



General Assembly

**Substitute Bill No. 2**

February Session, 2026



**AN ACT SUPPORTING LOCAL COMMERCE.**

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

1 Section 1. Subdivision (3) of section 12-412 of the 2026 supplement to  
2 the general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective October 1, 2026, and applicable to sales occurring on or after*  
4 *October 1, 2026*):

5 (3) (A) (i) The sale, furnishing or service of gas, including bottled gas,  
6 and electricity when delivered to consumers through mains, lines, pipes  
7 or bottles for use;

8 [(i) in] (I) In any residential dwelling; [or]

9 [(ii) directly] (II) Directly in agricultural production, fabrication of a  
10 finished product to be sold or an industrial manufacturing plant,  
11 provided the exemption under this [subdivision (ii)] subclause shall  
12 only be allowed with respect to a metered building, location or premise  
13 at which not less than seventy-five per cent of the gas, including bottled  
14 gas, or electricity consumed at such metered building, location or  
15 premise is used for the purpose of such production, fabrication or  
16 manufacturing; or

17 (III) By a commercial or industrial business that has gross income for

18 the previous income or taxable year that does not exceed ten million  
19 dollars.

20 (ii) Bottled gas as used in this subsection means L.P. (propane) gas.

21 (B) The sale or furnishing of telephone service and community  
22 antenna television and cable service, provided the exemption for  
23 services described in this subparagraph shall not be applicable to any  
24 such service rendered on or after January 1, 1990.

25 (C) The sale, furnishing or service of water, steam and telegraph  
26 when delivered to consumers through mains, lines, pipes or bottles.

27 (D) The sale or furnishing of electricity, not subject to the exemption  
28 under subparagraph (A) of this subsection, with respect to that portion  
29 of the charges applicable to such electricity for any month of service  
30 which is not in excess of one hundred fifty dollars.

31 (E) The sale, furnishing or service of gas, water, steam or electricity  
32 for use directly in the furnishing of gas, water, steam or electricity  
33 delivered to consumers through mains, lines or pipes.

34 Sec. 2. Subdivision (1) of section 12-408 of the general statutes is  
35 repealed and the following is substituted in lieu thereof (*Effective October*  
36 *1, 2026, and applicable to sales occurring on or after October 1, 2026*):

37 (1) (A) For the privilege of making any sales, as defined in  
38 subdivision (2) of subsection (a) of section 12-407, at retail, in this state  
39 for a consideration, a tax is hereby imposed on all retailers at the rate of  
40 six and thirty-five-hundredths per cent of the gross receipts of any  
41 retailer from the sale of all tangible personal property sold at retail or  
42 from the rendering of any services constituting a sale in accordance with  
43 subdivision (2) of subsection (a) of section 12-407, except, in lieu of said  
44 rate, the rates provided in subparagraphs (B) to (I), inclusive, of this  
45 subdivision;

46 (B) (i) At a rate of fifteen per cent with respect to each transfer of  
47 occupancy, from the total amount of rent received by a hotel or lodging

48 house for the first period not exceeding thirty consecutive calendar  
49 days;

50 (ii) At a rate of eleven per cent with respect to each transfer of  
51 occupancy, from the total amount of rent received by a bed and  
52 breakfast establishment for the first period not exceeding thirty  
53 consecutive calendar days;

54 (C) With respect to the sale of a motor vehicle to any individual who  
55 is a member of the armed forces of the United States and is on full-time  
56 active duty in Connecticut and who is considered, under 50 [App] USC  
57 App 574, a resident of another state, or to any such individual and the  
58 spouse thereof, at a rate of four and one-half per cent of the gross  
59 receipts of any retailer from such sales, provided such retailer requires  
60 and maintains a declaration by such individual, prescribed as to form  
61 by the commissioner and bearing notice to the effect that false  
62 statements made in such declaration are punishable, or other evidence,  
63 satisfactory to the commissioner, concerning the purchaser's state of  
64 residence under 50 [App] USC App 574;

65 (D) (i) With respect to the sales of computer and data processing  
66 services occurring on or after July 1, 2001, at the rate of one per cent, and  
67 (ii) with respect to sales of Internet access services, on and after July 1,  
68 2001, such services shall be exempt from such tax;

