



Senate

General Assembly

File No. 453

February Session, 2026

Substitute Senate Bill No. 237

Senate, April 7, 2026

The Committee on Transportation reported through SEN. COHEN of the 12th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING PUBLIC TRANSPORTATION.

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

1 Section 1. (*Effective from passage*) Not later than July 1, 2026, the
2 Department of Transportation shall increase the frequency of service
3 and number of runs on the Shore Line East rail line to a level comparable
4 to the level of service and number of runs that existed prior to the
5 reduction in service due to the COVID-19 public health emergency and
6 the civil preparedness emergency declared by the Governor on March
7 10, 2020. In establishing such level of service, the department shall
8 consider ridership data, connectivity with other rail lines and public
9 transportation services, workforce commuting patterns, employer
10 hiring activity and feedback and the demands of seasonal tourism. The
11 goal of such increase in service and number of runs shall be to reduce
12 the waiting times for passengers and increase the reliability of service
13 on the Shore Line East rail line.

14 Sec. 2. (*Effective from passage*) In conjunction with any state-wide study
15 on bus service undertaken by the Department of Transportation in the

16 calendar year ending December 31, 2026, the department shall include
17 in such study an assessment of the feasibility of increasing the frequency
18 of service on the bus transit route between the Naugatuck Valley region
19 and the city of New Haven at peak times and any recommendations to
20 ensure such service meets the demand of the traveling public and
21 reduces waiting times for passengers. Not later than thirty days
22 following the completion of any such state-wide study on bus service,
23 the department shall submit the results of such state-wide study to the
24 joint standing committee of the General Assembly having cognizance of
25 matters relating to transportation, in accordance with the provisions of
26 section 11-4a of the general statutes.

27 Sec. 3. Section 13b-38h of the general statutes is repealed and the
28 following is substituted in lieu thereof (*Effective October 1, 2026*):

29 (a) The Department of Transportation shall provide for changes in
30 fares for mass transportation by land in accordance with the provisions
31 of this section and shall not be required to conform to the procedures in
32 chapter 54.

33 (b) Prior to adopting any [change] increase in fares for mass
34 transportation by land, the department shall (1) give notice of the
35 proposed fare [change] increase, its amount and the date and time it is
36 proposed to take effect by advertising, at least once, in one or more
37 newspapers having [general] circulation in all areas [of the state] that
38 [may] would be affected by such [change in fares] proposed fare
39 increase, and (2) in such notice, provide information on the date, time
40 and place a public hearing is to be held on such proposed [change] fare
41 increase. Such notice shall be provided at least fifteen days prior to such
42 public hearing. The department shall, at least fifteen days prior to such
43 public hearing, send a copy of such notice to the chairpersons and
44 ranking members of the joint standing committees of the General
45 Assembly having cognizance of matters relating to transportation and
46 finance and to the Connecticut Public Transportation Council,
47 established under section 13b-212b. A public hearing on the proposed
48 fare [change] increase shall be held at such date, time and place as will

49 be convenient for public attendance.

50 (c) When the department is required to hold a public hearing
51 regarding a proposed major service change to commuter rail service in
52 accordance with the Federal Transit Administration Title VI Circular
53 4702.1B, as amended from time to time, the department shall, at least
54 fifteen days prior to such public hearing, provide notice of such public
55 hearing to the chairpersons and ranking members of the joint standing
56 committees of the General Assembly having cognizance of matters
57 relating to transportation and finance and to the Connecticut Public
58 Transportation Council.

59 Sec. 4. (NEW) (*Effective July 1, 2026*) (a) The Department of Education
60 shall administer a grant program to provide grants to local and regional
61 boards of education for the purchase of passes for the use of state-owned
62 or state-controlled bus public transportation services and distribution of
63 such passes, without cost, to students who are enrolled in grades nine
64 to twelve, inclusive, of a public school under the jurisdiction of such
65 local or regional board of education. Applications for grants shall be
66 filed with the department at such time and in such manner as the
67 department prescribes. The department may develop guidelines and
68 grant criteria as it deems necessary to administer such grant program.

69 (b) Each local or regional board of education receiving a grant award
70 under this section shall submit, at such time and in such form as the
71 department prescribes, any reports and financial statements required by
72 the department. If the department finds that any grant awarded
73 pursuant to this section is being used for purposes that are not in
74 conformity with the purposes of this section, the department may
75 require the repayment of the grant to the state.

