
OLR Bill Analysis

HB 5524

Emergency Certification

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

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Requires the DEEP commissioner to set up a low interest loan program for municipalities and private entities for climate resiliency projects funded through a new Climate Resiliency Revolving Loan Fund and authorizes up to \$10 million in state GO bonds to capitalize the fund; requires DEEP to report annually to the Environment Committee on the program

§§ 60 & 61 — DRONE GRANT PROGRAM

Requires DESPP to (1) administer a municipal grant program for municipalities to purchase drones, accessories, or both, within available resources, and authorizes up to \$3 million in state GO bonds for the program; (2) develop and post certain information (e.g., technical standards and application criteria); and (3) to report to the Public Safety and Security Committee certain program statistics from the previous year

§ 62 — DOH REPORT ON BOND-FUNDED HOUSING PROGRAMS

Requires DOH to report biannually to the Finance, Revenue and Bonding Committee on specified bond-funded programs

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Requires DOT to award a grant to UConn's Department of Natural Resources and the Environment

§ 64 — HOUSING ENVIRONMENTAL IMPROVEMENT LOAN AND GRANT FUND AND RETROFIT PILOT PROGRAM

Expands DEEP's multi-family housing retrofit pilot program by allowing (1) it to offer grants in addition to loans and (2) the department to contract with quasi-public agencies to administer the fund that finances the program

§ 65 — EXISTING BOND AUTHORIZATION FOR DEEP MULTIFAMILY HOUSING RETROFITTING PILOT PROGRAM

Eliminates provisions in HB 5474 of the current session that modify the \$125 million bond authorization for the DEEP multifamily housing retrofit pilot program described above

§ 67 — INSURANCE PREMIUMS TAX REAUDITS AND REASSESSMENTS

Authorizes the DRS commissioner to reaudit insurance premiums tax returns and impose more than one deficiency assessment, subject to the same requirements that apply to audits and assessments under existing law

§ 68 — INITIAL FIVE-YEAR INSURANCE PREMIUMS TAX RETURNS FOR NONRESIDENT AND FOREIGN COMPANIES

Extends, from 45 days after being initially licensed to do business in Connecticut to 90 days after this date, the due date for newly licensed nonresident- and foreign-licensed insurance companies to remit their initial five-year return to DRS

§ 69 — INCOME TAX WITHHOLDING FOR RETIREMENT INCOME DISTRIBUTIONS

Allows, rather than requires, income tax withholding for certain retirement income distributions and changes the methods for determining the amount of tax withheld from these distributions

§ 70 — LOCAL OPTION PROPERTY TAX EXEMPTIONS FOR FARM MACHINERY AND BUILDINGS

Increases the cap on the local option property tax exemption for (1) farm machinery, from \$100,000 to \$250,000 in assessed value and (2) certain farm buildings from \$100,000 to \$500,000 in assessed value

§ 71 — LOCAL OPTION HOMESTEAD EXEMPTION

Allows municipalities to provide a partial property tax exemption for certain owner-occupied primary residences

§§ 72-79 — PROPERTY TAX EXEMPTION FILING DEADLINES

Allows taxpayers in seven municipalities to claim certain property tax exemptions even though they missed the filing deadline to claim the exemption or provide required documentation, as applicable

§§ 80 & 81 — REVALUATION DELAY FOR STRATFORD AND DERBY

Allows Stratford and Derby, with each legislative body's approval, to delay a revaluation scheduled for 2024 to the 2025 assessment year

§§ 82-90 — MUNICIPAL EMPLOYEE RETIREMENT COMMISSION AND MUNICIPAL DEFINED CONTRIBUTION PLAN

Creates the Municipal Employees Retirement Commission and, starting January 1, 2025, transfers responsibility for the municipal employees retirement system (MERS) and the Policemen and Firemen Survivors' Benefit Fund from the State Employees Retirement Commission (SERC) to the new commission; requires the state comptroller to create a municipal defined contribution retirement plan and set how municipalities may adopt the plan

§§ 91-109 — MINOR AND TECHNICAL CHANGES TO TAX RELATED STATUTES

Makes minor, technical, and conforming changes to various tax statutes

§§ 110 & 111 — YOUTH SPORTS GRANT PROGRAM

Creates a youth sports grant program to give grants to distressed municipalities to support the operating costs of nonprofit youth sports organizations; funds the program with 2% of the state's revenue from sports wagering

§ 112 — NET OPERATING LOSS

Extends, from 20 to 30 income years, the period when corporations may carry forward an NOL deduction for corporation business tax purposes for NOLs incurred in income years starting on or after January 1, 2025

§ 113 — SOLAR CANOPY PLANS IN MUNICIPALITIES

Modifies HB 5232 to allow, rather than require, municipal planning and zoning commissions to (1) establish a simplified process for applications to build solar canopies and (2) act on land use applications for solar canopies within six months

§ 114 — ASSESSMENT APPEALS BROUGHT TO SUPERIOR COURT

Establishes conditions under which certain people who filed a property tax assessment appeal with the Superior Court from July 1, 2022, but before July 1, 2024, and had their appeal dismissed may bring another appeal application to the court

§ 115 — MIRA TIPPING FEE STABILIZATION

Allows, through FY 26, up to \$6 million of MIRA funds spent for tipping fee stabilization to be reimbursed by state bond funds; caps the total issuance of state bonding for MIRA funds at \$13.5 million

§§ 116 & 117 — STATE BUILDING CODE AND FIRE SAFETY CODE AMENDMENTS

Requires the next adopted version of the State Building Code and the Fire Safety Code to include amendments that (1) allow additional residential homes to be served by a single exit stairway and (2) encourage construction of safe three- or four-unit residential buildings under similar requirements for certain one- and two-unit residential buildings; requires those adopting State Building Code amendments to consider the housing shortage

§§ 118-123 — CONCENTRATED POVERTY

Creates a pilot program to reduce the levels of concentrated poverty in the state by developing and implementing a 10-year plan for a participating “concentrated poverty census tracts;” creates a new office in DECD to oversee the plan’s implementation and monitor the state’s progress in reducing concentrated poverty; creates a seven-member working group to develop a guidance document that sets a framework that must be incorporated into the plan; gives the projects included in the plan priority for specified state grants and funding programs; renames “high poverty low opportunity” census tracts as concentrated poverty census tracts; decreases, from 25 to 15, the number of new FTEs that a business must create and maintain to be eligible for the JobsCT rebate program if at least three of these FTEs live in a concentrated poverty census tract; allows the business to earn an additional rebate amount for each FTE who lives in one of these tracts

§ 124 — USE OF FY 24 SPECIAL TRANSPORTATION FUND (STF) BALANCE FOR STF DEBT

Deems appropriated a portion of the STF’s remaining balance at the end of FY 24 to pay off STF-supported debt

§ 125 — COLLEGE DEGREE REQUIREMENT FOR STATE EMPLOYEES

Generally prohibits the DAS commissioner from requiring a college degree for a position in the state employee classified service unless it is a bona fide occupational qualification or need

§ 126 — WORKING GROUP TO EXAMINE TAX EXPENDITURES

Creates a nine-member working group to examine the state’s statutory tax expenditures to simplify the state tax code and identify those that are redundant, obsolete, duplicative, or inconsistent; requires the group to report by January 1, 2025

§ 127 — JOINT APPOINTMENTS OF MUNICIPAL OFFICIALS

Authorizes COGs or groups of two or more municipalities to make appointments on behalf of municipalities for municipal functions that are subject to a shared services or regional services agreement

§ 128 — HISTORIC HOMES REHABILITATION TAX CREDIT

Restores taxpayers' ability to claim the historic homes rehabilitation tax credit against certain business taxes in the 2024 tax year and all following years; allows all taxpayers to apply credits issued after January 1, 2024, against the unrelated business income tax

§ 129 — REDDING SPECIAL TAXING DISTRICT

Specifies the town of Redding is exempt from taxes and assessments imposed by a special taxing district located in the town

§ 130 — DECD ARPA REPORTING

Requires DECD to report biweekly to the Appropriations Committee on its use of ARPA funding

§ 131 — BAN ON DELEGATING AUTHORITY TO SCHEDULE THANKSGIVING DAY HIGH SCHOOL FOOTBALL GAMES

Bans school boards from delegating authority to schedule high school football games on Thanksgiving Day to another entity; prohibits school boards from adopting a policy that prohibits Thanksgiving Day football games

§§ 132-136 — AUTOMATED ENFORCEMENT OF NOISE VIOLATIONS

Allows municipalities to use noise cameras to issue citations to vehicles committing municipal vehicle noise violations (i.e., making a noise of 80 decibels or louder, except for sounds made by a horn); requires municipalities seeking to operate cameras to adopt an ordinance and set penalties; specifies citation issuance and processing procedures

§ 137 — ADDITIONAL DEDUCTION FOR CERTAIN COMBINED GROUPS AFFECTED BY COMBINED REPORTING

Allows certain combined groups meeting specified qualifications to deduct, over a 30 year period, the amount necessary to offset the increase in the valuation allowance against net operating losses (NOLs) and tax credits in Connecticut that resulted from the state's shift to combined reporting

§ 138 — FINAL CANNABIS CULTIVATOR LICENSE EXTENSION

Allows DCP, until December 31, 2025, to grant a final cultivator license to certain social equity provisional cultivator license holders who have not met the minimum grow space requirement, under certain circumstances (e.g., pays the \$3 million fee); after that date, requires the licensee to pay a \$500 dollar extension fee for each day the licensee fails to satisfy the minimum grow space requirement

§§ 139 & 140 — SOCIAL EQUITY COUNCIL

Expands the Social Equity Council membership; requires the council to (1) define its role and what it delegates to the executive director, (2) update the social equity plan criteria, and (3) to submit an estimate of certain social equity distributions; requires additional reports from the council and executive director

§§ 141 & 142 — EDUCATIONAL MATERIALS ON INTIMATE PARTNER VIOLENCE TOWARDS PREGNANT AND POSTPARTUM PEOPLE

Amends provisions in HB 5523, as amended by House Amendment "A" that require DPH to develop educational materials on certain topics, such as intimate partner violence toward pregnant and postpartum people; modifies terminology by replacing "pregnant and postpartum persons" with "expectant and postpartum mothers and persons"

§ 143 — ARTIFICIAL INTELLIGENCE TOOL PILOT PROGRAM

Requires SDE to create an AI pilot program to award grants to five school boards to help educators and students to use AI in the classroom; the boards selected must include at least one rural, one suburban, and one urban district and reflect the racial and ethnic diversity of the state

§ 144 — ARTIFICIAL INTELLIGENCE PROFESSIONAL DEVELOPMENT FOR TEACHERS

Requires SDE to provide professional development for educators participating in the AI tool pilot program

§ 145 — MODEL DIGITAL CITIZENSHIP CURRICULUM

Requires SDE to develop a model digital citizenship curriculum for grades kindergarten to 12

§ 146 — HOSPITAL FINANCIAL REPORTING TO OHS

Requires hospitals to report certain financial information to OHS semi-annually, starting by October 1, 2024; authorizes OHS to take certain actions when hospitals meet certain financial thresholds

§ 147 — TRANSFER OF FY 24 GENERAL FUND REVENUE TO FY 25

Increases, by \$110 million, the required transfer of FY 24 General Fund revenue to FY 25

§§ 148-150 — CARRYFORWARD OF CERTAIN CANNABIS-RELATED APPROPRIATIONS

Carries forward certain funds appropriated to OPM for costs associated with cannabis legalization and requires them to be used in FY 25 for certain studies and community action agencies

§ 151 — PRIORITY LIST GRANT COMMITMENTS

Authorizes 11 school construction state grant commitments totaling \$486.4 million toward total estimated project costs of \$583.3 million; reauthorizes three projects with an additional state grant commitment of \$73.9 million

§§ 152-154 — PRIORITY LIST REQUIREMENTS

Requires that the priority list include additional information about enrollment projections; allows school boards to redirect a school building project to a public use during the grant amortization period; eliminates requirement that DAS assign categories to school building projects; modifies local authorization requirements and reasons for which DAS may disapprove an application

§§ 155 & 156 — REIMBURSEMENT RATE INCREASES FOR CERTAIN EARLY CHILDHOOD PROJECTS

Increases the reimbursement rate bonus to 15 percentage points for certain elementary and early childhood projects; establishes a new 15 percentage point bonus for buildings used exclusively for early childhood care and education

§ 157 — INCLUSIVE MUNICIPALITY DESIGNATION

Requires school boards seeking a five-percentage point reimbursement rate increase for being in an “inclusive municipality” to give DAS the housing commissioner’s written determination that the municipality qualifies for the designation