69 (E) (i) With respect to the sales of labor that is otherwise taxable under  
70 subparagraph (C) or (G) of subdivision (2) of subsection (a) of section  
71 12-407 on existing vessels and repair or maintenance services on vessels  
72 occurring on and after July 1, 1999, such services shall be exempt from  
73 such tax;

74 (ii) With respect to the sale of a vessel, a motor for a vessel or a trailer  
75 used for transporting a vessel, at the rate of two and ninety-nine-  
76 hundredths per cent, except that the sale of a vessel shall be exempt from  
77 such tax if such vessel is docked in this state for sixty or fewer days in a  
78 calendar year;

79 (iii) With respect to the sale of dyed diesel fuel, as defined in  
80 subsection (d) of section 12-487, sold by a marine fuel dock exclusively  
81 for marine purposes, at the rate of two and ninety-nine-hundredths per  
82 cent;

83 (F) With respect to patient care services for which payment is  
84 received by the hospital on or after July 1, 1999, and prior to July 1, 2001,  
85 at the rate of five and three-fourths per cent and on and after July 1, 2001,  
86 such services shall be exempt from such tax;

87 (G) With respect to the rental or leasing of a passenger motor vehicle  
88 for a period of thirty consecutive calendar days or less, at a rate of nine  
89 and thirty-five-hundredths per cent;

90 (H) With respect to the sale of (i) a motor vehicle for a sales price  
91 exceeding fifty thousand dollars, at a rate of seven and three-fourths per  
92 cent on the entire sales price, (ii) jewelry, whether real or imitation, for  
93 a sales price exceeding five thousand dollars, at a rate of seven and  
94 three-fourths per cent on the entire sales price, and (iii) an article of  
95 clothing or footwear intended to be worn on or about the human body,  
96 a handbag, luggage, umbrella, wallet or watch for a sales price  
97 exceeding one thousand dollars, at a rate of seven and three-fourths per  
98 cent on the entire sales price. For purposes of this subparagraph, "motor  
99 vehicle" has the meaning provided in section 14-1, but does not include  
100 a motor vehicle subject to the provisions of subparagraph (C) of this  
101 subdivision, a motor vehicle having a gross vehicle weight rating over  
102 twelve thousand five hundred pounds, or a motor vehicle having a  
103 gross vehicle weight rating of twelve thousand five hundred pounds or  
104 less that is not used for private passenger purposes, but is designed or  
105 used to transport merchandise, freight or persons in connection with  
106 any business enterprise and issued a commercial registration or more  
107 specific type of registration by the Department of Motor Vehicles;

108 (I) With respect to the sale of meals, as defined in subdivision (13) of  
109 section 12-412, sold by an eating establishment, caterer or grocery store;  
110 and spirituous, malt or vinous liquors, soft drinks, sodas or beverages

111 such as are ordinarily dispensed at bars and soda fountains, or in  
112 connection therewith; in addition to the tax imposed under  
113 subparagraph (A) of this subdivision, at the rate of one per cent;

114 (J) The rate of tax imposed by this chapter shall be applicable to all  
115 retail sales upon the effective date of such rate, except that a new rate  
116 that represents an increase in the rate applicable to the sale shall not  
117 apply to any sales transaction wherein a binding sales contract without  
118 an escalator clause has been entered into prior to the effective date of the  
119 new rate and delivery is made within ninety days after the effective date  
120 of the new rate. For the purposes of payment of the tax imposed under  
121 this section, any retailer of services taxable under subdivision (37) of  
122 subsection (a) of section 12-407, who computes taxable income, for  
123 purposes of taxation under the Internal Revenue Code of 1986, or any  
124 subsequent corresponding internal revenue code of the United States,  
125 as amended from time to time, on an accounting basis that recognizes  
126 only cash or other valuable consideration actually received as income  
127 and who is liable for such tax only due to the rendering of such services  
128 may make payments related to such tax for the period during which  
129 such income is received, without penalty or interest, without regard to  
130 when such service is rendered;

131 (K) (i) For calendar quarters ending on or after September 30, 2019,  
132 the commissioner shall deposit into the regional planning incentive  
133 account, established pursuant to section 4-66k, six and seven-tenths per  
134 cent of the amounts received by the state from the tax imposed under  
135 subparagraph (B) of this subdivision and ten and seven-tenths per cent  
136 of the amounts received by the state from the tax imposed under  
137 subparagraph (G) of this subdivision;

