reimbursement program, but whose student loan was not discharged.

OLR PUBLIC ACT SUMMARY

(Stone Academy closed suddenly in early 2023. At the time of the school's closure, there were students midway through their practical nurse education program.)

By law, all participants are additionally required to maintain a Connecticut residency for at least five years.

Eligible Volunteer Work

Under prior law, participants in the student loan reimbursement program must have completed at least 50 volunteer hours (generally for a nonprofit organization or municipal government) for each year they participate. The act makes various changes to the scope of eligible volunteer work, including:

1. expanding the eligible nonprofit organizations the participants can volunteer for to all tax-exempt nonprofits and not just those registered with the Department of Consumer Protection;
2. specifically adding the U.S. armed forces as an eligible entity to volunteer for, including military service, and those who complete their volunteer work through the U.S. armed forces do not need to adhere to the requirement that the hours be unpaid (existing law already includes military service as an eligible type of volunteer work);
3. specifying that volunteering as a firefighter, emergency medical personnel, or for a religious organization, nonprofit organization, or municipal government are eligible ways to meet the service requirement;
4. adding unpaid work that was required to complete any certificate or degree program to count as eligible volunteer hours;
5. specifying that someone can combine hours from more than one eligible organization to meet the volunteer service requirement; and
6. allowing volunteer hours to be applied for two years after completion.

Hardship Waiver. The act requires OHE to grant a hardship waiver to participants who apply for the waiver and have a medical condition or disability that prevents them from completing volunteer work (as determined by their treating health care provider). Additionally, people who were enrolled in the practical nurse education program at Stone Academy between November 1, 2021, and February 28, 2023, automatically qualify for a waiver.

Service Documentation. By law, participants must annually submit a form to OHE with the number of volunteer hours completed. This form must be signed by a supervisor or other employee of the eligible entity the participant volunteered for and it must be notarized. The act specifies that OHE may authorize alternative documentation for proving an applicant's military service or unpaid student work volunteer hours. The act also removes the requirement that for military service the form be signed by the participant's commanding officer.

Additionally, for documenting volunteer hours at nonprofit organizations, including religious organizations, the act requires the participant to submit evidence of current nonprofit certification from the Internal Revenue Service (IRS).

Appropriated Funding to OHE

The act carries forward the FY 25 funding appropriated to OHE for the student loan reimbursement program, making the funds available for the same purpose in FY 26.

Background — Related Act

PA 25-88 sets new eligibility criteria for former Stone Academy students to receive tuition refunds from the private career school student protection account.

§§ 216 & 217 — HIGHER EDUCATION FINANCIAL SUSTAINABILITY ADVISORY BOARD SUBCOMMITTEE AND REPEAL OF WORKING GROUP

Establishes a subcommittee of the Higher Education Financial Sustainability Advisory Board to monitor Connecticut State Colleges and Universities (CSCU) expenditures and sustainability plans and requires the board to make recommendations to the General Assembly on these plans; repeals a budget bill provision creating a working group on CSCU reserve funds

The act establishes a subcommittee of the Higher Education Financial Sustainability Advisory Board to monitor CSCU expenditures and sustainability plans and requires the board to make recommendations to the General Assembly on these plans.

The act also repeals a provision of PA 25-168 that would have created a working group to oversee and monitor expenditures from each reserve fund of CSCU or the higher education institutions within it.

EFFECTIVE DATE: July 1, 2025

Subcommittee on Educational Alignment and Need

The act creates a Subcommittee on Educational Alignment and Need of the Higher Education Financial Sustainability Advisory Board. The subcommittee consists of the:

1. Appropriations and Higher Education and Employment Advancement committee chairpersons and ranking members;
2. OPM secretary, or his designee;
3. Board of Regents for Higher Education chairperson and vice-chairperson, or board members they designate; and
4. Board of Regents for Higher Education faculty advisory committee chairperson and vice-chairperson, or committee members they designate.

The act requires the subcommittee to (1) monitor CSCU expenditures, (2) review each CSCU sustainability plan, and (3) make recommendations to the board on these plans and their funding.