76 (c) Not later than July 1, 2027, and annually thereafter, the
77 Department of Education shall submit a report, in accordance with the
78 provisions of section 11-4a of the general statutes, to the joint standing
79 committees of the General Assembly having cognizance of matters
80 relating to education and transportation. Such report shall include, but
81 need not be limited to, the amount of grants awarded during the prior

82 year and an assessment of the impact of the grant program on student
83 outcomes.

84 Sec. 5. (NEW) (*Effective July 1, 2026*) (a) For the purposes of this
85 section, "veteran" and "armed forces" have the same meanings as
86 provided in section 27-103 of the general statutes.

87 (b) The Department of Veterans Affairs shall purchase passes for the
88 use of state-owned or state-controlled bus public transportation services
89 and distribute such passes, without cost, to veterans in the state.
90 Applications for such passes shall be filed with the department at such
91 time and in such manner as the department prescribes. The department
92 may develop guidelines and criteria as it deems necessary to distribute
93 such passes.

94 (c) Not later than July 1, 2027, and annually thereafter, the
95 Department of Veterans Affairs shall submit a report, in accordance
96 with the provisions of section 11-4a of the general statutes, to the joint
97 standing committees of the General Assembly having cognizance of
98 matters relating to veterans' affairs and transportation. Such report shall
99 include, but need not be limited to, the amount of passes purchased and
100 distributed during the prior year and an assessment of the impact of the
101 distribution of such passes to veterans.

102 Sec. 6. Section 7-273l of the 2026 supplement to the general statutes is
103 repealed and the following is substituted in lieu thereof (*Effective July 1,*
104 *2026*):

105 (a) As used in this section, "urbanized area" has the same meaning as
106 provided in 49 USC 5302(24), as amended from time to time, and "rural
107 area" has the same meaning as provided in 49 USC 5302(17), as amended
108 from time to time.

109 (b) Each transit district established under this chapter or any special
110 act may (1) impose service charges and user fees on persons using transit
111 systems operated by such district, and (2) apply for funding from the
112 Department of Transportation in accordance with the provisions of this

113 section to finance the construction, acquisition, purchase, lease or
114 operation of a mass transit system and related programs authorized
115 under section 7-273b. Commencing with the fiscal year ending June 30,
116 1984, and each fiscal year thereafter, the commissioner shall distribute
117 such funds to each transit district located in an urbanized area or a rural
118 area in the same manner as the formula specified under 49 USC 5307, as
119 amended from time to time, or 49 USC 5311, as amended from time to
120 time. Any municipality providing transit service that is not part of a
121 transit district may either establish a transit district under the provisions
122 of this chapter to assume operating control of such service or negotiate
123 an agreement with the Department of Transportation to administer the
124 operation of such service. In the latter case, the department shall provide
125 financial assistance to such municipality according to the formula
126 specified in this section. As a condition of receiving any funds under this
127 subsection, a transit district or municipality shall meet eligibility criteria
128 established by the commissioner, including, but not limited to, deriving
129 a portion of operating costs from service charges, user fees, federal or
130 local subsidies and sources other than from state subsidies.

131 (c) The Commissioner of Transportation shall provide an operating
132 subsidy to any transit district that discounts the lawful charge to use the
133 transit systems operated by such transit district for (1) veterans, as
134 defined in section 27-103, (2) persons who are sixty-five years of age or
135 older, (3) persons with disabilities, and (4) persons who are eighteen
136 years of age or younger, provided the amount of any such discount shall
137 be not more than fifty per cent of such lawful charge. Such operating
138 subsidy shall be provided for the purposes of offsetting revenue losses
139 incurred by such transit district as a result of providing such discounts.
140 The commissioner shall establish eligibility criteria, an application
141 process and reporting requirements for transit districts to receive such
142 operating subsidy.

143 ~~[(c)]~~ (d) The Commissioner of Transportation shall adopt regulations,
144 in accordance with the provisions of chapter 54, to implement the
145 purposes of this section.