§ 158 — GRANTS TO ENDOWED ACADEMIES

Eliminates a requirement that an endowed academy’s governing board meet specified composition requirements to be eligible for a grant

§§ 159, 161 & 164 — PROGRAM ADMINISTRATION

Replaces certain references to SDE or SBE in the school building project statutes with references to DAS

§ 160 — ENERGY FUNDS AND SCHOOL CONSTRUCTION GRANTS

Excludes certain energy-related funds from the state funds that must be subtracted from the total project cost when calculating a school construction grant

§§ 162 & 163 — PROJECT AUDITS

Modifies certain audit-related and post-project completion deadlines; makes technical changes

§ 163 — CONTRACTING REQUIREMENTS

Makes certain cooperative purchasing contracts a qualified bidder for most project awards; eliminates prohibition on construction managers bidding on project elements; requires that consultant awards be made from a pool of at least three of the most responsible qualified proposers; requires construction managers to report on ineligible costs and meet quarterly with school boards

§§ 165, 166, 171 & 172 — TECHNICAL AND CONFORMING CHANGES

Removes references to repealed statutes

§ 167 — SINGLE-USER TOILET AND BATHING ROOMS

Prohibits DAS from including new construction projects on the priority list if the project plans do not provide for single-user toilet and bathing rooms

§ 168 — SCHOOL BUILDING COMMITTEE MEMBERSHIP

Requires that school building committees include the school board chair or a designee

§§ 169 & 170 — INDOOR AIR QUALITY GRANTS

Makes endowed academies and state charter schools eligible for grants; delays, from July 1, 2024, to July 1, 2026, the start of the prohibition on DAS awarding a grant to an applicant that is not compliant with the inspection requirement; requires DAS to reconsider previously rejected grant applications in FYs 25 and 26; earmarks up to \$15 million of an existing bond authorization for grants to purchase equipment and materials for constructing and installing individual classroom air purifiers

§§ 173-175 — RENEWABLE TARIFF FOR SOLAR IN SCHOOLS

Requires PURA to initiate a docket by January 1, 2025, to establish a program to encourage solar facility and energy storage installation at public schools

§ 176 — SOLAR FEASIBILITY STUDY

Generally requires school boards, before submitting a priority list application, to have a solar feasibility assessment performed for the school building that is the subject of the application

§§ 177-209 — SCHOOL CONSTRUCTION PROJECT EXEMPTIONS, WAIVERS, AND MODIFICATIONS

Exempts school construction projects in 25 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; also repeals a prior project authorization

§ 210 — REPEALED PROVISIONS

Repeals several obsolete school building project statutes

§ 211 — TECHNICAL CORRECTIONS DURING CODIFICATION

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

§§ 1-15 & 57 — NEW BOND AUTHORIZATIONS FOR STATE AGENCY PROJECTS, GRANTS, AND OTHER PROGRAMS

Authorizes new state GO bonds for FY 25 for various capital improvements, grant programs, and other initiatives

The bill authorizes new general obligation (GO) bonds for FY 25 for the state projects, grant programs, and other programs listed in the table below. The bonds are subject to standard issuance procedures and have a maximum term of 20 years.

The bill 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 ceases to be 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.

Table: New GO Bond Authorizations for FY 25

§	Agency	Project	Amount
State Capital Projects			
2(a)	Office of Legislative Management	State Capitol and Legislative Office Building alterations, renovations, and restoration, including interior and exterior restoration and American with Disabilities Act compliance	\$45,000,000
2(b)	Department of Administrative	Reimburse environmental remediation at the former Long Lane School in Middletown	14,100,000

§	Agency	Project	Amount
	Services	Renovate and improve an opportunity center	1,000,000
2(c)	Department of Labor	Alter, renovate, and improve buildings and grounds, including utilities, mechanical systems, and energy conservation projects	5,000,000
2(d)	Department of Energy and Environmental Protection (DEEP)	Support solid waste reduction strategies	10,000,000
2(e)	Department of Correction	Alter, renovate, and improve the Manson Youth Institution in Cheshire	5,000,000
2(f)	Judicial Department	Acquire and develop a secure residential treatment center	20,000,000
Grants			
9(a)	Office of Policy and Management (OPM)	Transit-oriented development and predevelopment activities	2,000,000
9(b)	Department of Economic and Community Development (DECD)	Grants to nonprofits sponsoring cultural and historic sites	12,000,000
9(c)	Department of Housing (DOH)	Grants to nonprofits for capital improvements to facilities used to house or serve the homeless (see § 56 below)	15,000,000
9(d)	Department of Aging and Disability Services	Grants for aging in place	1,000,000
Other Programs			
57	DEEP	Heat pump rebate program under sHB 5004, § 16, of the current session, as amended	25,000,000

EFFECTIVE DATE: July 1, 2024

§§ 16-18, 26-27, 29, 31-51 & 66 — CHANGES TO CURRENT GO BOND AUTHORIZATIONS

Adjusts the amounts and purposes of current bond authorizations for specified projects and grants

Increased Authorizations

The bill increases the amounts authorized for the bond authorizations shown in the table below.

Table: Increases to Current Authorizations

§	Agency	Purpose	Current Authorization	Proposed Authorization	Increase
16	OPM	Urban Action bonds (economic and community development project grants); earmarks up to \$250,000 for a grant to Cromwell for lights at a field used by Little League teams	\$100,000,000 (for FY 25)	\$200,000,000 (for FY 25)	\$100,000,000
32	Connecticut State Colleges and Universities (CSCU)	Middlesex Community College: renovations and additions to Wheaton and Snow classroom buildings	4,800,000	4,921,648	121,648
34	CSCU	Gateway Community College: acquire, design, and construct facilities for workforce development programs, including for transportation, alternative energy, advanced manufacturing, and health sectors	28,800,000	29,808,000	1,008,000
36	CSCU	Asnuntuck Community College: alterations, renovations, and improvements to expand library and student services	3,800,000	5,011,570	1,211,570
38	CSCU	Norwalk Community College: alterations, renovations, and	18,600,000	22,100,000	3,500,000

§	Agency	Purpose	Current Authorization	Proposed Authorization	Increase
		improvements to the B wing building			
43	CSCU	Naugatuck Valley Community College: design for Kinney Hall renovation	6,000,000	7,494,240	1,494,240
47	CSCU	Advanced manufacturing and emerging technology programs (see <i>Changes to Current Authorizations' Purposes</i> below)	3,000,000	7,000,000	4,000,000
51	DEEP	Microgrid and resilience grant and loan pilot program	25,000,000	40,000,000	15,000,000

Cancellations and Reductions

The bill cancels or reduces all or part of current bond authorizations for the projects shown in the table below.

Table: Cancellations and Reductions in Current Authorizations

§	Agency	Purpose	Current Authorization	Amount Cancelled
17	DOH	Homelessness prevention and response fund	\$30,000,000	\$10,420,007*
26	Department of Transportation (DOT)	Commercial rail freight (see also §§ 25 & 55)	27,500,000	10,000,000
29	CTNext	To recapitalize CTNext's innovation place program (see <i>Changes to Current Authorizations' Purposes</i> below)	64,200,000	44,000,000
41	OPM	Responsible Growth Incentive Fund	2,000,000	2,000,000
48	CSCU	All universities: deferred maintenance, code	65,200,000	5,000,000

§	Agency	Purpose	Current Authorization	Amount Cancelled
		compliance, and infrastructure improvements		
49	CSCU	All community colleges: deferred maintenance, code compliance, and infrastructure improvements	27,600,000	5,000,000
66	DESPP	Local voluntary public safety registration system for residents with intellectual or developmental disabilities	800,000	800,000

*The bill also makes a technical correction to this authorization by reducing it by an additional \$1,250,000 to reflect reductions made in 2016 and 2017.

Changes to Current Authorizations’ Purposes

The bill changes the purposes of current bond authorizations, as shown in the table below.

Table: Changes to Current Authorizations’ Purposes

§	Amount Authorized	Current Purpose	Change
18	\$125,000,000	DEEP: qualifying retrofitting projects in multifamily homes located in environmental justice communities or alliance districts	Allows the funds to be used for financing projects and awarding grants and requires DEEP to use up to \$20 million of the bond proceeds for project grants
27	15,000,000	Department of Developmental Services: grants for supportive housing for people with intellectual or other developmental disabilities, including autism spectrum disorder	Transfers the authorization to DOH
29	64,200,000	To recapitalize CTNext’s innovation places program; earmarks (1) \$10 million for deposit into the CTNext Fund in FY 24 to cover general operating expenses and (2) \$200,000 for an economic feasibility study of certain lands in Trumbull in FY 22	Instead requires that the bonds be used by (1) CTNext for the economic feasibility study and (2) CTNext or DECD (as its successor agency) for the CTNext

§	Amount Authorized	Current Purpose	Change
			Fund and its statutory purposes
39	2,000,000	Military Department: acquire property to develop readiness centers in Litchfield County	Eliminates the requirement that this property be located in Litchfield County
45	15,000,000	OPM: grants to develop an advanced manufacturing facility in Hartford	Expands the facility's possible location to the Hartford region
44, 47	7,000,000	CSCU: advanced manufacturing and emerging technology programs	Requires that these include programs at Tunxis Community College

EFFECTIVE DATE: July 1, 2024, except the changes concerning current authorizations' purposes (other than those for CTNext and CSCU) are effective upon passage.

§§ 19-24 — UCONN 2000 INFRASTRUCTURE PROGRAM

Extends the UConn 2000 program by four years and authorizes an additional \$625 million in new bonding under the program; requires UConn or the UConn Foundation to raise \$100 million of "UConn 2000 philanthropic commitments and gifts" by June 30, 2031; sets cumulative target milestones for this fundraising that apply from FY 25 through FY 31 and ties the annual amount of UConn 2000 bonds that UConn's Board of Trustees may request in these years to the ratio of the actual commitments and gifts received to the target milestones

The bill extends the UConn 2000 program by four years, from FY 27 to FY 31, and authorizes an additional \$625 million in new bonding under the program. It also extends, from 2027 to 2031 or until completion of the UConn 2000 infrastructure program, UConn's authority to plan, design, acquire, remodel, alter, repair, enlarge, or demolish any real asset or other project on its campuses.

Project Authorizations

As the table below shows, the bill (1) increases bond authorizations for three existing UConn 2000 projects, (2) adds one new project, and (3) expands two of the existing projects. These changes and additions total \$613 million in new bond authorizations under the program.

Table: Proposed Changes to UConn 2000 Project Authorizations (in Millions)

<i>Project</i>	<i>Current Authorization</i>	<i>Proposed Authorization</i>	<i>Change</i>
Deferred maintenance, code compliance, Americans with Disabilities Act (ADA) compliance, infrastructure improvements, and renovation lump sum; and utility, administrative, and support facilities	805	863.5	58.5
Gant Building Renovations; adds a new life sciences building	34	403.5	369.5
Harry A. Gampel Pavilion and Hugh S. Greer Field House (new)	-	160	160
Torrey Life Science Renovation; adds demolition	-	25	25

Aggregate and Annual Bond Limits for UConn 2000

The bill increases the program’s aggregate bond cap by \$625 million to (1) account for the additional \$613 million in newly authorized projects and (2) add back a \$12 million reduction made under PA 23-1, § 6. It also adjusts the annual bond limits for the program for FY 25 through FY 27 and adds new limits for FYs 28-31, as shown in the table below.

Table: Annual Bond Limits for UConn 2000 (in Millions)

<i>FY</i>	<i>Current Limit</i>	<i>Proposed Limit</i>	<i>Change</i>
25	\$44	\$122	\$78
26	14	124	110
27	9	116	107
28	-	103.5	103.5
29	-	101.5	101.5
30	-	100.0	100.0
31	-	25	25

Philanthropic Commitments and Gifts

The bill requires UConn or the UConn Foundation to raise \$100 million of “UConn 2000 philanthropic commitments and gifts” by June 30, 2031, including at least (1) \$10 million of endowed gifts and (2) \$60 million designated for construction or renovation expenses. Under the bill, “UConn 2000 commitments and gifts” are those received by the

university or foundation that are designated to support the specified projects or operating expenses associated with the departments or programs housed in them. They cannot include commitments and gifts of more than \$20 million made before July 1, 2024. Specifically, these enumerated projects are the following:

1. new life sciences building to replace the George Stafford Torrey Life Sciences Building,
2. north wing of the Edward V. Gant Science Complex,
3. Harry A. Gampel Pavilion,
4. Hugh S. Greer Field House,
5. volleyball center,
6. boathouse, or
7. tennis courts.