The act requires the board to review the subcommittee's recommendations and submit the board's recommendations for each sustainability plan and its funding to the General Assembly.

OPM Secretary Designee

The act allows the OPM secretary to designate someone to serve in his place as a member and one of the three chairs of the Higher Education Financial Sustainability Advisory Board. By law, the other members of the board are the (1) chairs and ranking members of the Appropriations and Higher Education and Employment Advancement committees and (2) members of the Appropriations Higher Education Subcommittee. The other board chairs are the Appropriations Committee chairs.

§ 218 — CHANGES TO ECS GRANT PHASE-IN SCHEDULE

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

By law, the Education Cost Sharing (ECS) grant has a multi-year phase-in schedule of (1) incremental increases for towns that are underfunded and (2) incremental decreases, or years with no change in funding, for overfunded towns. The ECS grant is the state's single largest grant for municipalities.

The act delays by two years the start of an existing statutory ECS schedule to phase in grant funding reductions for overfunded towns. It holds these towns "harmless" (i.e. maintains the same funding level) for FYs 26 and 27, and starts the decrease in funding for overfunded towns in FY 28, rather than FY 26 as under prior law. Once the decreases begin it maintains the same schedule of decreases as under prior law for each year, with larger decreases in each following year until the overfunded towns are at their fully funded level.

The act leaves unchanged the existing provision that begins to fully fund the underfunded towns in FY 26. (PA 25-168, § 299, makes identical changes to the ECS schedule as this section.)

EFFECTIVE DATE: July 1, 2025

Determining Grant Increases and Decreases

When determining ECS grant increases or decreases, the formula uses a town's "grant adjustment," which is the absolute value of the difference between a town's ECS grant amount for the previous fiscal year and its fully funded grant amount. So, for underfunded towns, the grant adjustment is the amount needed to reach the fully funded level; for overfunded towns, it is the amount the town is funded in excess of its fully funded grant.

The grants are based on student enrollment and weighted for characteristics such as the number of students eligible for free or reduced-price school meals and town wealth. Towns may be overfunded from one year to the next because (1) hold-harmless provisions were in effect in previous years when a town would otherwise have seen a decrease in funding due to lower school enrollment, (2) an increase in town wealth, or (3) some other change.

ECS Funding Changes for Overfunded Towns

The table below shows the act's changes for FYs 26-34.

ECS Funding Schedule Changes for Overfunded Towns, FYs 26-34

| Fiscal Year | Overfunded Towns | |
|----------------------------|---|---|
| | Prior Law | Act |
| 26 | Previous FY amount minus 14.29% of its grant adjustment | Same amount as in FY 25 |
| 27 | Previous FY amount minus 16.67% of its grant adjustment | Same amount as in FY 26 |
| 28 | Previous FY amount minus 20% of its grant adjustment | Previous FY amount minus 14.29% of its grant adjustment |
| 29 | Previous FY amount minus 25% of its grant adjustment | Previous FY amount minus 16.67% of its grant adjustment |
| 30 | Previous FY amount minus 33.33% of its grant adjustment | Previous FY amount minus 20% of its grant adjustment |
| 31 | Previous FY amount minus 50% of its grant adjustment | Previous FY amount minus 25% of its grant adjustment |
| 32 | Fully funded | Previous FY amount minus 33.33% of its grant adjustment |
| 33 | Fully funded | Previous FY amount minus 50% of its grant adjustment |
| 34 and all following years | Fully funded | Fully funded |

§ 219 — POSTING CURRICULUM OBJECTIVES AND SCOPE

Requires each school board to post approved curriculum objectives and scope on its website

The act requires each local and regional board of education to post objectives and scope and sequence of approved curriculum on its website. Existing law, unchanged by the act, requires boards to make the curriculum and all associated curriculum materials available in keeping with the federal Protection of Pupil Rights Amendment (PPRA). PPRA, in part, gives parents and guardians the right to inspect instructional material the school district uses as part of their student's educational curriculum (excluding academic tests and assessments) (20 U.S.C. § 1232h).