138 (ii) For calendar quarters ending on or after September 30, 2018, the  
139 commissioner shall deposit into the Tourism Fund established under  
140 section 10-395b ten per cent of the amounts received by the state from  
141 the tax imposed under subparagraph (B) of this subdivision;

142 (L) (i) For calendar months commencing on or after July 1, 2021, but

143 prior to July 1, 2023, the commissioner shall deposit into the municipal  
144 revenue sharing account established pursuant to section 4-66l seven and  
145 nine-tenths per cent of the amounts received by the state from the tax  
146 imposed under subparagraph (A) of this subdivision, including such  
147 amounts received on or after July 1, 2023, attributable to the fiscal year  
148 ending June 30, 2023; and

149 (ii) For calendar months commencing on or after July 1, 2023, the  
150 commissioner shall deposit into the Municipal Revenue Sharing Fund  
151 established pursuant to section 4-66p seven and nine-tenths per cent of  
152 the amounts received by the state from the tax imposed under  
153 subparagraph (A) of this subdivision; [and]

154 (M) (i) For calendar months commencing on or after July 1, 2017, the  
155 commissioner shall deposit into the Special Transportation Fund  
156 established under section 13b-68 seven and nine-tenths per cent of the  
157 amounts received by the state from the tax imposed under  
158 subparagraph (A) of this subdivision;

159 (ii) For calendar months commencing on or after July 1, 2018, but  
160 prior to July 1, 2019, the commissioner shall deposit into the Special  
161 Transportation Fund established under section 13b-68 eight per cent of  
162 the amounts received by the state from the tax imposed under  
163 subparagraphs (A) and (H) of this subdivision on the sale of a motor  
164 vehicle;

165 (iii) For calendar months commencing on or after July 1, 2019, but  
166 prior to July 1, 2020, the commissioner shall deposit into the Special  
167 Transportation Fund established under section 13b-68 seventeen per  
168 cent of the amounts received by the state from the tax imposed under  
169 subparagraphs (A) and (H) of this subdivision on the sale of a motor  
170 vehicle;

171 (iv) For calendar months commencing on or after July 1, 2020, but  
172 prior to July 1, 2021, the commissioner shall deposit into the Special  
173 Transportation Fund established under section 13b-68 twenty-five per  
174 cent of the amounts received by the state from the tax imposed under

175 subparagraphs (A) and (H) of this subdivision on the sale of a motor  
176 vehicle;

177 (v) For calendar months commencing on or after July 1, 2021, but  
178 prior to July 1, 2022, the commissioner shall deposit into the Special  
179 Transportation Fund established under section 13b-68 seventy-five per  
180 cent of the amounts received by the state from the tax imposed under  
181 subparagraphs (A) and (H) of this subdivision on the sale of a motor  
182 vehicle; and

183 (vi) For calendar months commencing on or after July 1, 2022, the  
184 commissioner shall deposit into the Special Transportation Fund  
185 established under section 13b-68 one hundred per cent of the amounts  
186 received by the state from the tax imposed under subparagraphs (A)  
187 and (H) of this subdivision on the sale of a motor vehicle; and

188 (N) For calendar months commencing on or after October 1, 2026, the  
189 commissioner shall deposit fifty per cent of the amounts received by the  
190 state from the tax imposed under subparagraph (I) of this subdivision  
191 into the Tourism Fund established under section 10-395b and fifty per  
192 cent of such amounts in the municipal diversification account  
193 established under section 4 of this act.

194 Sec. 3. Subdivision (1) of section 12-411 of the general statutes is  
195 repealed and the following is substituted in lieu thereof (*Effective October*  
196 *1, 2026, and applicable to sales occurring on or after October 1, 2026*):

197 (1) (A) An excise tax is hereby imposed on the storage, acceptance,  
198 consumption or any other use in this state of tangible personal property  
199 purchased from any retailer for storage, acceptance, consumption or any  
200 other use in this state, the acceptance or receipt of any services  
201 constituting a sale in accordance with subdivision (2) of subsection (a)  
202 of section 12-407, purchased from any retailer for consumption or use in  
203 this state, or the storage, acceptance, consumption or any other use in  
204 this state of tangible personal property which has been manufactured,  
205 fabricated, assembled or processed from materials by a person, either  
206 within or without this state, for storage, acceptance, consumption or any