Target Milestones. The bill sets cumulative target milestones for these UConn 2000 philanthropic commitments and gifts that apply from FY 25 through FY 31, as shown in the table below.

Table: Target Milestones for UConn 2000 Philanthropic Commitments and Gifts

<i>Cumulative Target (millions)</i>	<i>Specified Period</i>	<i>FY</i>
\$20	FY 23 to FY 24	25
31.5	FY 23 to FY 25	26
43	FY 23 to FY 26	27
54.5	FY 23 to FY 27	28
66	FY 23 to FY 28	29
77.5	FY 23 to FY 29	30
89	FY 23 to FY 30	31
100	FY 23 to FY 31	32

Annual Bond Limits. For FY 25 through FY 31, if the cumulative amount of funds raised during a specified period is less than the target for that period, the total amount of UConn 2000 bonds that UConn's

Board of Trustees may request to issue for these years must be reduced according to the bill's calculation. Specifically, the limit for these years cannot exceed the amount calculated by (1) adding the annual bond limit that applies for each year from FY 25 to the then current fiscal year, and (2) multiplying this amount by the ratio of the actual funds received to the target milestone for the current fiscal year.

Reporting Requirement. Additionally, the bill requires UConn, by September 1, 2024, and annually after, to report to the Higher Education and Employment Advancement and Finance, Revenue and Bonding committees on the total amount of UConn 2000 philanthropic commitments and gifts it received during the prior fiscal year.

UConn 2000 Reports

The bill authorizes the Finance, Revenue and Bonding Committee to require UConn to appear before the committee to present and comment on any of its UConn 2000 reports to the General Assembly.

EFFECTIVE DATE: July 1, 2024

§ 25 — COMMERCIAL RAIL FREIGHT LINE COMPETITIVE GRANT PROGRAM

Allows the state to issue STO bonds for DOT's commercial rail freight line competitive grant program

The bill allows the state to issue special tax obligation (STO) bonds for DOT's commercial rail freight line competitive grant program, which is currently funded by GO bonds. This program awards competitive grants for improvements and repairs to, and modernization of, existing rail, rail beds, and related facilities.

EFFECTIVE DATE: July 1, 2024

§ 28 — NONPROFIT SECURITY INFRASTRUCTURE COMPETITIVE GRANT PROGRAM

Allows eligible nonprofits applying for the nonprofit security infrastructure competitive grant program to also apply for a federal grant as long as they do not receive both for the same project

By law, the Department of Emergency Services and Public Protection administers a competitive grant program to reimburse eligible

nonprofits for security infrastructure improvements. The bill specifies that this law does not prohibit eligible nonprofits from applying for a federal grant in addition to the state grant, as long as the organization does not receive both for the same project.

EFFECTIVE DATE: July 1, 2024

§ 30 — MANUFACTURING ASSISTANCE ACT

Earmarks up to \$20 million in previously authorized MAA bonds for funding opportunity zone investments through an impact investment firm

The bill allows previously authorized Manufacturing Assistance Act (MAA) bonds to be used to fund up to \$20 million in investments in federally designated opportunity zones through an impact investment firm, including funding from the MAA’s Economic Assistance Revolving Fund with the governor’s approval. By law, the DECD commissioner can provide financial assistance under the MAA program (e.g., grants, credit extensions, loans, and loan guarantees) from this fund.

EFFECTIVE DATE: Upon passage

§§ 52-55 — NEW STO BOND AUTHORIZATION AND CHANGES TO CURRENT AUTHORIZATIONS

Authorizes new STO bonds for specified transportation projects

The bill authorizes \$10 million in new STO bonds for FY 25 for the DOT commercial rail freight line competitive grant program (§ 55). It also increases two current STO bond authorizations, and modifies one of their purposes, as shown in the table below.

Table: Increases and Changes to Current STO Bond Authorizations

§	Purpose	Current Authorization	Proposed Authorization	Increase
53	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; The bill requires	\$17,065,000	\$18,665,000	\$1,600,000

§	Purpose	Current Authorization	Proposed Authorization	Increase
	that this authorization include providing a grant to UConn's Department of Natural Resources and the Environment for the study required under the bill (see § 63 below)			
54	Fix-it-First bridge repair program	62,250,000	162,250,000	100,000,000

EFFECTIVE DATE: July 1, 2024

§ 56 — CAPITAL IMPROVEMENT GRANTS TO NONPROFIT FACILITIES SERVING HOMELESS INDIVIDUALS

Requires DOH to administer a capital grant program for nonprofits that own and operate facilities used to house or serve homeless individuals

The bill requires DOH to administer a capital grant program for nonprofits that own and operate facilities used to house or serve homeless individuals (e.g., shelters, day shelters, homeless hubs, and other facilities). Under the bill, these improvements may include renovation, rehabilitation, architectural, engineering, and related costs. They exclude land and building acquisitions, demolitions, and purchases and capital improvements to permanent supportive housing. DOH must administer this program for each fiscal year in which funding is available (§ 9(c) authorizes \$15 million in GO bonds for the program).

By October 1, 2024, DOH must set the program's eligibility criteria, application forms, and deadlines, and conspicuously post these on its website, along with a description of the program. By January 1, 2026, and annually after, it must report to the Housing and Finance, Revenue and Bonding committees on the program. Its report must include, for the preceding year, (1) the number of applications it received and grants it awarded and (2) a list of grant recipients and award amounts.

EFFECTIVE DATE: July 1, 2024

§§ 58 & 59 — LOW INTEREST LOAN PROGRAM FOR CLIMATE RESILIENCY PROJECTS

Requires the DEEP commissioner to set up a low interest loan program for municipalities and private entities for climate resiliency projects funded through a new Climate Resiliency Revolving Loan Fund and authorizes up to \$10 million in state GO bonds to capitalize the fund; requires DEEP to report annually to the Environment Committee on the program

Low Interest Loans for Climate Resiliency Projects

The bill requires the DEEP commissioner to set up a program to provide low interest loans to municipalities and private entities for infrastructure repairs and resiliency projects in response to unplanned climate events (other than rehousing or temporary assistance costs), funded through a new Climate Resiliency Revolving Loan Fund. The bill authorizes up to \$10 million in state GO bonds to capitalize this fund.

The DEEP commissioner must develop the program's eligibility criteria and application forms. The commissioner, or a program administrator she selects, must begin accepting loan applications on October 1, 2024. Additionally, the commissioner must report to the Environment Committee annually, starting by January 1, 2025, on (1) the program's status, including the number of loans issued and their individual and total amounts, and (2) any recommendations for related legislation.

Climate Resiliency Revolving Loan Fund

The bill creates the Climate Resiliency Revolving Loan Fund and allows it to be funded by proceeds from the bill's \$10 million bond authorization or any other funds available to the DEEP commissioner or from other sources. The fund must be used to make low-interest loans and pay the reasonable and necessary expenses to administer them. The bill allows the commissioner to contract with nonprofits to administer the fund, but she must approve any loan made from it.

Under the bill, investment earnings credited to the fund become part of the fund's assets, and any balance remaining at the end of any fiscal year is carried forward to the next year. Principal and interest payments on low-interest loans under the program must be paid to the state treasurer for deposit into the fund.

EFFECTIVE DATE: July 1, 2024

§§ 60 & 61 — DRONE GRANT PROGRAM

Requires DESPP to (1) administer a municipal grant program for municipalities to purchase drones, accessories, or both, within available resources, and authorizes up to \$3 million in state GO bonds for the program; (2) develop and post certain information (e.g., technical standards and application criteria); and (3) to report to the Public Safety and Security Committee certain program statistics from the previous year

The bill requires DESPP, within available resources, to administer a municipal grant program for buying unmanned aircraft (i.e., drones) and accessories and authorizes up to \$3 million in state GO bonds for the program. The grants may be up to 33% of the drone’s or accessories’ purchase cost. If state or federal law prohibits buying a specific drone based on the country where it was manufactured, a municipality may not use a grant to purchase the drone.

Under the bill, an “unmanned aircraft” is a powered aircraft that (1) uses aerodynamic forces to provide vertical lift, (2) is operated remotely by a pilot in command or capable of autonomous flight, (3) does not carry a human operator, and (4) can be expendable or recoverable. “Accessories” are devices associated with these drones, including cameras with night vision, thermal or infrared capabilities, and other devices needed to operate the drone to fulfill its public safety mission.

By January 1, 2025, DESPP must develop the (1) technical standards for drones and accessories eligible for the grants, and grant program’s eligibility criteria, application forms, and deadlines and (2) conspicuously post these on its website, along with a description of the program.

The bill also requires DESPP, by January 1, 2026, and in each year in which grants are issued, to report to the Public Safety and Security Committee. The report must include information for the preceding calendar year on the number of grant applications received, the number of grants awarded, and a list of the municipalities that received grants.

EFFECTIVE DATE: July 1, 2024

§ 62 — DOH REPORT ON BOND-FUNDED HOUSING PROGRAMS

Requires DOH to report biannually to the Finance, Revenue and Bonding Committee on specified bond-funded programs

Starting by September 1, 2024, and until September 1, 2026, the bill requires 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 FYs 24 and 25 bond act or any similar public act. Specifically, DOH must report the following for the prior fiscal year and six months:

1. the specific programs for which it used these bond funds and amount from each authorization used for each specific program,
2. its activities addressing supportive housing under these programs and how much of each authorization it used for these activities, and
3. the amount from each authorization it gave to the Connecticut Housing Finance Authority to administer housing-related programs.

EFFECTIVE DATE: July 1, 2024

§ 63 — DOT GRANT TO UCONN'S DEPARTMENT OF NATURAL RESOURCES AND THE ENVIRONMENT

Requires DOT to award a grant to UConn's Department of Natural Resources and the Environment

The bill requires DOT to give a grant, from available resources (see § 53), to UConn's Department of Natural Resources and the Environment to study carbon sequestration by trees and other vegetation along roads and other areas in the state. The department must submit, to the Transportation and Environment committees, an interim report by January 1, 2025, and final report with its findings and recommendations by July 1, 2025. It must also present either or both of these reports at a joint hearing held by these committees.

EFFECTIVE DATE: July 1, 2024

§ 64 — HOUSING ENVIRONMENTAL IMPROVEMENT LOAN AND GRANT FUND AND RETROFIT PILOT PROGRAM

Expands DEEP's multi-family housing retrofit pilot program by allowing (1) it to offer grants in addition to loans and (2) the department to contract with quasi-public agencies to administer the fund that finances the program

Grant Funding

Current law requires the Department of Energy and Environmental Protection (DEEP), in collaboration with DOH, to start one or more pilot programs that provide financing for qualifying retrofit projects in multi-family homes located in environmental justice communities or alliance districts (e.g., energy efficiency projects or projects to address health concerns). This financing is currently funded through the Housing Environmental Improvement Revolving Loan Fund, with \$125 million in GO bonds authorized to capitalize the fund.

The bill allows DEEP to also provide grants under the program and correspondingly renames the fund as the "Housing Environmental Improvement Revolving Loan and Grant Fund." Additionally, it allows DEEP to enter into contracts with quasi-public agencies to administer the fund, in addition to nonprofits as current law allows.

Implementation Date

The bill delays, by one year, the date DEEP must start accepting applications for the program, from July 1, 2024, to July 1, 2025, and correspondingly delays:

1. DEEP's reporting deadline to the Housing Committee from October 1, 2027, to October 1, 2028; and
2. the pilot program's termination date from September 30, 2028, to September 30, 2029.

Eligibility

Under current law, to be eligible for pilot program financing, a dwelling unit must be currently occupied by a tenant or will be occupied within 180 days after DEEP awards the owner financing. Owners must repay DEEP all the funds he or she receives under the program if this timeframe is not met. Additionally, units cannot be owner-occupied.

The bill eliminates these conditions and instead extends eligibility to owners of residential dwelling units as defined in state law.

Lastly, the bill expands the definition of “low-income resident” applicable to the program or programs to also include any other definition of this term used in state programs using federal funding, as the DEEP commissioner determines. Under current law, low-income residents are households with an income of no more than 60% of the state median income or 80% of the federally determined area median income adjusted for family size. As under existing law, DEEP must prioritize financing for projects benefitting current or prospective low-income residents.