EFFECTIVE DATE: July 1, 2025

§ 220 — SUPPLEMENTAL FUNDING FOR NURSING HOMES

Replaces PA 25-168 (§ 334) and requires DSS to distribute up to \$55 million in supplemental funding to nursing homes and proportionally distribute it to support wage increases for nursing home employees

OLR PUBLIC ACT SUMMARY

PA 25-168 (§ 334) requires the Department of Social Services (DSS) commissioner to distribute up to \$55 million in supplemental funding to nursing homes in FY 28, and allows her to proportionally distribute the funds to support wage increases as follows:

1. a 2.5% increase on July 1, 2027, for nurses; nurse's aides; and dietary, housekeeping, laundry, maintenance, and plant operation personnel and
2. a \$26 hourly rate for registered nurse's aides by January 1, 2028.

This act requires, rather than allows, the commissioner to proportionally distribute the funds to stay within the allocated amount. It also specifies that (1) the hourly rate for registered nurse's aides must be at least \$26 and (2) any remaining funds must be used for other wage increases and minimum increases for nurses; nurse's aides; and dietary, housekeeping, laundry, maintenance, and plant operation personnel.

Under the act, the commissioner (1) must determine which homes are eligible for this supplemental funding and (2) may recoup any amount given to facilities to provide wage increases if they do not provide them.

EFFECTIVE DATE: July 1, 2025

§§ 221 & 222 — DDS PAYMENTS TO PROVIDERS

Requires DDS to (1) distribute up to \$5 million in supplemental funding to residential services providers in FY 27 and (2) from an available \$105 million pool, increase provider rates in FY 28 to support wage increases (PA 25-175 instead sets specific increases for FY 28 for contracted services)

The act requires the Department of Developmental Services (DDS) commissioner, in FY 27, to distribute up to \$5 million (in total) in supplemental funding to DDS-contracted residential services providers.

It also requires the commissioner, in FY 28, to increase rates for DDS-contracted providers to support wage increases. He must do so from an available \$105 million pool. (PA 25-175, § 3, instead requires the commissioner, from this \$105 million pool, to increase the rates for contracted services on July 1, 2027, and again on January 1, 2028, each time by 3.3%, with an additional 3% for residential services providers.)

EFFECTIVE DATE: July 1, 2025

§ 223 — REPEAL OF RESTRICTIONS ON ASSIGNED MUNICIPAL LIENS FOR DELINQUENT PROPERTY TAXES AND SEWER ASSESSMENTS

Repeals provisions of the 2025 budget implementer that would have restricted certain municipal lien assignments

The act repeals PA 25-168, §§ 231 & 232, which would have imposed several restrictions on assigned municipal liens for delinquent property taxes and sewer assessments. Among other things, that act would have (1) reduced, from 18% to 12%, the annual interest rate on the delinquent portion of the assigned principal and

(2) capped the attorney's fees in connection with a foreclosure, sale, or other disposition of these assigned liens at 15% of the amount of any judgment entered.
EFFECTIVE DATE: Upon passage

§ 225 — BRIDGEPORT ELECTION MONITOR

Requires SOTS to contract and install an election monitor for Bridgeport, and conduct a town-wide bilingual public awareness campaign to educate the public on their rights under the state's election laws

The act requires the secretary of the state (SOTS) to contract and install an election monitor in Bridgeport until December 31, 2026, as well as develop and conduct a town-wide bilingual public awareness campaign to educate the public on their rights under state election law. (The act requires the secretary to use funds appropriated under this section to conduct the campaign, but it does not appropriate any funds.)

Specifically, the secretary must contract with at least one individual to serve as an election monitor in any municipality with a population of at least 140,000, according to the most recent State Register and Manual (i.e. Bridgeport). The election monitor's purpose is to detect and prevent irregularity and impropriety in how the municipality manages the election administration procedures and conducts the elections. The elections covered under the act include the 2025 municipal and the 2026 state primary and general elections, and any special election in those years.

The monitor must:

1. oversee the covered elections, including absentee ballots, early voting, election day registration, and election and primary day polling place voting;
2. conduct inspections, inquiries, and investigations of any duty or responsibility required by state election law and carried out by a municipal official or his or her appointee;
3. issue periodic reports on a SOTS-agreed upon schedule; and
4. immediately report any irregularity or impropriety discovered to the secretary.