207 other use by such person in this state, to be measured by the sales price  
208 of materials, at the rate of six and thirty-five-hundredths per cent of the  
209 sales price of such property or services, except, in lieu of said rate:

210 (B) (i) At a rate of fifteen per cent of the rent paid to a hotel or lodging  
211 house for the first period not exceeding thirty consecutive calendar  
212 days;

213 (ii) At a rate of eleven per cent of the rent paid to a bed and breakfast  
214 establishment for the first period not exceeding thirty consecutive  
215 calendar days;

216 (C) With respect to the storage, acceptance, consumption or use in  
217 this state of a motor vehicle purchased from any retailer for storage,  
218 acceptance, consumption or use in this state by any individual who is a  
219 member of the armed forces of the United States and is on full-time  
220 active duty in Connecticut and who is considered, under 50 [App] USC  
221 App 574, a resident of another state, or to any such individual and the  
222 spouse of such individual at a rate of four and one-half per cent of the  
223 sales price of such vehicle, provided such retailer requires and  
224 maintains a declaration by such individual, prescribed as to form by the  
225 commissioner and bearing notice to the effect that false statements made  
226 in such declaration are punishable, or other evidence, satisfactory to the  
227 commissioner, concerning the purchaser's state of residence under 50  
228 [App] USC App 574;

229 (D) (i) With respect to the acceptance or receipt in this state of labor  
230 that is otherwise taxable under subparagraph (C) or (G) of subdivision  
231 (2) of subsection (a) of section 12-407 on existing vessels and repair or  
232 maintenance services on vessels occurring on and after July 1, 1999, such  
233 services shall be exempt from such tax;

234 (ii) (I) With respect to the storage, acceptance or other use of a vessel  
235 in this state, at the rate of two and ninety-nine-hundredths per cent,  
236 except that such storage, acceptance or other use shall be exempt from  
237 such tax if such vessel is docked in this state for sixty or fewer days in a  
238 calendar year;

239 (II) With respect to the storage, acceptance or other use of a motor for  
240 a vessel or a trailer used for transporting a vessel in this state, at the rate  
241 of two and ninety-nine-hundredths per cent;

242 (III) With respect to the storage, acceptance or other use of dyed diesel  
243 fuel, as defined in subsection (d) of section 12-487, exclusively for  
244 marine purposes, at the rate of two and ninety-nine-hundredths per  
245 cent;

246 (E) (i) With respect to the acceptance or receipt in this state of  
247 computer and data processing services purchased from any retailer for  
248 consumption or use in this state occurring on or after July 1, 2001, at the  
249 rate of one per cent of such services, and (ii) with respect to the  
250 acceptance or receipt in this state of Internet access services, on and after  
251 July 1, 2001, such services shall be exempt from such tax;

252 (F) With respect to the acceptance or receipt in this state of patient  
253 care services purchased from any retailer for consumption or use in this  
254 state for which payment is received by the hospital on or after July 1,  
255 1999, and prior to July 1, 2001, at the rate of five and three-fourths per  
256 cent and on and after July 1, 2001, such services shall be exempt from  
257 such tax;

258 (G) With respect to the rental or leasing of a passenger motor vehicle  
259 for a period of thirty consecutive calendar days or less, at a rate of nine  
260 and thirty-five-hundredths per cent;

261 (H) With respect to the acceptance or receipt in this state of (i) a motor  
262 vehicle for a sales price exceeding fifty thousand dollars, at a rate of  
263 seven and three-fourths per cent on the entire sales price, (ii) jewelry,  
264 whether real or imitation, for a sales price exceeding five thousand  
265 dollars, at a rate of seven and three-fourths per cent on the entire sales  
266 price, and (iii) an article of clothing or footwear intended to be worn on  
267 or about the human body, a handbag, luggage, umbrella, wallet or  
268 watch for a sales price exceeding one thousand dollars, at a rate of seven  
269 and three-fourths per cent on the entire sales price. For purposes of this  
270 subparagraph, "motor vehicle" has the meaning provided in section 14-

271 1, but does not include a motor vehicle subject to the provisions of  
272 subparagraph (C) of this subdivision, a motor vehicle having a gross  
273 vehicle weight rating over twelve thousand five hundred pounds, or a  
274 motor vehicle having a gross vehicle weight rating of twelve thousand  
275 five hundred pounds or less that is not used for private passenger  
276 purposes, but is designed or used to transport merchandise, freight or  
277 persons in connection with any business enterprise and issued a  
278 commercial registration or more specific type of registration by the  
279 Department of Motor Vehicles;