146 Sec. 7. Subsection (d) of section 4-186 of the 2026 supplement to the
147 general statutes is repealed and the following is substituted in lieu
148 thereof (*Effective October 1, 2026*):

149 (d) The provisions of this chapter shall not apply: (1) To procedures
150 followed or actions taken concerning the lower Connecticut River
151 conservation zone described in chapter 477a and the upper Connecticut
152 River conservation zone described in chapter 477c, (2) to the
153 administrative determinations authorized by section 32-9r concerning
154 manufacturing facilities in distressed municipalities, (3) to the rules
155 made pursuant to section 9-436 for use of paper ballots, [and] (4) to
156 guidelines established under section 22a-227 for development of a
157 municipal solid waste management plan, and (5) to changes in fares for
158 mass transportation by land made in accordance with the provisions of
159 section 13b-38h, as amended by this act.

160 Sec. 8. (*Effective July 1, 2026*) The sum of three million dollars is
161 appropriated to the Department of Education from the General Fund,
162 for the fiscal year ending June 30, 2027, for the grant program
163 established pursuant to section 4 of this act.

164 Sec. 9. (*Effective July 1, 2026*) The sum of one million dollars is
165 appropriated to the Department of Veterans Affairs from the General
166 Fund, for the fiscal year ending June 30, 2027, for the purchase and
167 distribution of passes for the use of state-owned or state-controlled bus
168 public transportation services pursuant to section 5 of this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>October 1, 2026</i>	13b-38h
Sec. 4	<i>July 1, 2026</i>	New section
Sec. 5	<i>July 1, 2026</i>	New section
Sec. 6	<i>July 1, 2026</i>	7-273l
Sec. 7	<i>October 1, 2026</i>	4-186(d)
Sec. 8	<i>July 1, 2026</i>	New section

Sec. 9	July 1, 2026	New section
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Statement of Legislative Commissioners:

In Section 2, "on or after the effective date of this section" was changed to "in the calendar year ending December 31, 2026" for accuracy, in Section 5(a), the definition of "veteran" was rewritten for statutory consistency and to conform with the changes being made in Section 6, in Section 6(c), "up to" was changed to "not more than" for consistency with standard drafting conventions, a new Section 7 was added for statutory consistency, and the remaining sections were renumbered accordingly.

TRA *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Department of Transportation	TF - See Below	See Below	See Below
Education, Dept.	GF - Cost	\$3 million	None
Department of Veterans' Affairs	GF - Cost	\$1 million	See Below

Note: TF=Transportation Fund; GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 27 \$	FY 28 \$
Local and Regional School Districts	Potential Revenue Gain	See Below	See Below

Explanation

Section 1 results in a cost of approximately \$28.4 million in FY 27 and \$29.7 million in FY 28 by requiring the Department of Transportation (DOT) to restore service on Shore Line East to pre-COVID levels.¹ Actual costs will depend on several factors including availability of equipment and staff as well as required negotiations with Amtrak.

Section 2 requires DOT to assess various topics in conjunction with any state-wide bus study the agency undertakes in calendar year 2026 and is not anticipated to have a fiscal impact.

Sections 3 and 7 result in potential savings to DOT by eliminating certain notice requirements related to proposed transit fare decreases. It

¹ Shore Line East currently operates 132 trains per week compared to 222 trains per week in 2019 (representing 59.5% of pre-COVID service levels).

is expected that DOT could save up to \$10,000 associated with any round of proposed fare decreases by, for example, having to place fewer newspaper advertisements.

Sections 4 and 8 appropriate \$3 million in FY 27 from the General Fund (GF) to the State Department of Education (SDE) to establish a competitive grant program for local and regional boards of education (BOEs) to provide free bus passes to students in grades nine through 12. The revenue gain to a BOE depends on the provisions of the grant program and award amounts. The cost to SDE may be partially offset by repayments from districts that are found to not have used the grant for its specified purposes.

Section 5 and 9 appropriate \$1 million in FY 27 from the GF to the Department of Veterans Affairs (DVA) to purchase bus passes for veterans. The bill does not provide funding for DVA to purchase bus passes beyond FY 27; therefore, costs in FY 28 and beyond will depend on available agency resources or any future funding provided.

Section 6 results in cost to DOT of up to \$1,150,000 annually, as described below.

This section requires DOT to subsidize transit districts for any revenue loss they incur for providing discounted fares of up to 50% for the following populations: (1) veterans, (2) those 65 or older, (3) those with disabilities, and (4) those 18 or younger. In general, transit districts already offer discounts to those 65 or older and those with disabilities.