Toward that end, the act also requires that the monitor have access to all records, data, and material kept by or available to the municipal officials or appointees.

The act requires the secretary to contract with the election monitor until December 31, 2026, unless SOTS terminates the contract for any reason before then. Under the act, the election monitor is not considered a state employee, but must be compensated as the contract requires and reimbursed for necessary expenses for performing his or her duty.

The municipality must give the election monitor the office space, supplies, equipment, and services needed to properly carry out his or her duties. Costs related to the monitor's service must be paid from the funds appropriated to the secretary for the position. (However, the act does not appropriate funds for this purpose.)

The act specifies that these provisions do not prohibit the State Elections Enforcement Commission (SEEC) from exercising its authority. By law, SEEC, among other things, investigates alleged election law violations, inspects campaign finance records and reports, refers evidence of violations to the chief state's

attorney or the attorney general, and levies civil penalties for election violations.
EFFECTIVE DATE: Upon passage

§§ 226 & 227 — SEEC EXECUTIVE DIRECTOR APPOINTMENTS

Repeals provisions passed during the 2025 legislative session on SEEC Executive Director appointments, including that they receive legislative approval, and instead requires that (1) any reappointment be limited to a single term of up to four years and (2) before any reappointment, the executive director appear at a joint legislative public hearing to discuss SEEC's efforts and the CEP program

Under prior law, as amended by PA 25-26, by March 1, 2027, and every four years after that, SEEC must generally have appointed a person to serve at its pleasure as its executive director for up to a four-year term. The Senate and the House of Representatives must have approved the appointment.

Under PA 25-168, § 244, the executive director could be reappointed for one additional term of up to four years at the end of his or her first term without legislative approval.

This act repeals the PA 25-168 provision and changes the law, as amended by PA 25-26, by eliminating the requirement that the executive director's nomination receive legislative approval.

The act instead requires, by March 1, 2027, and every four years after, the commission to appoint a person to serve at its pleasure for a four-year term starting March 1 of the nominating year. If a vacancy occurs, the commission must appoint a replacement for the remainder of the term.

Under the act, before SEEC reappoints its executive director for an additional four-year term at the end of his or her first term, the Government Oversight and GAE committees must hold a joint public hearing for the executive director to appear and discuss SEEC's operations, achievements, and future initiatives, as well as the health of the Citizens' Elections Program (CEP).

The act specifies that an executive director may only be reappointed once.
EFFECTIVE DATE: July 1, 2025, except the repealer is effective June 30, 2025.

§§ 228-232 — SOUTH MEADOWS SITE ADDITIONS AND REVISIONS

Requires the South Meadows site, which contains closed resource recovery and jet turbine facilities, to be part of any state PILOT grant to Hartford until the site is redeveloped; amends provisions in this year's budget and implementer act that establish the site and a related development district

PA 25-168, §§ 435-442 & 456, and this act make several changes related to two Hartford properties located at 300 Maxim Road and 100 Reserve Road that the former act designates collectively as the "South Meadows site." (The site contains closed resource recovery and jet turbine facilities.)

Principally, this act requires the state to include the site as a basis for any state PILOT grant to Hartford paid on or after June 30, 2025, until the site is redeveloped, regardless of any conflicting state statute (§ 228). It otherwise revises provisions in PA 25-168, which, among other things, (1) exempts the site and any personal property located on it from property taxes until a development or redevelopment

project has begun and (2) creates a South Meadows development district and delineates the district's geographic boundaries.

EFFECTIVE DATE: June 30, 2025, except the repealer is effective upon passage.

South Meadows Development District (§§ 229 & 230)

PA 25-168, § 456, specifies that none of the act's provisions concerning the South Meadows site and development district apply to the Hartford Brainard Airport, but this act repeals this provision. It instead specifies that the district's powers and actions do not supersede, or authorize any conflict with, federal law or any federal aviation regulation concerning control of Hartford Brainard Airport. (Neither this act nor PA 25-168 prescribe the development district's powers or actions.)