280 (I) With respect to the acceptance or receipt in this state of meals, as  
281 defined in subdivision (13) of section 12-412, sold by an eating  
282 establishment, caterer or grocery store; and spirituous, malt or vinous  
283 liquors, soft drinks, sodas or beverages such as are ordinarily dispensed  
284 at bars and soda fountains, or in connection therewith; in addition to the  
285 tax imposed under subparagraph (A) of this subdivision, at the rate of  
286 one per cent;

287 (J) (i) For calendar quarters ending on or after September 30, 2019, the  
288 commissioner shall deposit into the regional planning incentive  
289 account, established pursuant to section 4-66k, six and seven-tenths per  
290 cent of the amounts received by the state from the tax imposed under  
291 subparagraph (B) of this subdivision and ten and seven-tenths per cent  
292 of the amounts received by the state from the tax imposed under  
293 subparagraph (G) of this subdivision;

294 (ii) For calendar quarters ending on or after September 30, 2018, the  
295 commissioner shall deposit into the Tourism Fund established under  
296 section 10-395b ten per cent of the amounts received by the state from  
297 the tax imposed under subparagraph (B) of this subdivision;

298 (K) (i) For calendar months commencing on or after July 1, 2021, but  
299 prior to July 1, 2023, the commissioner shall deposit into the municipal  
300 revenue sharing account established pursuant to section 4-66l seven and  
301 nine-tenths per cent of the amounts received by the state from the tax  
302 imposed under subparagraph (A) of this subdivision, including such

303 amounts received on or after July 1, 2023, attributable to the fiscal year  
304 ending June 30, 2023; and

305 (ii) For calendar months commencing on or after July 1, 2023, the  
306 commissioner shall deposit into the Municipal Revenue Sharing Fund  
307 established pursuant to section 4-66p seven and nine-tenths per cent of  
308 the amounts received by the state from the tax imposed under  
309 subparagraph (A) of this subdivision; [and]

310 (L) (i) For calendar months commencing on or after July 1, 2017, the  
311 commissioner shall deposit into said Special Transportation Fund seven  
312 and nine-tenths per cent of the amounts received by the state from the  
313 tax imposed under subparagraph (A) of this subdivision;

314 (ii) For calendar months commencing on or after July 1, 2018, but  
315 prior to July 1, 2019, the commissioner shall deposit into the Special  
316 Transportation Fund established under section 13b-68 eight per cent of  
317 the amounts received by the state from the tax imposed under  
318 subparagraphs (A) and (H) of this subdivision on the acceptance or  
319 receipt in this state of a motor vehicle;

320 (iii) For calendar months commencing on or after July 1, 2019, but  
321 prior to July 1, 2020, the commissioner shall deposit into the Special  
322 Transportation Fund established under section 13b-68 seventeen per  
323 cent of the amounts received by the state from the tax imposed under  
324 subparagraphs (A) and (H) of this subdivision on the acceptance or  
325 receipt in this state of a motor vehicle;

326 (iv) For calendar months commencing on or after July 1, 2020, but  
327 prior to July 1, 2021, the commissioner shall deposit into the Special  
328 Transportation Fund established under section 13b-68 twenty-five per  
329 cent of the amounts received by the state from the tax imposed under  
330 subparagraphs (A) and (H) of this subdivision on the acceptance or  
331 receipt in this state of a motor vehicle;

332 (v) For calendar months commencing on or after July 1, 2021, but  
333 prior to July 1, 2022, the commissioner shall deposit into the Special

334 Transportation Fund established under section 13b-68 seventy-five per  
335 cent of the amounts received by the state from the tax imposed under  
336 subparagraphs (A) and (H) of this subdivision on the acceptance or  
337 receipt in this state of a motor vehicle; and

338 (vi) For calendar months commencing on or after July 1, 2022, the  
339 commissioner shall deposit into the Special Transportation Fund  
340 established under section 13b-68 one hundred per cent of the amounts  
341 received by the state from the tax imposed under subparagraphs (A)  
342 and (H) of this subdivision on the acceptance or receipt in this state of a  
343 motor vehicle; and

344 (M) For calendar months commencing on or after October 1, 2026, the  
345 commissioner shall deposit fifty per cent of the amounts received by the  
346 state from the tax imposed under subparagraph (I) of this subdivision  
347 into the Tourism Fund established under section 10-395b and fifty per  
348 cent of such amounts in the municipal diversification account  
349 established under section 4 of this act.