EFFECTIVE DATE: October 1, 2024

§ 65 — EXISTING BOND AUTHORIZATION FOR DEEP MULTIFAMILY HOUSING RETROFITTING PILOT PROGRAM

Eliminates provisions in HB 5474 of the current session that modify the \$125 million bond authorization for the DEEP multifamily housing retrofit pilot program described above

The bill eliminates provisions in HB 5474 of the current session that modify the \$125 million bond authorization for the DEEP multifamily housing retrofit pilot program described above. Specifically, it eliminates HB 5474, § 20, as amended, which (1) delays \$75 million of the bond’s authorized for the program from FY 25 to FY 26, (2) caps at \$20 million the amount of these bond proceeds that DEEP may use for grants under the program, and (3) makes a conforming change to reflect the bill’s expansion of the program to include grants.

EFFECTIVE DATE: Upon passage

§ 67 — INSURANCE PREMIUMS TAX REAUDITS AND REASSESSMENTS

Authorizes the DRS commissioner to reaudit insurance premiums tax returns and impose more than one deficiency assessment, subject to the same requirements that apply to audits and assessments under existing law

This bill authorizes the Department of Revenue Services (DRS) commissioner to reaudit (i.e., reexamine) insurance premiums tax returns and impose more than one deficiency assessment (i.e.,

reassessment) for a tax period. It subjects these reexaminations and reassessments to the same requirements that apply to examinations and assessments under existing law, including interest, penalty, notice, and statute of limitations provisions. By law, with certain exceptions, the DRS commissioner generally has three years from the tax return's due date to examine the return and make a deficiency assessment. The same limitation applies to reexaminations and reassessments under the bill.

EFFECTIVE DATE: Upon passage

§ 68 — INITIAL FIVE-YEAR INSURANCE PREMIUMS TAX RETURNS FOR NONRESIDENT AND FOREIGN COMPANIES

Extends, from 45 days after being initially licensed to do business in Connecticut to 90 days after this date, the due date for newly licensed nonresident- and foreign-licensed insurance companies to remit their initial five-year return to DRS

The bill extends, from 45 days after being initially licensed to do business in Connecticut to 90 days after this date, the due date for newly licensed nonresident- and foreign-licensed insurance companies to remit their initial five-year return to DRS. By law, these companies must pay state insurance premiums tax on the net direct premiums they received in the five preceding calendar years from policies written on property or risks located in the state (except ocean marine insurance).

EFFECTIVE DATE: Upon passage

§ 69 — INCOME TAX WITHHOLDING FOR RETIREMENT INCOME DISTRIBUTIONS

Allows, rather than requires, income tax withholding for certain retirement income distributions and changes the methods for determining the amount of tax withheld from these distributions

The bill allows, rather than requires, income tax withholding for certain retirement income distributions and changes the methods for determining the amount of tax withheld from these distributions.

Under current law, payers that have an office in Connecticut or do business here and make distributions from pensions, annuities, or other specified sources must withhold income tax when making taxable payments to Connecticut residents. (These other sources include a profit-sharing plan, stock bonus, deferred compensation plan,

individual retirement arrangement, endowment, or life insurance contract.)

The bill instead requires payers to withhold tax from these distributions only if the payee requests it, unless they are “lump sum distributions.” Under the bill, a “lump sum distribution” is any distribution greater than \$5,000 or more than 50% of the payee’s entire account balance, whichever is less, excluding any other tax withholding and any administrative charges and fees. The bill retains the mandatory withholding requirement for these lump sum distributions.

EFFECTIVE DATE: January 1, 2025, and applicable to tax years starting on or after that date.

Distributions Other Than Lump Sum Distributions

Under the bill, for distributions of \$5,000 or less or 50% or less of the payee’s entire account balance (whichever is less), the payee’s request for tax to be withheld and the determination of the withheld amount must be made according to Department of Revenue Services (DRS) regulations for pension payments and annuity distributions (see *Background – DRS Regulations on Tax Withholding for Pension Payments and Annuity Distributions*).

This requirement applies instead of the current one that payers deduct and withhold from these distributions, as far as practicable, an amount substantially equal to the tax reasonably estimated to be due from the payee for those distributions during the calendar year. Under current law, the method of determining the withheld amount is according to instructions the DRS commissioner provides, except as described below for distributions of a payee’s entire account balance.

Lump Sum Distributions

Under the bill, if a payee does not ask for an amount withheld from a lump sum distribution, the payer must withhold from its taxable portion at the highest marginal rate. Current law requires payers to withhold at the highest marginal rate only for any payments of a payee’s entire retirement account balance, excluding any other tax withholding

and administrative charges and fees (i.e., “lump sum distributions” as defined under current law).

As under current law, a lump sum distribution is exempt from withholding if (1) any portion of it was previously taxed, (2) it is a rollover trustee-to-trustee transfer, or (3) it is a direct rollover by a check made payable to another qualified account.

Background — DRS Regulations on Tax Withholding for Pension Payments and Annuity Distributions

DRS regulations require any payer of pensions and annuities that has an office in Connecticut or does business here to withhold state income tax from pension or annuity payments that are distributed to a state resident if the resident requests it. (The statutes, however, have required tax withholding for these distributions since 2018.)

Under the regulations, payers must give resident individuals who receive these payments a Form CT-W4P (Withholding Certificate for Pension or Annuity Payments), and payees must use this form to request the withholding. Their request to deduct and withhold state income tax must be made in a specific whole dollar amount of at least \$10 per payment (Conn. Agencies Regs., § 12-705(b)-3).

§ 70 — LOCAL OPTION PROPERTY TAX EXEMPTIONS FOR FARM MACHINERY AND BUILDINGS

Increases the cap on the local option property tax exemption for (1) farm machinery, from \$100,000 to \$250,000 in assessed value and (2) certain farm buildings from \$100,000 to \$500,000 in assessed value

The bill increases the cap on the local option farm machinery property tax exemption from \$100,000 to \$250,000 in assessed value. A municipality may adopt the exemption, by vote of its legislative body, in any amount up to the cap. By law, this exemption applies in addition to the \$100,000 state-mandated exemption.

The bill also increases, from \$100,000 to \$500,000 in assessed value, the cap on the local option property tax exemption for buildings actively and exclusively used in farming or used as housing for the farmer’s seasonal employees.

EFFECTIVE DATE: Upon passage

§ 71 — LOCAL OPTION HOMESTEAD EXEMPTION

Allows municipalities to provide a partial property tax exemption for certain owner-occupied primary residences

The bill allows municipalities, by vote of their legislative bodies (or board of selectmen if the legislative body is a town meeting), to provide a partial property tax exemption for certain owner-occupied primary residences. Specifically, it allows them to exempt between 5% and 35% of the assessed value of owner-occupied single-family homes and duplexes (including condominiums and common interest community units).

EFFECTIVE DATE: Upon passage

§§ 72-79 — PROPERTY TAX EXEMPTION FILING DEADLINES

Allows taxpayers in seven municipalities to claim certain property tax exemptions even though they missed the filing deadline to claim the exemption or provide required documentation, as applicable

The bill allows taxpayers in seven municipalities to claim certain property tax exemptions for the property and grand lists shown in the table below, even though they missed the filing deadline to claim the exemption or provide required documentation, as applicable. It does so by waiving the deadline if the taxpayer files for the exemption by July 31, 2024, and pays the statutory late filing fee. The tax assessor must confirm that he or she received the fee, verify the property’s eligibility for the exemption, and subsequently approve the exemption. The municipality must refund any taxes, interest, or penalties paid on the property as if the claim was timely filed.

Table: Exemption Deadline Waivers

<i>Municipality</i>	<i>Grand List</i>	<i>Exemption</i>
Litchfield	2023	Machinery and equipment used for manufacturing, biotechnology, and recycling (§ 12-81(76))
Thomaston	2022	
West Haven	2023	
Manchester	2021	Property leased to charitable, religious, or nonprofit organizations (§ 12-81(58))
Middletown	2021 and 2022	Property held for cemetery use (§ 12-81(11))
Waterbury	2022	

Municipality	Grand List	Exemption
Meriden	2021 and 2022	Property owned, or held in trust for, any corporation organized exclusively for scientific, educational, literary, historical, or charitable purposes and used exclusively for such purposes or preserving open space land (§ 12-81(7))
Waterbury	2021	

EFFECTIVE DATE: July 1, 2024

§§ 80 & 81 — REVALUATION DELAY FOR STRATFORD AND DERBY

Allows Stratford and Derby, with each legislative body's approval, to delay a revaluation scheduled for 2024 to the 2025 assessment year

The bill allows Stratford and Derby, with approval from their legislative bodies, to delay a revaluation scheduled for 2024 until the 2025 assessment year. If the town opts to do so, it must implement its next revaluation according to the schedule it was following prior to the delay. The bill allows the person or entity authorized by law to prepare tax bills in these towns to prepare new bills based on the delayed revaluation.

EFFECTIVE DATE: Upon passage

§§ 82-90 — MUNICIPAL EMPLOYEE RETIREMENT COMMISSION AND MUNICIPAL DEFINED CONTRIBUTION PLAN

Creates the Municipal Employees Retirement Commission and, starting January 1, 2025, transfers responsibility for the municipal employees retirement system (MERS) and the Policemen and Firemen Survivors' Benefit Fund from the State Employees Retirement Commission (SERC) to the new commission; requires the state comptroller to create a municipal defined contribution retirement plan and set how municipalities may adopt the plan

The bill creates the Municipal Employees Retirement Commission and, starting January 1, 2025, transfers responsibility for the municipal employees retirement system (MERS) and the Policemen and Firemen Survivors' Benefit Fund ("benefit fund") from the State Employees Retirement Commission (SERC) to the new commission. It also makes the new commission, rather than SERC, the state's agent for all matters related to the federal Social Security Old Age and Survivors Insurance System (i.e., "Social Security") and the municipalities covered by it.

Under the bill, the commission consists of 13 members: 11 appointed

trustees and two ex-officio, nonvoting members (the state treasurer and comptroller). Eight of the appointed trustees represent either employer or employee interests. The governor must make most appointments, with advice and consent from different organizations, depending on the appointment.

Broadly, the bill gives the new commission powers and responsibilities over MERS and the benefit fund and imposes related requirements similar to those that currently apply to SERC. It also requires the comptroller and treasurer to provide support to the commission, MERS, and the benefit fund in ways similar to those required under current law.

The bill allows a MERS retiree who returns to work for a municipality that does not participate in MERS to participate in and receive credit in that municipality's retirement system. (Under current law, MERS retirees who return to work may participate in and receive credit in the state employee retirement system, but not in that of a nonparticipating municipality.)

Separately, the bill requires the comptroller to create and administer a municipal defined contribution retirement plan (e.g., 401(k)), which any municipality may join.

Lastly, it makes technical and conforming changes, including repealing an obsolete study requirement.

EFFECTIVE DATE: July 1, 2024, except that the provisions on (1) MERS retirees participating in a nonparticipating municipality's retirement plan, the defined contribution plan, the study repeal, and a conforming change are effective upon passage and (2) the other conforming changes and Social Security provisions are effective January 1, 2025.

Municipal Employees Retirement Commission

Under the bill, the Municipal Employees Retirement Commission constitutes a successor commission to SERC for administering MERS and the benefit fund.

Relationship to Comptroller. The bill places the commission within the Retirement Services Division of the comptroller’s office for administrative purposes only. It requires the comptroller’s office to include in its budget, as a separate part, any budgetary request from the commission exactly as the commission submitted it.

The comptroller must serve as the commission’s secretary and provide secretarial support to the commission. The Retirement Services Division must (1) perform record keeping, reporting, and related administrative and clerical functions for the commission, as the comptroller deems necessary; (2) distribute, for the commission, any required notices, rules, or orders that the commission adopts, amends, or repeals; and (3) provide staff in accordance with existing law (which generally allows the new commission to hire its own staff if the legislature provides or authorizes funds for it).

Membership. Under the bill, the commission consists of 13 members. The state comptroller and treasurer (or their designees) are non-voting, ex-officio members and the comptroller must preside at the commission’s meetings. Of the remaining 11 appointed trustees, four must represent municipal employees, four must represent municipal employers, two must be experts with relevant experience, and one must be a neutral party. The neutral trustee serves as the commission’s chairperson and votes only if there is a tie.

The bill establishes qualifications for each appointed trustee, names the appointing authority (in most cases, the governor), and specifies the selection process. The table below shows detailed information for each appointed trustee.