Property Transfers from MDA to CRDA (§§ 231 & 232)

On June 30, 2025, PA 25-168, §§ 435 & 436, requires (1) \$5 million of the MIRA Dissolution Authority's (MDA) resources to be transferred and deposited into an existing nonlapsing account OPM administers; (2) the South Meadows site and any tangible or intangible personal property associated with it to be transferred from MDA to CRDA; and (3) the balance of MDA's resources, after the \$5 million transfer, to be transferred to CRDA. For the last two of these requirements, this act specifies that they must be done after the close of business for CRDA and limits the balance transfer to MDA's resources that are related to the site. It also requires the property transferred from MDA to CRDA to be included in MDA's FY 25 financial reports, and not CRDA's, and be treated as having been transferred to CRDA on July 1, 2025, with current carrying values.

Authority to Hire Former MDA Employees (§ 231)

PA 25-168, § 435, specifically authorizes CRDA to hire former MDA employees to do anything CRDA must or may do for the South Meadows site. This act replaces that provision, instead authorizing CRDA to hire, for the same purposes, former MDA managers with expertise in engineering, construction, power assets, and environmental compliance. (Regardless of this authorization, existing law generally allows CRDA to hire any employees it needs or wants (CGS § 32-602(b)).)

§ 233 — PAID SICK LEAVE INCREMENTS

Allows boards of education and municipal employers to require that certain employees use their accrued paid sick leave in the increments set in their applicable collective bargaining agreements, rather than in one-hour increments, as long as they meet certain conditions

The state's paid sick leave law generally requires employers to give their employees up to 40 hours of paid sick leave per year, and employees must accrue one hour of leave for every 30 hours worked. Under the Department of Labor's

current implementation of the law, employers must allow eligible employees to use the leave in one-hour increments.

The act instead allows certain public-sector employers to require that certain employees use their accrued paid sick leave at the increments set in their applicable collective bargaining agreement, as long as they:

1. give their employees paid sick leave, or any other paid leave or combination of other paid leave, that accrues at a rate greater than one hour of leave for every 30 hours worked and
2. do not prohibit the employees from using up to 40 hours of accrued leave per year.

More specifically, the act allows local or regional boards of education to do this for their school employees, and municipal employers to do this for their police officers, firefighters, and public works department employees.

Generally, under these paid sick leave provisions:

1. “school employees” are (a) teachers, substitute teachers, school administrators, school superintendents, guidance counselors, school counselors, psychologists, social workers, nurses, physicians, paraeducators, and coaches and (b) anyone else who, in doing their duties, has regular contact with students and provides services to or on behalf of enrolled students under a contract with the local or regional board of education;
2. a “municipal employer” is any (a) political subdivision of the state, including any town, city, borough, district, district department of health, school board, housing authority, or other authority established by law; or (b) private nonprofit corporation with a valid contract with any town, city, borough, or district to extinguish fires and provide fire protection; and
3. a “public works department” is a municipal department responsible for the construction, regulation, or maintenance of all things in the nature of public works and improvements.

EFFECTIVE DATE: Upon passage

§§ 234-237 — PAID FAMILY AND MEDICAL LEAVE FOR CERTAIN SCHOOL EMPLOYEES

Extends the state’s Paid Family and Medical Leave Insurance Program to cover school employees whose position does not require a professional certification; correspondingly extends the state’s FMLA to cover these employees

The act extends the state’s Paid Family and Medical Leave Insurance Program to cover school employees whose position does not require a professional certification under the law for teachers and superintendents (referred to below as “non-certified school employees”). More specifically, it applies to those employees employed by local or regional boards of education, nonpublic (i.e. private) elementary or secondary schools, or certain magnet schools, charter schools, academies, or cooperative arrangements.

The act correspondingly extends the state’s Family and Medical Leave Act (FMLA) to cover these employees, which allows them to take job-protected unpaid

leave for certain reasons and receive a partial wage replacement benefit from the program while on leave.