350 Sec. 4. (NEW) (*Effective October 1, 2026*) (a) There is established an  
351 account to be known as the "municipal diversification account", which  
352 shall be a separate, nonlapsing account. The account shall contain any  
353 moneys required by law to be deposited in the account. Moneys in the  
354 account shall be expended by the Commissioner of Revenue Services for  
355 the purpose of distributing funds to municipalities in accordance with  
356 the provisions of this section.

357 (b) The commissioner shall maintain an accounting aggregated by  
358 municipality, of the amounts deposited in the municipal diversification  
359 account pursuant to subparagraph (N) of subdivision (1) of section 12-  
360 408 of the general statutes, as amended by this act, and subparagraph  
361 (M) of subdivision (1) of section 12-411 of the general statutes, as  
362 amended by this act.

363 (c) Commencing in the calendar quarter ending March 31, 2027, and  
364 in each calendar quarter thereafter, the commissioner shall distribute  
365 moneys from the account to each municipality where the revenue from

366 the tax imposed under subparagraph (I) of subdivision (1) of section 12-  
367 408 of the general statutes, as amended by this act, and subparagraph (I)  
368 of subdivision (1) of section 12-411 of the general statutes, as amended  
369 by this act, was generated, as determined by the commissioner. Any  
370 moneys for which the commissioner cannot determine a point-of-sale  
371 shall be distributed pro rata to the municipalities for which sales of  
372 meals, as defined in subdivision (13) of section 12-412 of the general  
373 statutes, were reported in the returns filed under chapter 219 of the  
374 general statutes for the applicable calendar quarter.

375 Sec. 5. Section 12-408d of the general statutes is repealed and the  
376 following is substituted in lieu thereof (*Effective October 1, 2026*):

377 (a) For calendar quarters commencing on or after July 1, 2004, any  
378 retailer with sales in more than one town in this state, for which sales  
379 such retailer files a return under this chapter, shall disaggregate the  
380 information in the return, in such form as may be prescribed by the  
381 Commissioner of Revenue Services, to indicate the town in which sales  
382 occurred for which tax was collected by such retailer and the amount of  
383 such tax collected, by town.

384 (b) For calendar quarters commencing on or after October 1, 2026, any  
385 retailer described in subsection (a) of this section with sales of meals, as  
386 defined in subdivision (13) of section 12-412, where meals are not the  
387 only items sold by such retailer, shall list the sales of meals separately in  
388 the return such retailer files under this chapter and disaggregate the  
389 information, if applicable, as set forth in subsection (a) of this section.

390 Sec. 6. (NEW) (*Effective from passage*) (a) There is established a  
391 Connecticut-India Trade Commission, which shall be part of the  
392 Legislative Department.

393 (b) The commission shall consist of the following members:

394 (1) Two appointed by the speaker of the House of Representatives;

395 (2) Two appointed by the president pro tempore of the Senate;

396 (3) Two appointed by the majority leader of the House of  
397 Representatives;

398 (4) Two appointed by the majority leader of the Senate;

399 (5) Two appointed by the minority leader of the House of  
400 Representatives;

401 (6) Two appointed by the minority leader of the Senate;

402 (7) Two members of the joint standing committee of the General  
403 Assembly having cognizance of matters relating to commerce, one of  
404 whom shall be appointed by the Senate chairperson of such committee  
405 and one of whom shall be appointed by the House chairperson of such  
406 committee;

407 (8) The ranking members of the joint standing committee of the  
408 General Assembly having cognizance of matters relating to commerce,  
409 or their designees;

410 (9) Three persons appointed by the Governor;

411 (10) A representative of a public institution of higher education in the  
412 state, who shall be appointed by the Governor;

413 (11) A representative of a chamber of commerce in the state, who shall  
414 be appointed by the Governor; and

415 (12) Two representatives of Indian or Indian-American communities  
416 in the state, who shall be appointed by the Governor and shall not be  
417 members of the same political party.