Table: Appointed Trustees

Trustee Type	Qualification	Appointing Authority	Selection Process
Employee representatives	Municipal public safety employee who is a MERS member or an elected leader of a labor organization representing public safety employees	Governor	Selected from a list of four nominees submitted by an in-state federation of in-state labor organizations that represent private and public employees and workers in the

Trustee Type	Qualification	Appointing Authority	Selection Process
			building trades
	Municipal employee (non-public safety) who is a MERS member or an elected leader of a labor organization representing municipal employees	Governor	Selected from a list of four nominees submitted by an in-state federation of in-state labor organizations that represent private and public employees and workers in the building trades
	Municipal employee (non-public safety) who is a MERS member or an elected leader of a labor organization representing municipal employees	Governor	Selected from a list of four nominees submitted by an in-state federation of in-state labor organizations that represent private and public employees and workers in the building trades
	Retired MERS member	Governor	Selected from a list of four nominees submitted by an in-state federation of in-state labor organizations that represent private and public employees and workers in the building trades
Employer representatives	Municipal employer representative	Governor	Selected with the advice and consent of an in-state organization representing small towns
	Municipal employer representative	Governor	Selected with the advice and consent of an in-state organization representing municipalities
	Municipal employer representative	Governor	Selected with the advice and consent of an in-state organization representing municipalities
	Municipal housing authority representative	Governor	Selected with the advice and consent of an in-state organization representing housing and redevelopment officials
Experts	Two trustees with expertise and experience in financial management, actuarial science, or pension management	Comptroller	Approved by a simple majority of employee and employer trustees
Neutral trustee/ chairperson	None specified	Governor	Trustees appointed to represent employees and

<i>Trustee Type</i>	<i>Qualification</i>	<i>Appointing Authority</i>	<i>Selection Process</i>
			government employers

Initial Appointment, Terms, and Vacancies. Initial appointments to the commission must be made by October 1, 2024. The bill sets the trustees' initial terms so that their expiration is staggered. The terms of two employer representatives, two employee representatives, and one expert end on September 30, 2026, and the remaining terms end on September 30, 2028. The appointing authority selects which trustees' terms expire on the earlier date.

After the initial terms expire, subsequent terms are for four years. Appointing authorities must fill any vacancies, with those occurring within the term filled for the remainder of the term.

Fiduciary Responsibilities. The bill requires each trustee to act as a fiduciary for MERS and the benefit fund and the members of each. They must perform their duties exclusively (1) in the interest of members, beneficiaries, and contingent annuitants of MERS and the benefit fund and (2) to provide benefits to these individuals and defray reasonable administrative expenses.

Within 10 days after appointment, each trustee must take an oath of office that he or she will diligently and honestly administer MERS and the benefit fund and will not knowingly violate any applicable laws or allow them to be violated.

The bill requires the comptroller to establish an orientation program and fiduciary training for new trustees. Each trustee must complete the program and training within 30 days after their appointment and must annually complete continuing education hours, as the comptroller requires, in financial management, actuarial science, or pension management. The comptroller must publish the activities and courses he deems acceptable for meeting this requirement.

Compensation. Trustees are not paid for their service, but the bill requires them to be reimbursed for necessary expenses they incur when

performing their duties within the limits of available funds.

Conducting Business. Under the bill, a majority of commission members constitutes a quorum to conduct business, exercise powers, or perform any duties the law authorizes or imposes. The commission must meet at least monthly, and report annually on its activities as the law requires for all budgeted agencies.

The bill allows the commission to hold hearings when it deems them necessary. Any hearings must be governed by rules and regulations the commission adopts, and the commission is not bound by technical rules of evidence.

Legal Counsel. The bill also allows the commission to hire a general counsel who serves at the commission's pleasure, has offices in the Retirement Services Division, and performs duties at the commission's direction. The commission may also get additional legal advice and assistance as it deems advisable.

Administration of MERS and the Benefit Fund

Commission Responsibilities. The bill applies to the new commission various responsibilities and requirements that currently apply to SERC when administering MERS and the benefit fund.

The bill gives the commission general supervision of MERS and the benefit fund and requires that it conduct its business according to existing laws on MERS and the benefit fund. The bill requires the commission to act (1) with the care, skill, prudence, and diligence that a prudent person would exercise under similar circumstances and (2) according to strict fiduciary standards and responsibilities, the general statutes, and applicable collective bargaining agreements.

The commission may, by resolution or regulation, allocate fiduciary responsibilities and administrative duties to commission committees or subcommittees. It may also delegate these responsibilities to the Retirement Services Division or to other individuals the commission deems appropriate and necessary, as long as the delegation is consistent with the bill's provisions.

The bill also allows the commission to adopt any regulations and rules it needs to administer MERS and the benefit fund and carry out related laws. The regulations and rules are binding on all parties dealing with the commission and anyone claiming benefits from MERS or the fund.

Information for Members. Under the bill, all municipal retirement plans, descriptions, and reports as well as all legal, financial, and actuarial documents dealing with the general operation of MERS and the benefit fund must be available for inspection and copying by members and their representatives. The members or representatives must pay for any copies, but the cost may not exceed 25 cents per page.

The commission must notify members about any substantial statutory amendment to MERS or the benefit fund within 210 days after it takes effect.

State Treasurer Asset Management. The bill specifies that MERS and benefit fund assets must be held in trust by the state treasurer, who must act as a fiduciary for both. The treasurer must manage and control the assets unless the commission or a municipal retirement plan expressly requires otherwise. The treasurer must perform his duties exclusively in the interest of, and to provide benefits to, members, beneficiaries, and contingent annuitants of MERS and the benefit fund. He must diversify the investments of MERS and the benefit fund to minimize the risk of large losses unless it is clearly not prudent to do so under the circumstances.

Under existing law, unchanged by the bill, the MERS pension funds and the Policemen and Firemen Survivors' Benefit Fund are designated as state trust funds and the treasurer must invest their assets under the law's requirements for state trust funds regardless of any other provision in state statutes (CGS § 3-13c).

Annual Fiscal Transaction Report. The bill establishes an annual reporting requirement for the treasurer similar to the report he must currently provide for SERC. Starting by December 31, 2025, the treasurer must annually publish and forward to the new commission a

consolidated report on the fiscal transactions of MERS and the benefit fund for the prior fiscal year. It must include (1) gain or loss by security category, (2) a reconciliation of assets showing the progression of funds in MERS and the fund from one year to the next, (3) the amount of securities and accumulated cash in MERS and the benefit fund, and (4) the last balance sheet showing the financial condition of MERS and the benefit fund through an actuarial valuation of their assets and liabilities. Assets must be shown at book and market value by type or term of investment. The treasurer may satisfy this reporting requirement by completing IRS forms on investment income and expenses (i.e., IRS Form 5500) and submitting them to the commission, as long as the information is sufficient to calculate MERS and benefit fund investment yields on an annual basis.

Social Security

By law, municipal employees are only covered by Social Security if their employing municipality has chosen to participate in the system, and state law explicitly excludes some types of municipal employees (e.g., teachers) from participating (see *Background – Social Security and Municipal Employees*).

The bill makes the new commission, rather than SERC, the state's agent authorized to act in all matters related to Social Security and the municipal employees covered by it. In doing so, it makes the new commission, rather than SERC, responsible for doing the following, among other things:

1. approving a municipality's application for membership in the Social Security system,
2. making regulations on the procedure for municipalities to enter and maintain membership in the system, and
3. supervising certain municipal referendums to determine which municipal positions will participate in the system.

Defined Contribution Plan

On or after July 1, 2025, the bill requires the state comptroller to create

a municipal defined contribution retirement plan and set how municipalities may adopt the plan. The new plan must allow municipalities that previously adopted a defined contribution plan to transfer their accounts and assets to the new plan.

The comptroller must serve as the new plan's administrator and may (1) enter into contracts, on the state's behalf, with plan members to defer any portion of their compensation from the adopting municipality; (2) make deposits or payments to the plan, subject to its terms; and (3) contract with a private corporation or institution to provide billing and other administrative services to the plan. Municipal employers must deduct the required contributions for their employees who are members of the new plan.

Background — Social Security and Municipal Employees

When Congress passed the Social Security Act in 1935, it excluded federal, state, and local government employees from mandatory coverage (42 U.S.C. Ch. 7). The exclusion for state and local public employees was based on constitutional concerns about whether the federal government could impose taxes on state governments. In the early 1950s, Congress amended the law to allow state and local government employees to receive coverage if they voluntarily chose it in a referendum, and state law correspondingly lays out a process for this to occur (CGS §§ 7-452 to 7-459).

§§ 91-109 — MINOR AND TECHNICAL CHANGES TO TAX RELATED STATUTES

Makes minor, technical, and conforming changes to various tax statutes

The bill makes minor, technical, and conforming changes to various tax statutes, including:

1. eliminating a provision specifying that notices of assessment of successor liability for cigarette tax become final 60 days after the notice is mailed, unless the successor has requested a hearing (but keeping the 60-day time frame to request a hearing on the assessment);
2. correcting statutory references in provisions on assessment of

apartment property, tax credits for employers making student loan payments, and estate settlement in probate court; and

3. repealing statutes that specify when the comptroller must record revenue from certain taxes that have sunset.

EFFECTIVE DATE: October 1, 2024, except the repealed provisions are effective upon passage.

§§ 110 & 111 — YOUTH SPORTS GRANT PROGRAM

Creates a youth sports grant program to give grants to distressed municipalities to support the operating costs of nonprofit youth sports organizations; funds the program with 2% of the state's revenue from sports wagering

The bill creates a youth sports grant program to give grants to distressed municipalities to support nonprofit youth sports organizations providing sports programs and activities primarily for distressed municipality residents under age 18 (i.e., “eligible organizations”). It funds the program with 2% of the state’s monthly revenue from sports wagering.

Beginning with FY 27, the bill allows distressed municipalities to apply to the Office of Policy and Management (OPM) for the grants. Municipalities awarded grants must disburse them to eligible organizations and prioritize sports programs and activities that (1) provide adaptive sports for children and young adults with disabilities or (2) seek to improve outcomes in mental health (by developing social and emotional skills), educational achievement (by increasing attendance and attainment), or community cohesion (by strengthening cooperation, teamwork, and leadership).

Under the bill, eligible organizations must use the grant funds they receive from a distressed municipality for expenses to operate sports programs and activities in the municipality. Qualifying expenses include those for personnel, equipment, insurance, permits, training and facility fees, sports facility renovation, playing field refurbishment, and defraying or eliminating participant fees.

The bill also establishes an application process and requires

municipalities and OPM to report certain information on the grants awarded under the bill.

EFFECTIVE DATE: July 1, 2025, except that the provision directing sports wagering revenue to the account is effective October 1, 2024.

Application Process

Beginning with FY 27, OPM must annually notify each distressed municipality’s chief executive official about the application period for grants for that fiscal year. Applications may be submitted by any of these officials and must be in the form and manner OPM prescribes, with enough information for OPM to consider the priority criteria the bill establishes. Municipalities must submit a new application each year they wish to apply.

Program Funding

Starting July 1, 2025, the bill requires the consumer protection commissioner to deposit 2% of the state’s sports wagering revenue each month into the youth sports grant account the bill establishes. The account is a separate, nonlapsing account in the General Fund, must contain any money the law requires to be deposited in it, and may accept gifts, grants, and donations. The OPM secretary must spend account funds to provide grants under the bill.

Reporting

At the end of the fiscal year in which they received a grant, the bill requires distressed municipalities to submit a report to OPM with a summary of each organization that received funds and a description of the sports programs or activities and related expenses for which they used the money.

Starting by January 1, 2029, OPM must biennially report on the program’s prior two fiscal years to the Committee on Children and the Education and Finance, Revenue and Bonding committees. The report must include, for each fiscal year, the:

1. amount of sports wagering revenue deposited into the program account;

2. municipalities that applied for grants, those that were awarded, and the total amount of grants awarded; and
3. summaries from municipalities described above.

Background — Distressed Municipalities

“Distressed municipality” is a designation under state law used to target funds to fiscally and economically distressed municipalities. The Department of Economic and Community Development annually designates distressed municipalities, generally based on high unemployment and poverty, aging housing stock, and low or declining rates of job, population, and per capita income growth. Municipalities that were once deemed distressed, but no longer meet the criteria, receive a grace period of five years after they no longer meet criteria during which they are still considered a distressed municipality under the law (CGS § 32-9p).

The current (2023) distressed municipalities are Ansonia, Bridgeport, Chaplin, Derby, East Hartford, East Haven, Griswold, Hartford, Lisbon, Mansfield, Meriden, Montville, New Britain, New London, Norwich, Plymouth, Putnam, Sprague, Sterling, Torrington, Voluntown, Waterbury, West Haven, Winchester, and Windham. Municipalities currently in the grace period are Bristol, Enfield, Groton, Killingly, Naugatuck, New Haven, North Stonington, Plainfield, Preston, and Stratford.