The act also makes various changes to accommodate the non-certified school employees' particular employment conditions (e.g., summer breaks), such as (1) allowing the Paid Family and Medical Leave Authority to establish an alternative method to calculate their base period and base weekly earnings (to calculate their benefits) and (2) allowing them to qualify for FMLA job-protected leave if they were employed for three months during the previous 12-month period (rather than for the three months preceding a leave for other covered employees).

EFFECTIVE DATE: October 1, 2025

Paid Family and Medical Leave

Covered School Employees. The act extends the Paid Family and Medical Leave Insurance Program to cover non-certified employees of nonpublic schools and public school operators. Under the act, "public school operators" include local or regional boards of education, and:

1. interdistrict magnet school operators, including those that are (a) the board of governors for an independent institution of higher education or (b) a third-party nonprofit corporation approved by the education commissioner;
2. state or local charter schools;
3. an endowed or incorporated academy approved by SBE; or
4. a cooperative arrangement between multiple boards of education, as allowed under state law.

Under prior law, nonpublic school employees were not covered by the program and school board employees were only covered if it was negotiated through collective bargaining (which still applies to those employees whose position requires a professional certification). Prior law was silent on interdistrict magnet schools, charter schools, endowed or incorporated academies, and cooperative arrangements between multiple boards of education.

In extending the program to non-certified school employees, the act generally (1) requires them to contribute to the program through a payroll deduction administered by their employers and (2) allows them to receive partial wage replacement benefits when they take unpaid leave from employment under the FMLA.

Alternate Base Period and Base Weekly Earnings. Generally, to qualify for benefits under the program, covered employees must also have (1) earned at least \$2,325 during their highest earning quarter within their base period (i.e. the first four of the five most recently completed quarters) and (2) been employed by an employer in the previous twelve weeks. A covered employee's weekly benefit from the program is based on their "base weekly earnings," which are 1/26 of their total wages earned during the two highest-paid quarters in the employee's base period.

The act authorizes the Connecticut Paid Leave Authority, which administers the program, to establish an alternative method of calculating the base period and base weekly earnings for the noncertified employees covered by the act.

Non-Bargaining Unit Employees. Under prior law, if a local or regional board

of education's employees collectively bargain to join the program, then all of the board's employees not in a bargaining unit also became covered by the program. The act extends this provision to apply also to the broader range of schools considered "public school operators" under the act (e.g., charter and magnet schools).

FMLA

The state's prior FMLA excluded employees of local or regional boards of education or nonpublic elementary or secondary schools. The federal FMLA gives these employees substantially similar job-protected unpaid leave but uses different eligibility criteria from Connecticut's FMLA. For example, the federal law requires eligible employees to have been employed by their employer for at least 12 months and 1,250 workhours, but the state's FMLA requires them to have been employed for at least three months immediately preceding their leave. However, prior state law also required the state's political subdivisions to (1) give the same benefits as the federal FMLA to school paraeducators and other non-certified school employees who have worked for them for at least 12 months and 950 work-hours and (2) allow those employees to take leave to be an organ or bone marrow donor.

The act extends the state's FMLA to cover non-certified employees of public school operators and nonpublic elementary or secondary schools. It also creates separate eligibility criteria for them, requiring them to have been employed by their school or school district for at least three months during the previous 12-month period. It makes conforming changes to, among other things, remove the current requirement for paraeducators and other non-certified school employees to get the same benefits as the federal FMLA allows with a lower work-requirement threshold.

§ 238 – BRIDGEPORT SOCCER STADIUM STUDY

Requires the DECD commissioner to assess the proposed Connecticut United Football club stadium's anticipated economic impact on Connecticut and Bridgeport

The act requires the DECD commissioner, in consultation with the Department of Revenue Services commissioner, to assess the proposed Connecticut United Football club stadium's anticipated economic impact on Connecticut and Bridgeport. The assessment must also evaluate when the state could reasonably expect to receive a return, through revenue generated from the proposed stadium's added payroll taxes, sales and use taxes, and other sources, on a \$127 million state bonding investment. DECD must report on the assessment to the Finance, Revenue and Bonding Committee by October 1, 2025.