The cost to DOT to subsidize currently existing discounts (i.e., for those 65 or older and those with disabilities), is approximately \$750,000 annually. The cost to DOT to subsidize additional discount programs (i.e., for veterans and those 18 or younger), is approximately \$400,000 annually. The total cost for both, assuming all transit districts expand discounts to each of the bill's four target populations, would be \$1,150,000 annually.

Spending Cap

sHB 5032, the FY 27 Revised Budget as favorably reported by the Appropriations Committee, is under the spending cap by \$16.1 million in FY 27. The appropriations contained in sections 8 and 9 of the bill would result in the budget being under the spending cap by \$12.1 million in FY 27.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation, any future funding made available for the bus pass programs, growth in bus ridership, and decisions made by transit districts.

OLR Bill Analysis**sSB 237****AN ACT CONCERNING PUBLIC TRANSPORTATION.**

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Requires DOT, when doing any statewide bus service study during 2026, to (1) assess increasing service frequency on the bus transit route between the Naugatuck Valley region and New Haven at peak times and (2) give the study to the Transportation Committee within 30 days of completing it

§§ 3 & 7 — DOT MASS TRANSIT FARE INCREASE NOTICE

Specifies that current law's notice requirements for DOT mass transit fare changes only apply to fare increases and modifies the way in which the department must advertise the notice

§§ 4 & 8 — FREE BUS PASS PROGRAM FOR STUDENTS

Requires SDE to administer a program providing grants to school boards to (1) buy passes for state-owned or -controlled public buses and (2) distribute them without cost to public school students in grades 9-12; appropriates \$3 million for the program to SDE from the General Fund for FY 27

§§ 5 & 9 — FREE BUS PASSES FOR VETERANS

Requires DVA to buy passes for state-owned or -controlled public buses and distribute them without cost to Connecticut veterans; appropriates \$1 million for these purposes to DVA from the General Fund for FY 27

§ 6 — TRANSIT DISTRICT OPERATING SUBSIDIES

Requires the DOT commissioner to (1) give operating subsidies to transit districts that provide up to a 50% fare discount to veterans, seniors, youth, and people with disabilities and (2) establish eligibility criteria, an application process, and reporting requirements

SUMMARY

This bill makes various changes in public transit-related laws. A section-by-section analysis follows.

EFFECTIVE DATE: July 1, 2026, except the provisions on the (1) Shore Line East rail line and Department of Transportation (DOT) bus service study are effective upon passage and (2) mass transit fare increase notices are effective October 1, 2026.

§ 1 — SHORE LINE EAST RAIL LINE SERVICE

Requires DOT, by July 1, 2026, to increase Shore Line East rail line's service frequency and number of runs based on specified considerations

The bill requires DOT, by July 1, 2026, to increase Shore Line East rail line's service frequency and number of runs to levels comparable to those that existed before the service reduction due to the governor-declared COVID-19 public health and civil preparedness emergencies. In doing so, the department must consider ridership data, connectivity with other rail lines and public transportation services, workforce commuting patterns, employer hiring activity and feedback, and seasonal tourism demands.

The bill specifies that the goal of the increase is to reduce passenger waiting times and increase service reliability.

§ 2 — DOT STATEWIDE BUS SERVICE STUDY

Requires DOT, when doing any statewide bus service study during 2026, to (1) assess increasing service frequency on the bus transit route between the Naugatuck Valley region and New Haven at peak times and (2) give the study to the Transportation Committee within 30 days of completing it

The bill requires DOT, when doing any statewide bus service study during the 2026 calendar year, to (1) assess the feasibility of increasing service frequency on the bus transit route between the Naugatuck

Valley region and New Haven at peak times and (2) include related recommendations for ensuring service meets public demand and reduces passenger waiting times.

Under the bill, within 30 days after DOT completes any such study, the department must send the results to the Transportation Committee.

§§ 3 & 7 — DOT MASS TRANSIT FARE INCREASE NOTICE

Specifies that current law's notice requirements for DOT mass transit fare changes only apply to fare increases and modifies the way in which the department must advertise the notice

The bill specifies that (1) a provision of current law requiring DOT to follow a notice process before changing fares for mass land transportation (rail and bus services) only applies to fare increases and (2) the notice must include both the date and time the increase will take effect, rather than just the date as under current law.

The bill also modifies the way in which DOT must advertise this notice by requiring the department to do so in one or more newspapers with circulation in all areas that would be affected by the proposed fare increase. Under current law, DOT must do so in at least one newspaper with general circulation in all areas of the state that may be affected by the fare change. As under existing law, unchanged by the bill, DOT must advertise this notice at least once.