§ 112 — NET OPERATING LOSS

Extends, from 20 to 30 income years, the period when corporations may carry forward an NOL deduction for corporation business tax purposes for NOLs incurred in income years starting on or after January 1, 2025

The bill extends, from 20 to 30 income years, the period when corporations may carry forward a net operating loss (NOL) deduction for corporation business tax purposes. (NOL is the amount by which a corporation’s total allowable deductions exceed its gross income.) The bill’s extended carry forward period applies to NOLs incurred in income years starting on or after January 1, 2025.

EFFECTIVE DATE: Upon passage

§ 113 — SOLAR CANOPY PLANS IN MUNICIPALITIES

Modifies HB 5232 to allow, rather than require, municipal planning and zoning commissions to (1) establish a simplified process for applications to build solar canopies and (2) act on land use applications for solar canopies within six months

Among other things, HB 5232, as amended by House Amendment “A,” requires municipal planning commissions, zoning commissions, or combined planning and zoning commissions to (1) amend their zoning regulations to establish a simplified approval process for solar canopy applications and (2) approve or deny land use applications to build solar canopies within six months after the application is filed. This bill instead allows, rather than requires, them to take these actions.

A “solar canopy” is an outdoor, shade-providing structure that hosts solar panels located above a parking or driving area, pedestrian walkway, courtyard, canal, or other used surface, installed in a way that maintains the function of the area underneath the structure (e.g., carports).

EFFECTIVE DATE: July 1, 2024

§ 114 — ASSESSMENT APPEALS BROUGHT TO SUPERIOR COURT

Establishes conditions under which certain people who filed a property tax assessment appeal with the Superior Court from July 1, 2022, but before July 1, 2024, and had their appeal dismissed may bring another appeal application to the court

By law, taxpayers aggrieved by a board of assessment appeals’ decision may appeal to Superior Court. If the appeal concerns the valuation of real property assessed at \$1 million or more, the law requires applicants to file a property appraisal with the court within 120 days after filing the appeal. Under the bill, for any application made on or after July 1, 2022, but before July 1, 2024, that was dismissed because the applicant submitted the appraisal to the municipality’s assessor rather than the court, the applicant may bring another application to the court if he or she (1) gave notice to the court of submitting the appraisal to the assessor and (2) applies before September 1, 2024.

EFFECTIVE DATE: July 1, 2024

§ 115 — MIRA TIPPING FEE STABILIZATION

Allows, through FY 26, up to \$6 million of MIRA funds spent for tipping fee stabilization to be reimbursed by state bond funds; caps the total issuance of state bonding for MIRA funds at \$13.5 million

Among other things, PA 23-170 created the quasi-public Materials Innovation and Recycling Authority (MIRA) Dissolution Authority as a successor to MIRA and tasked it with things such as winding down MIRA's operations and activities. The act specified that MIRA's funds were not surplus revenues and required them to be used to support the authority's properties, systems, and facilities.

The bill allows, through the end of FY 26, up to \$6 million of the authority's funds spent for tipping fee (i.e., cost of waste disposal) stabilization to be reimbursed through state bonding. The bill caps the total issuance of state bonds for MIRA funds at \$13.5 million. It also prohibits using any MIRA funds for tipping fee stabilization beginning in FY 27.

EFFECTIVE DATE: Upon passage

§§ 116 & 117 — STATE BUILDING CODE AND FIRE SAFETY CODE AMENDMENTS

Requires the next adopted version of the State Building Code and the Fire Safety Code to include amendments that (1) allow additional residential homes to be served by a single exit stairway and (2) encourage construction of safe three- or four-unit residential buildings under similar requirements for certain one- and two-unit residential buildings; requires those adopting State Building Code amendments to consider the housing shortage

The bill requires the next adopted version of the State Building Code and the Fire Safety Code to include amendments that (1) allow additional residential homes to be served by a single exit stairway and (2) encourage construction of safe three- and four-unit residential buildings under similar requirements for certain one- and two-unit residential buildings.

The amendments must allow additional residential occupancies to be served safely by a single exit stairway, in such a way as to:

1. be consistent with safe occupancy and egress;
2. consider the experience of Seattle, New York City, and Honolulu in implementing similar provisions;

3. apply to municipalities in which the fire service is sufficient to maintain safe occupancy and egress under the additional occupancies, if appropriate;
4. promote the inclusion of units with three or more bedrooms in building designs to promote construction of family-sized units, especially on smaller lots; and
5. allow additional stories above grade plane to be served by a single exit stairway in buildings with automatic sprinkler systems, under conditions to ensure safe occupancy and egress, which includes additional levels of fire and smoke separation and any needed features to allow firefighters to ascend a stair as occupants descend.

The amendments must also encourage construction of safe three- and four-unit residential buildings, which must:

1. be consistent with safe occupancy and egress, and
2. include three- and four-unit residential buildings in the International Residential Code portion of the State Building Code, or otherwise provide for requirements for these buildings in the International Building Code portion of the State Building Code similar to those for one- and two-unit residential buildings in the same portion of the code, under conditions that ensure safe occupancy and egress.

The bill respectively requires (1) the state building inspector and the Codes and Standards Committee to jointly, with the Department of Administrative Services (DAS) commissioner's approval, include these amendments in the next update to the State Building Code and (2) the state fire marshal and the Codes and Standards Committee to include the amendments in the next update to the Fire Safety Code.

Additionally, the bill requires the state building inspector, the Codes and Standards Committee, and DAS commissioner, when adopting State Building Code amendments, to consider that the state's housing

shortage compromises the safety of residents who cannot afford a safe home. The amendments must also encourage producing buildings that include safe housing that can be built at a reasonable cost.

EFFECTIVE DATE: Upon passage

§§ 118-123 — CONCENTRATED POVERTY

Creates a pilot program to reduce the levels of concentrated poverty in the state by developing and implementing a 10-year plan for a participating “concentrated poverty census tracts;” creates a new office in DECD to oversee the plan’s implementation and monitor the state’s progress in reducing concentrated poverty; creates a seven-member working group to develop a guidance document that sets a framework that must be incorporated into the plan; gives the projects included in the plan priority for specified state grants and funding programs; renames “high poverty low opportunity” census tracts as concentrated poverty census tracts; decreases, from 25 to 15, the number of new FTEs that a business must create and maintain to be eligible for the JobsCT rebate program if at least three of these FTEs live in a concentrated poverty census tract; allows the business to earn an additional rebate amount for each FTE who lives in one of these tracts

Overview

This bill creates a pilot program to reduce the levels of concentrated poverty in the state by developing and implementing a 10-year plan for a participating “concentrated poverty census tracts.” Under the bill, these are census tracts in which at least 30% of the households have incomes below the federal poverty level (FPL) that were identified by the Office of Policy and Management (OPM) under the high poverty-low opportunity (HPLO) program, as of January 1, 2024. The bill also declares that the state has concentrated poverty that creates long-term disadvantages for impacted residents.

The bill creates a new office within the Department of Economic and Community Development (DECD) to, among other things, oversee the plan’s implementation and monitor the state’s progress in reducing concentrated poverty. It requires the office to develop a 10-year plan for the participating census tract (or groups of tracts) together with specified state agencies and local officials and the community development corporation (CDC) established by community members to help implement the plan. Among other things, it (1) requires that the plan include a list of possible projects determined to be the most appropriate and effective to eliminate concentrated poverty in the tract

or tracts, (2) gives these projects priority for specified state grants, and (3) adds incentives to the JobsCT tax rebate program for hiring individuals residing in concentrated poverty census tracts.

The bill requires DECD to report to the legislature on the office's progress in developing and implementing the 10-year plan and, by January 1, 2029, recommend whether to expand the pilot program to all qualifying tracts. It creates a seven-member legislative working group to develop a guidance document that sets a framework that must be incorporated into the plan.

The bill also allows the CDCs established by community members to bring a mandamus action against state or municipal officials who do not timely fulfill their requirements or responsibilities under the program or a 10-year plan to compel them to do so.

Lastly, the bill (1) renames the HPLO census tracts as "concentrated poverty census tracts" and makes corresponding changes throughout the program's statutory provisions and (2) specifies that these census tracts are based on the poverty level of households, rather than residents (see *Background – HPLO Census Tracts*).

EFFECTIVE DATE: Upon passage

Declaration

The bill declares that Connecticut has concentrated poverty that takes a critical toll on people who live in communities with concentrated poverty. It states that concentrated poverty creates lifelong and persistent disadvantages across generations by:

1. lowering the quality of educational and employment opportunities,
2. limiting health care access and diminishing health outcomes,
3. increasing crime exposure,
4. reducing available choices for affordable and properly maintained housing, and

5. imposing obstacles to wealth-building and economic mobility.

It also declares that developing and implementing the bill's 10-year plan to eliminate concentrated poverty in Connecticut is necessary for the public's benefit.

Office of Neighborhood Investment and Community Engagement

The bill creates a new Office of Neighborhood Investment and Community Engagement within DECD and requires that it:

1. carry out the bill's pilot program,
2. oversee the implementation of the 10-year plan developed under the program,
3. monitor the state's progress in reducing concentrated poverty,
4. coordinate communication between the program's various parties, and
5. distribute information in a timely and efficient way.

Pilot Program

Eligible Census Tracts. Under the bill, the pilot program is open to any concentrated poverty census tract or group of tracts (qualifying tract) in (1) the four municipalities with the greatest number of these tracts (i.e., Bridgeport, Hartford, New Haven, and Waterbury) or (2) any municipality with a qualifying tract that applies to participate in the program. To be eligible, the qualifying tract must also have a certified CDC (see *Background – CDC Certification Process and Grant Eligibility*) created by its community members to help carry out the 10-year plan and the municipality's responsibilities under the program. The DECD commissioner must issue a request for proposals to participate in the program and choose the highest scoring applicant.

10-Year Plan. The bill requires the Office of Neighborhood Investment and Community Engagement to develop a 10-year plan for the participating qualifying tract or group of tracts to reduce the levels of concentrated poverty in the area served by the CDC by doing the

following:

1. reducing the percentage of households living in the tract or tracts with incomes below the FPL to 20% or less and
2. making sustained improvements in community infrastructure and other underlying conditions that prolong concentrated poverty and economic inertia in the tract or tracts.

In developing the plans, the office must consult with DECD's Office of Community Economic Development Assistance (OCEDA), OPM, the Office of Workforce Strategy (OWS), Office of Early Childhood (OEC), State Department of Education, applicable CDCs serving the participating tract or group of tracts, municipal chief elected officials (CEO), and any other public or private entity the DECD commissioner finds relevant or necessary to achieve these purposes. It must also incorporate in the plans the guidance document developed by the legislative working group described below (see *Working Group to Develop Guidance Document*). The plan must include, at a minimum:

1. measurable implementation steps, target dates for completing each step, and the state or local official or agency responsible for doing so;
2. minimum statewide averages for educational metrics (e.g., kindergarten-, college-, and career- readiness and grade level reading and mathematics) to serve as benchmarks for improvements in the tract or tracts; and
3. a list of possible projects, as described below.

The bill requires the office to begin implementing the plans by January 1, 2026 (i.e., the deadline by which the DECD commissioner must submit the plan to the legislature, as described below).

Projects. The bill requires the Office of Neighborhood Investment and Community Engagement, together with the applicable municipal CEO and CDC, to develop a list of possible projects for the 10-year plan's participating tract or group of tracts. In doing so, they must (1)

determine the types of projects they deem most appropriate and effective for eliminating concentrated poverty in the tract or tracts and (2) consider the project eligibility criteria for the certified CDC grant program, HPLO program, and the Community Investment Fund 2030 program (see *Background – CIF 2030*).

Under the bill, the possible projects must include capital projects, workforce development programs, housing development, community and neighborhood improvements, and education initiatives to help residents in meeting and exceeding the educational metrics described above.

Progress Report. The bill requires the DECD commissioner, by June 1, 2025, to give the Finance, Revenue, and Bonding Committee, a written progress report on the 10-year plan. He must submit the finished plan to the General Assembly by January 1, 2026.

Annual Report. The commissioner must also, starting by February 1, 2027, and annually after, report on the:

1. Office of Neighborhood Investment and Community Engagements' implementation progress on the 10-year plan,
2. status of any projects that are pending or in progress for the tract or group of tracts, and
3. any other relevant or necessary information.

He must submit these annual reports to the General Assembly, OWS, OEC, and OPM.

Informational Forums. Annually by March 1, from 2027 to 2029, and biennially after that, the Finance, Revenue and Bonding Committee must hold an informational forum for these annual reports. At each forum, the DECD commissioner must present on the report and other state and municipal officials, participating CDCs, and interested parties may provide their comments on the report and pilot program.