418 (c) The members of the commission shall each have current or past  
419 involvement in organizations that promote Indian affairs or are  
420 interested in the well-being of trade relations between the state and  
421 India.

422 (d) Any member of the commission appointed under subdivisions (1)  
423 to (6), inclusive, of subsection (b) of this section may be a member of the

424 General Assembly.

425 (e) (1) All initial appointments to the commission shall be made not  
426 later than October 1, 2026. Initial appointments made by the Governor,  
427 the majority leader of the House of Representatives and the minority  
428 leader of the House of Representatives shall terminate on September 30,  
429 2029. Initial appointments made by the speaker of the House of  
430 Representatives, the president pro tempore of the Senate, the majority  
431 leader of the Senate and the minority leader of the Senate shall terminate  
432 on September 30, 2030. The initial and subsequent terms of members  
433 appointed by the chairpersons of the joint standing committee of the  
434 General Assembly having cognizance of matters relating to commerce  
435 shall be coterminous with the terms of the appointing authority for each  
436 such member in accordance with the provisions of section 4-1a of the  
437 general statutes.

438 (2) Appointed members of the commission shall serve for four-year  
439 terms which shall commence on the date of appointment, except as  
440 provided in subdivision (1) of this subsection. Members shall continue  
441 to serve until their successors are appointed.

442 (f) The speaker of the House of Representatives and the president pro  
443 tempore of the Senate shall select the chairpersons of the commission  
444 from among the members of the commission. Such chairpersons shall  
445 schedule the first meeting of the commission, which shall be held not  
446 later than November 1, 2026.

447 (g) The administrative staff of the joint standing committee of the  
448 General Assembly having cognizance of matters relating to commerce  
449 shall serve as administrative staff of the commission.

450 (h) Any vacancy shall be filled by the appointing authority. Any  
451 vacancy occurring other than by expiration of term shall be filled for the  
452 balance of the unexpired term.

453 (i) A majority of the commission shall constitute a quorum for the  
454 transaction of any business.

455 (j) The members of the commission shall serve without  
456 compensation, but shall, within the limits of available funds, be  
457 reimbursed for expenses necessarily incurred in the performance of  
458 their duties.

459 (k) The commission shall have the following powers and duties: (1)  
460 To advance bilateral trade and investment between the state and India;  
461 (2) to initiate joint action on policy issues of mutual interest to the state  
462 and India; (3) to promote business and academic exchanges between the  
463 state and India; (4) to encourage mutual economic support between the  
464 state and India; (5) to encourage mutual investment in the infrastructure  
465 of the state and India; (6) to address such other issues as determined by  
466 the commission; (7) to obtain from any executive department, board,  
467 commission or other agency of the state such assistance and data as are  
468 necessary and available to carry out the purposes of this section; (8) to  
469 accept any gift, donation or bequest for the purpose of performing the  
470 duties described in this section; and (9) to perform such other acts as  
471 may be necessary and appropriate to carry out the duties described in  
472 this section.

473 (l) The commission shall meet as often as deemed necessary by the  
474 chairpersons or a majority of the commission. Any appointed member  
475 who fails to attend three consecutive meetings or who fails to attend  
476 fifty per cent of all meetings held during any calendar year shall be  
477 deemed to have resigned from the commission.

478 (m) Not later than February 1, 2028, and annually thereafter, the  
479 commission shall submit a report, in accordance with the provisions of  
480 section 11-4a of the general statutes, to the Governor, the Commissioner  
481 of Economic and Community Development and the joint standing  
482 committee of the General Assembly having cognizance of matters  
483 relating to commerce on the activities of the commission during the  
484 preceding year, which shall include, but need not be limited to, any  
485 recommendations for policy changes and amendments to the general  
486 statutes necessary to effectuate the purposes of the commission.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2026, and applicable to sales occurring on or after October 1, 2026</i>	12-412(3)
Sec. 2	<i>October 1, 2026, and applicable to sales occurring on or after October 1, 2026</i>	12-408(1)
Sec. 3	<i>October 1, 2026, and applicable to sales occurring on or after October 1, 2026</i>	12-411(1)
Sec. 4	<i>October 1, 2026</i>	New section
Sec. 5	<i>October 1, 2026</i>	12-408d
Sec. 6	<i>from passage</i>	New section

**FIN**      *Joint Favorable Subst.*