The bill specifies that the advertised notice must include the date (in addition to the time and place as current law requires) that a public hearing will be held on the proposed fare increase.

Additionally, the bill makes a technical change by specifying that the Uniform Administrative Procedure Act (UAPA) does not apply to the law on mass land transportation fare changes (§ 7). Existing law on these fare changes already exempts them from UAPA.

§§ 4 & 8 — FREE BUS PASS PROGRAM FOR STUDENTS

Requires SDE to administer a program providing grants to school boards to (1) buy passes for state-owned or -controlled public buses and (2) distribute them without cost to public school students in grades 9-12; appropriates \$3 million for the program to SDE from the General Fund for FY 27

The bill requires the State Department of Education (SDE) to administer a program providing grants to local or regional boards of education (“school boards”) for (1) purchasing passes for state-owned or -controlled public buses (CTtransit buses) and (2) distributing them without cost to public school students in grades 9-12 under participating school boards’ jurisdiction. The bill appropriates \$3 million for the program to SDE from the General Fund for FY 27.

The bill authorizes SDE to develop guidelines and grant criteria needed to administer the program, including setting the application process. Each school board that receives a grant must submit to SDE any reports and financial statements the department requires. If SDE finds that any grant is being used for purposes not allowed by the bill, the department may require the school board to repay the state.

The bill requires SDE, starting by July 1, 2027, to annually report on the program to the Education and Transportation committees, including on the number of grants it awarded during the prior year and the program’s impact on student outcomes.

Background

Related Law on School Board Bus Passes. PA 25-65 (§ 37) allows school boards to (1) purchase passes for state-owned or -controlled public buses at a discounted rate and (2) distribute the passes at no cost to public school students in grades 9-12 under their jurisdiction or sell them to these students at cost or for a reduced cost (codified at CGS § 13b-38j(c)).

§§ 5 & 9 — FREE BUS PASSES FOR VETERANS

Requires DVA to buy passes for state-owned or -controlled public buses and distribute them without cost to Connecticut veterans; appropriates \$1 million for these purposes to DVA from the General Fund for FY 27

The bill requires the Department of Veterans Affairs (DVA) to purchase passes for state-owned or -controlled public buses (CTtransit buses) and distribute them without cost to Connecticut veterans. It relatedly (1) appropriates \$1 million for these purposes to DVA from the General Fund for FY 27, (2) requires veterans to apply to DVA for the

bus passes, and (3) allows DVA to develop guidelines and criteria needed to distribute the passes, including setting the application process.

The bill requires DVA, starting by July 1, 2027, to annually report to the Veterans' and Military Affairs and Transportation committees on the number of passes it purchased and distributed during the prior year and the impact on veterans.

Under the bill, a "veteran" is anyone honorably discharged or released under honorable conditions, or released with an other than honorable discharge based on a qualifying condition, from active service in the armed forces (the U.S. Army, Navy, Marine Corps, Coast Guard, Space Force, Air Force, and any of their reserve components, including the Connecticut National Guard when under federal service) (CGS § 27-103).

§ 6 — TRANSIT DISTRICT OPERATING SUBSIDIES

Requires the DOT commissioner to (1) give operating subsidies to transit districts that provide up to a 50% fare discount to veterans, seniors, youth, and people with disabilities and (2) establish eligibility criteria, an application process, and reporting requirements

The bill requires the DOT commissioner to give an operating subsidy to any transit district that provides a fare discount, not exceeding 50%, to: veterans (as defined above), seniors (people age 65 or older), youth (people age 18 or younger), and people with disabilities. The subsidies are to offset a transit district's revenue losses from providing these fare discounts. Under the bill, the DOT commissioner must establish related eligibility criteria, an application process, and reporting requirements. (By law, a transit district is responsible for setting its own passenger fares and other rates (CGS § 7-273d).)

PA 25-65 (§ 37) (a related law) generally requires the DOT commissioner to give up to a 50% fare discount for state-owned or -controlled public buses (CTtransit buses) to the same groups discussed above (veterans, seniors, youth, and people with disabilities) (codified at CGS § 13b-38j(a)).

COMMITTEE ACTION

Transportation Committee

Joint Favorable Substitute

Yea 35 Nay 1 (03/16/2026)