OFFICE OF FISCAL ANALYSIS
Legislative Office Building, Room 5200
Hartford, CT 06106 ◇ (860) 240-0200
http://www.cga.ct.gov/ofa

HB-5406
AN ACT CONCERNING VARIOUS MEASURES HONORING THE HEROISM OF VETERANS AND MEMBERS OF THE ARMED FORCES.

AMENDMENT

LCO No.: 3943
File Copy No.: 167
House Calendar No.: 142

OFA Fiscal Note

See Fiscal Note Details

The amendment strikes **sections 4 and 5,** eliminating the cost to the Department of Veterans Affairs and reducing the cost to the Soldiers, Sailors, and Marines' Fund (SSMF) from $3.2 million in FY 27 and $6.4 million in FY 28 to an annual cost of up to $1 million to the SSMF beginning in FY 27 to establish a veterans Dental Care Access Program. The program is to be operated by the American Legion, and the amendment caps the total cost of the program at $1 million. Any expenses related to the operation of this program, including payments for dental services, will be paid out of the SSMF and fall under that cap.

Section 501 names the Connecticut National Guard readiness center in Putnam the "Captain-General John Dempsey Putnam Army National Guard Readiness Center", resulting in no fiscal impact as the facility is currently under construction.

Section 502, which establishes a state personal income tax deduction for certain honor guard compensation, results in a General Fund revenue loss of approximately $25,000 annually beginning in FY 27.[1]

[1] From FY 22 through FY 25, total honor guard detail compensation averaged $479,500 annually.

Primary Analyst: JP 4/9/26
Contributing Analyst(s): RP, CW (FN)
Reviewer: RW

Section 503, which establishes a personal income tax deduction for state active duty National Guard pay, results in a General Fund revenue loss of approximately $40,000 annually beginning in FY 28.[2]

Section 504 requires the Department of Aging and Disability Services' Office of the Long-Term Care Ombudsman (LTCO) to conduct a study of various resources available to veterans in the state, as well as any existing care coordination gaps. This results in a cost to the General Fund of approximately $25,000 in FY 27 to hire a consultant, as the LTCO does not possess the expertise to conduct this study.

The section also requires the Office of the LTCO to submit a report regarding the establishment of the Office of the Veterans' and Military Healthcare Ombudsman, which does not result in a fiscal impact.

Sections 505 and 506 create a separate, nonlapsing account called the Military Department Emergency Response Account and transfer $500,000 from the Military Relief Fund to this new account in FY 27. As of April 9, 2026, the Military Relief Fund has a balance of $953,854.

Section 507 requires the Department of Revenue Services, in consultation with various other entities, to conduct a study to determine (1) the amount of tangible personal property or services purchased annually by nonprofit military and veterans' organizations and (2) the fiscal impact of establishing a sales and use tax exemption for such purchases. This does not result in any fiscal impact.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does 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.

[2] From FY 22 through FY 25, National Guard state active duty compensation averaged $790,700 annually.