Pilot Program Expansion. The DECD commissioner must, by

January 1, 2029, submit his recommendation to the Finance, Revenue and Bonding Committee on (1) whether the pilot program should be expanded to all qualifying tracts in the state for which a certified CDC has been established and (2) any additional or alternative criteria to be considered in expanding the program to other economically disadvantaged census tracts that do not qualify as concentrated poverty census tracts. If he recommends this expansion, the commissioner and Office of Neighborhood Investment and Community Engagement must immediately carry it out.

Priority for Certain State Grants and Funding Programs

Under the bill, starting on the date DECD submits the 10-year plan to the General Assembly, state agencies must give priority to the projects included in the plan for any grants or funding programs they award or administer for which the projects may be eligible. Additionally, the bill gives these projects priority for the following state grants, subject to each grant program's existing criteria:

1. OCEDA grants for projects certified CDCs undertake in target areas (§ 120);
2. DECD's HPLO program grants for eligible projects municipalities undertake in OPM-designated concentrated poverty census tracts (§ 121); and
3. Community Investment Fund (CIF) 2030 grants for eligible projects municipalities, CDCs, and nonprofits undertake in municipalities designated as public investment communities or alliance districts (§ 122).

For purposes of the CIF 2030 grants, the 10-year plan projects must also meet the current criteria for priority status under the program. Specifically, they must (1) be proposed by a municipality that (a) has implemented local hiring preferences in accordance with state law or (b) has or will leverage municipal, private, philanthropic, or federal funds for the project and (2) have a project labor agreement or employ or will employ ex-offenders or individuals with physical, intellectual, or

developmental disabilities. As under existing law, the CIF 2030 board must additionally prioritize municipal applications that include a letter of support for the proposed eligible project from a General Assembly member or members in whose district the eligible project is or will be located.

Right of Action Against State or Municipal Officials

Under the bill, starting July 1, 2027, if any state or municipal official does not timely fulfill his or her requirements or responsibilities under the program or the 10-year plan, a certified CDC created for a concentrated poverty census tract may bring a mandamus action against the official under certain conditions. Specifically, the CDC must (1) have been selected under DECD's RFP process, (2) demonstrate good-faith efforts to effectuate the 10-year plan and (3) be aggrieved by the official's failure. It must bring the action in the Superior Court for the judicial district where the qualifying tract is located.

A writ of mandamus is a court order that compels a public official or agency to perform a specific duty. Under Connecticut Supreme Court precedent, a writ is only proper when "(1) the law imposes on the party against whom the writ would run a duty the performance of which is mandatory and not discretionary; (2) the party applying for the writ has a clear legal right to have the duty performed; and (3) there is no other specific adequate remedy" (*Miles v. Foley*, 253 Conn. 381 (2000)).

Working Group to Develop Guidance Document

The bill creates a seven-member working group to develop a guidance document that sets a framework for the Office of Neighborhood Investment and Community Engagement to incorporate into the 10-year plan.

Membership. The working group's members include (1) one legislator each appointed by the six top legislative leaders and (2) one member of the General Assembly's Black and Puerto Rican Caucus, appointed by the caucus's chairperson. The appointing authorities must make their initial appointments within 30 days of the bill's passage and fill any vacancies.

Framework. The guidance document must set a framework for (1) best practices and specified initiatives or actions the working group believes will help mitigate concentrated poverty's effects and (2) specific metrics in certain areas to be incorporated into the 10-year plan to measure improvements in the tracts.

These metrics must cover the following areas:

1. education, including early childhood care and education;
2. adult work skills development to reduce unemployment rates in the tracts;
3. infrastructure, including housing development and blight remediation;
4. crime, including gun violence, in the tracts; and
5. any other areas the working group finds necessary or desirable to include to further the goals set in the bill's declaration of a concentrated poverty crisis.

The working group must consult with people or entities to inform the guidance document's development, including state and national experts and academics in the areas described above, advocacy organizations, state and quasi-public agencies, and law enforcement representatives.

Meetings and Administration. The House speaker and Senate president pro tempore must select the working group's chairpersons from among its members. The chairpersons must schedule and hold the group's first meeting within 60 days after the bill's passage. A majority of members constitutes a quorum to conduct business.

The Finance, Revenue and Bonding Committee's administrative staff must serve in this capacity for the working group.

Submission to Legislature. The working group must submit the guidance document by April 1, 2025, to the Finance, Revenue and Bonding Committee. Within 30 days after this submission, the

committee must vote to approve or modify the document. Any modifications must be provided to the committee members before the vote. The guidance document is automatically approved if the committee does not vote within this timeframe.

The working group ends on the date the guidance document (or modified document) is approved or deemed approved, as applicable.

JobsCT

The bill decreases the number of full-time equivalent employees (FTEs) that a business must create and maintain to be eligible for the JobsCT tax rebate program (see *Background – JobsCT*) if at least three of these FTEs live in a concentrated poverty census tract. It also allows the business to earn an additional rebate amount for each FTE who lives in one of these tracts.

Specifically, the bill decreases, from 25 to 15, the number of new FTEs that a company must create and maintain to be eligible for the rebate program if at least three of these FTEs live in a concentrated poverty census tract. Currently, this lower threshold applies only if at least one of the new FTEs is an individual with intellectual disability.

Starting January 1, 2025, the bill also allows companies to claim an additional rebate for each new FTE who resides in a concentrated poverty census tract. The rebate equals 50% of the state income tax for single filers that these employees would pay on their wages. As with the existing rebate, the bill's additional rebate is based on wages paid in the calendar year immediately before the calendar year in which the rebate is being claimed. To qualify, the new FTE must have lived in the concentrated poverty census tract for at least six months of the calendar year on which the rebate is based. The bill also allows these additional rebates to exceed the program's rebate cap of \$5,000 per new FTE.

Background

HPLO Census Tracts. The law required OPM to compile a list of the census tracts in which at least 30% of the residents have incomes below the FPL according to the most recent five-year U.S. Census Bureau

American Community Survey (i.e., HPLC census tracts). The table below lists the municipalities in which these identified tracts are located and the number of tracts per municipality.

Table: Number of HPLC Census Tracts by Municipality

<i>Town</i>	<i>No. of Identified Tracts</i>
Bridgeport	11
Enfield	1
Hartford	19
Mansfield	2
Meriden	3
Middletown	1
New Britain	5
New Haven	10
New London	2
Stamford	1
Waterbury	7
Windham	2

CDC Certification Process and Grant Eligibility. Existing law allows organizations meeting certain requirements to become certified CDCs by applying to DECD's OCEDA. A "certified CDC" is a 501(c)(3) federally tax-exempt organization that is certified by the office and meets the following requirements:

1. focuses on serving areas in which the (a) current unemployment rate exceeds the state's by at least 25% or (b) mean household income is 80% or less of the state's as determined by the most recent decennial census (i.e., target areas),
2. works on urban community development with local residents and businesses to create and expand economic opportunities for low- and moderate-income people, and
3. shows the office that its constituency is meaningfully represented on its board.

By law, the office must establish a grant program for projects that certified CDCs seek to undertake in target areas, including

infrastructure improvements, housing rehabilitation, and streetscape and business façade improvements. DECD has not implemented this office or grant program to date.

HPLO Program. The HPLO program is a six-year, state bond-funded program designed to fund eligible projects in qualifying census tracts designated as HPLO census tracts. To qualify for the funding (which has not been issued to date), a project must seek to reduce concentrated poverty and its effects within the qualifying census tract. These projects generally include (1) building, renovating, and rehabilitating mixed-income rental and owner-occupied housing; (2) establishing or improving workforce development programs; and (3) building, renovating, or rehabilitating public infrastructure to support and improve private investment opportunities, quality of life, and public safety.

CIF 2030. CIF 2030 is a five-year, state bond-funded program for financing qualifying economic and community development projects and small business grants in eligible municipalities (i.e., those designated as public investment communities or alliance districts). The CIF 2030 board, located within DECD, directs these investments. Eligible municipalities, CDCs, and nonprofits may submit funding proposals for eligible projects and grants to the board.

JobsCT. The JobsCT tax rebate program allows companies in specified industries (e.g., manufacturing and bioscience) to earn rebates against the corporation business, pass-through entity, and insurance premiums taxes for reaching certain job creation targets. Under existing law, a business's rebate is based on (1) the number of new FTEs created or maintained, (2) their average wage, and (3) the state income tax that a single filer would pay on this average wage. Generally, it equals 25% of the average state income tax that these employees would pay, multiplied by the number of employees, but it equals 50% of this amount for the new FTEs are in a distressed municipality or opportunity zone.

By law, new FTEs generally are those that did not exist in the state

when the business applied to the DECD commissioner for acceptance into the program. To qualify as a new FTE, an employee must be paid wages sourced to the state (i.e., qualified wages) of at least 85% of the median household income for the location where the position is primarily based or \$37,500, whichever is greater

§ 124 — USE OF FY 24 SPECIAL TRANSPORTATION FUND (STF) BALANCE FOR STF DEBT

Deems appropriated a portion of the STF's remaining balance at the end of FY 24 to pay off STF-supported debt

The bill deems appropriated a portion of the STF's remaining balance at the end of FY 24 to pay off STF-supported debt (i.e., "special tax obligation indebtedness of the state").

Specifically, under the bill, if the balance in the STF after the accounts have been closed for FY 24 and any required transfers have been made exceeds 18% of the fund's FY 25 net appropriations, the state treasurer must use the portion of the balance that exceeds the 18% threshold for one or more of the following purposes, as he determines to be in the state's best interest:

1. redeeming, any outstanding STF-supported debt prior to maturity, (i.e., special tax obligation (STO) indebtedness of the state);
2. buying outstanding STF-supported debt in the open market, at prices and under terms and conditions the treasurer determines, to pay off or defease the debt;
3. defeasing outstanding STF-supported debt by irrevocably placing funds in escrow that are dedicated to, and sufficient to satisfy, scheduled principal and interest payments on the debt; or
4. any combination of the above.

The bill requires that any method or methods the treasurer selects provide a reduction in projected debt service for FY 25 and each of the following nine fiscal years. For the second fiscal year after the fiscal year in which the balance was used as the bill requires, and each of the

following seven fiscal years, the amount of the projected debt service reduction must not vary by more than (1) \$1 million or (2) 10% of the least amount by which projected debt service is reduced for the following seven fiscal years, whichever is greater.

EFFECTIVE DATE: Upon passage

§ 125 — COLLEGE DEGREE REQUIREMENT FOR STATE EMPLOYEES

Generally prohibits the DAS commissioner from requiring a college degree for a position in the state employee classified service unless it is a bona fide occupational qualification or need

The bill prohibits the Department of Administrative Services (DAS) commissioner from requiring a degree from a higher education institution for a position in the state employee classified service, unless the appointing authority has notified her that the requirement is a bona fide occupational qualification or need. In general, positions in the classified service are subject to various civil service exams and other hiring and promotion procedures.

By law, the DAS commissioner must, among other things, establish position classes for all state employees in the classified service and maintain a list with each class's (1) title, code, and pay grade; (2) duties and responsibilities; and (3) minimum desirable qualifications (CGS §§ 5-200(1) & 5-206).

EFFECTIVE DATE: October 1, 2024

§ 126 — WORKING GROUP TO EXAMINE TAX EXPENDITURES

Creates a nine-member working group to examine the state's statutory tax expenditures to simplify the state tax code and identify those that are redundant, obsolete, duplicative, or inconsistent; requires the group to report by January 1, 2025

The bill creates a nine-member working group to examine the state's statutory tax expenditures to simplify the state tax code and identify those that are redundant, obsolete, duplicative, or inconsistent in language or policy. By law, "tax expenditures" are tax exemptions, exclusions, deductions, or credits that result in less revenue to the state or municipalities than they would otherwise receive.

The working group's members consist of the following officials or their designees: (1) chairpersons and ranking members of the Finance, Revenue and Bonding Committee; (2) governor; (3) DRS and DECD commissioners; and (4) two OPM representatives appointed by the governor. The Finance, Revenue and Bonding Committee's chairpersons must serve as the working group's chairpersons and schedule and hold the first meeting within 60 days after the bill's passage. The committee's administrative staff must serve in that capacity for the working group.

The working group must report its findings and recommendations for simplifying the state tax code to the Finance, Revenue and Bonding Committee by January 1, 2025. It ends on that date or the date it submits the report, whichever is later.

EFFECTIVE DATE: Upon passage

§ 127 — JOINT APPOINTMENTS OF MUNICIPAL OFFICIALS

Authorizes COGs or groups of two or more municipalities to make appointments on behalf of municipalities for municipal functions that are subject to a shared services or regional services agreement

The bill authorizes a regional council of governments (COG), or a municipality acting jointly with at least one other municipality, to make any appointment on behalf of a municipality for municipal functions that are subject to a shared services or regional services agreement. The appointments must apply jointly to each municipality that is a party to the agreement and be instead of the municipality's individual appointment. The bill authorizes the Office of Policy and Management secretary to adopt regulations to implement this provision.

Under the bill, this authority supersedes state and local law, local charters, and home rule ordinances that would prohibit or limit the ability to make these joint appointments, including any provisions that does the following:

1. prohibits a municipality from entering into a shared services agreement,

2. requires an appointee to fulfill his or her duties to the exclusion of other employment,
3. requires an appointee to live in a particular municipality, or
4. requires a municipality to make an individual appointment.

Under the bill, these municipal functions include planning activities described in laws on (1) local plans of conservation and development, (2) affordable housing plans, and (3) local emergency medical services plans. They also include the administrative and regulatory activities described in laws on:

1. registrars of vital statistics;
2. assessors;
3. municipal parking authorities;
4. fair rent and fair housing commissions;
5. land bank authorities;
6. zoning enforcement officers;
7. tax collectors;
8. municipal animal control officers;
9. town clerks issuing dog licenses and tags;
10. inland wetlands agencies;
11. local building officials and boards of appeal for building code cases; and
12. local fire marshals, fire inspectors, and other fire code inspectors and investigators.

The bill's provisions apply to towns, cities, boroughs, consolidated towns and cities and towns and boroughs; fire, sewer, and other special

taxing districts; and metropolitan and municipal districts.

EFFECTIVE DATE: July 1, 2024

§ 128 — HISTORIC HOMES REHABILITATION TAX CREDIT

Restores taxpayers' ability to claim the historic homes rehabilitation tax credit against certain business taxes in the 2024 tax year and all following years; allows all taxpayers to apply credits issued after January 1, 2024, against the unrelated business income tax

The bill changes the taxes against which historic homes rehabilitation tax credits may be claimed. By law, the Department of Economic and Community Development (DECD) issues these credits, subject to certain requirements, to (1) people and nonprofits who own, rehabilitate, and occupy historic homes or (2) businesses that contribute funds for rehabilitating historic homes that are or will be occupied by their owners.

Under current law, taxpayers may apply only credits issued before January 1, 2024, against specified state business taxes (i.e., the insurance premiums, corporation business, air carriers, railroad companies, cable and satellite TV companies, and utility companies' taxes). The bill allows taxpayers to continue claiming credits issued in the 2024 tax year and all following years against these specified business taxes.

The bill also allows all taxpayers to apply credits issued on or after January 1, 2024, against the unrelated business income tax (current law allows only nonprofit corporations to do so). Existing law, unchanged by the bill, allows all taxpayers to claim them against the personal income tax.

The bill allows taxpayers applying the credit against any of the business taxes mentioned above to carry forward any unused credits for up to four income years, just as existing law allows for nonprofit corporations claiming the credit against the unrelated business income tax. Under existing law, credits applied against the income tax are refundable for any amount of the credit that exceeds the taxpayer's liability.

EFFECTIVE DATE: July 1, 2024, and applicable to taxable and income

years beginning on or after January 1, 2024.

Background — Historic Homes Rehabilitation Tax Credit

Under this program, qualifying property owners (people and nonprofits) may receive a tax credit for 30% of the construction costs they incur in rehabilitating a historic home. To qualify, the historic home must (1) have no more than four units, one of which must be the owner’s principal residence for at least five years after rehabilitation is completed, and (2) be (a) listed on the National or State Register of Historic Places or (b) located in a district listed in either register and certified by DECD as contributing to the district’s historic character.

To qualify for the credit, the project’s construction costs must exceed \$15,000. The credit equals 30% of the eligible construction costs but may not exceed \$30,000 per dwelling unit (or \$50,000 for owners that are nonprofit corporations). DECD may reserve up to \$3 million in vouchers for these credits each fiscal year, 70% of which must be for rehabilitating homes in the municipalities designated as “regional centers” in the current state plan of conservation and development.

§ 129 — REDDING SPECIAL TAXING DISTRICT

Specifies the town of Redding is exempt from taxes and assessments imposed by a special taxing district located in the town

The bill specifies that the town of Redding and all its real and personal property (including its receipts, revenues, and income) is exempt from any tax or benefit assessments imposed by the special taxing district that SA 05-14 authorized (i.e., Georgetown Special Taxing District). It further specifies that the town is not required to pay any tax, fee, rent, excise, or assessment to the district.

The bill also makes technical changes.

EFFECTIVE DATE: Upon passage

§ 130 — DECD ARPA REPORTING

Requires DECD to report biweekly to the Appropriations Committee on its use of ARPA funding

The bill requires the Department of Economic and Community

Development (DECD) to report biweekly between July 1, 2024, and September 20, 2024, to the Appropriations Committee on the department's use of federal American Rescue Plan Act (ARPA) funding. The report must include (1) the department's funding allotment and the obligation status of these funds and (2) a list of parties with whom the department contracts and a description of each contract's term and status.

EFFECTIVE DATE: Upon passage

§ 131 — BAN ON DELEGATING AUTHORITY TO SCHEDULE THANKSGIVING DAY HIGH SCHOOL FOOTBALL GAMES

Bans school boards from delegating authority to schedule high school football games on Thanksgiving Day to another entity; prohibits school boards from adopting a policy that prohibits Thanksgiving Day football games

The bill bans any local or regional board of education from delegating the authority to schedule interscholastic football games on Thanksgiving Day to any nonprofit organization or other entity that is responsible for governing interscholastic athletics in Connecticut. It also bars any board of education from adopting a policy or prohibition against scheduling an interscholastic football game on Thanksgiving Day.

The Connecticut Interscholastic Athletic Conference (CIAC) currently schedules high school football games. Generally, it regulates high school interscholastic athletics including setting rules for each sport, determining player eligibility, and establishing regular season and tournament schedules. CIAC is a private, nonprofit organization with almost all Connecticut public and parochial high schools included as dues-paying members. CIAC members elect the organization's governing board members.

EFFECTIVE DATE: July 1, 2024

§§ 132-136 — AUTOMATED ENFORCEMENT OF NOISE VIOLATIONS

Allows municipalities to use noise cameras to issue citations to vehicles committing municipal vehicle noise violations (i.e., making a noise of 80 decibels or louder, except for sounds made by a horn); requires municipalities seeking to operate cameras to adopt an ordinance and set penalties; specifies citation issuance and processing procedures

The bill allows municipalities to authorize the use of noise cameras (which the bill calls “photo noise violation monitoring devices”) to enforce vehicle noise violations. To do so, a municipality must adopt an ordinance that (1) establishes a municipal vehicle noise violation for (i.e., causing a vehicle to make a sound of 80 decibels or louder, except for sounds made by a vehicles’ horn), (2) authorizes using cameras to enforce the ordinance, and (3) meets the bill’s other specified requirements.

Under the bill, a “photo noise violation monitoring device” is one or more mobile or fixed sensors that (1) are installed to work together with noise measuring equipment (e.g., a decibel reader) and (2) automatically produce video, two or more photos or microphotos, or other recorded images of a vehicle that is violating an ordinance adopted under the bill.

Municipalities operating noise cameras under the bill must issue a written warning for a first violation, a \$100 fine for a second violation, and a \$250 fine for subsequent violations. They must also adhere to the bill’s provisions on camera operation, image review and citation issuance, hearings and available defenses, privacy, and data retention.

The bill allows municipalities to enter into agreements with vendors to install, operate, and maintain noise cameras, but the vendor’s fee may not depend on the number of citations issued or fines paid. A “vendor” is someone who (1) provides camera-related services under an agreement with the municipality; (2) operates, maintains, leases, or licenses noise cameras; or (3) reviews and assembles images the cameras record and forwards them to the municipality. The bill specifies municipalities may use revenue from noise camera ordinance fines to pay for their costs to use the cameras.

Lastly, the bill requires municipalities operating noise cameras to annually report certain information to the Finance, Revenue and Bonding Committee.

EFFECTIVE DATE: July 1, 2024

Ordinance Requirements and Other Conditions

Before operating noise cameras, the bill requires municipalities to adopt (1) an ordinance authorizing their use and establishing a municipal vehicle noise violation and (2) a citation hearing procedure meeting requirements in existing law. Specifically, the ordinance must:

1. require noise cameras to be operated by a person trained and certified to do so (i.e., a “photo noise violation monitoring device operator”);
2. specify that a motor vehicle’s owner violates the ordinance if the vehicle makes a noise of 80 decibels or louder (except for noise made by the vehicle’s horn);
3. subject vehicle owners to a written warning for a first violation, \$100 fine for a second violation, and \$250 fine for each subsequent violation;
4. allow for electronic payment of fines and any processing fees (which are capped at \$15);
5. require a sworn member of law enforcement or a municipal employee to review and approve the images before a citation is mailed to a vehicle owner; and
6. specify the defenses available to the vehicle owner, which must at least include those outlined in the bill (see below).

The bill also requires municipalities operating noise cameras to randomize the devices’ locations throughout the municipality.

Citation Hearing Procedure. Existing law allows municipalities to establish, by ordinance, a hearing procedure for citations they issue and to authorize the Superior Court to enforce fines and judgements imposed through the citation hearing procedure. The bill requires municipalities issuing citations under a noise camera ordinance to also have this hearing procedure, and subjects these citations to the same requirements as other citations heard under this procedure.

Among other things, the law generally requires (1) the municipal

chief executive officer to appoint citation hearing officers, (2) municipalities to inform the person to whom a citation was issued about his or her right to contest the citation at a hearing, (3) the issuing police officer or official to attend the hearing if the violator requests it, and (4) the hearing officer to conduct the hearing in the manner and with methods of proof he or she deems fair and appropriate. The law also allows people found liable for a penalty through the citation hearing procedure to appeal to the Superior Court.

Camera Calibration and Operator Training

The bill requires noise camera operators to complete training from the camera's manufacturer, or the manufacturer's representative, on the camera's operation. The manufacturer or its representative must issue the operator a signed certificate of completion, which must be admitted as evidence in any municipal citation hearing.

The bill also requires municipalities to make sure that cameras they use have an annual calibration check performed at a calibration laboratory. After the check, the laboratory must issue a signed certificate of calibration, which must be kept on file and admitted as evidence in any municipal citation hearing.

Image Review and Ticket Issuance

Under the bill, when a noise camera detects and produces images of a vehicle allegedly committing a municipal vehicle noise violation established in an ordinance adopted under the bill, a sworn member of law enforcement or a municipal employee must review the images. If this official determines there are reasonable grounds to believe a violation occurred, he or she may issue a citation to the vehicle owner.

The citation must include the following:

1. the motor vehicle owner's name and address,
2. the vehicle's license plate,
3. the violation charged,

4. the camera location and the date and time of the violation,
5. a copy of the recorded images or information on how to view them electronically,
6. a statement or electronically generated affirmation by the official who reviewed the images and determined that the vehicle violated the ordinance,
7. the date of the most recent calibration check and verification that the camera was operating correctly during the alleged violation,
8. the fine amount and how to pay it, and
9. the right to contest the violation and request a hearing.

The bill requires citations to be sent by first class mail (1) within 30 days after determining the vehicle owner's identity and (2) to the address on file with the Department of Motor Vehicles (DMV) or, for vehicles registered out-of-state, the issuing jurisdiction. However, the bill makes citations invalid if they are mailed more than 60 days after an alleged violation. Manual or automatic mailing records prepared by the municipality's police department are prima facie evidence of mailing and are admissible in any municipal hearing as to facts the citation contains.

Available Defenses

The bill makes the following defenses available to vehicle owners alleged to have violated an ordinance adopted under the bill:

1. the driver was operating an emergency vehicle and using a permissible audible warning signal (e.g., siren);
2. the violation happened when the vehicle had been reported as stolen and had not yet been recovered;
3. the camera did not have a calibration check as the bill requires;
4. the violation happened because the muffler was not working

properly, and the owner presents proof at a hearing that the muffler was replaced or repaired within 14 days after the violation; and

5. the vehicle owner presents proof at a hearing that the vehicle was inspected at a DMV-designated facility and the inspection determined that the vehicle does not make a sound while operating of 80 decibels or louder.

Privacy and Data Retention

Under the bill, cameras must be installed, to the extent possible, so that they only record license plates' images and do not capture images of vehicle occupants or anyone else in the vicinity.

The bill generally prohibits municipalities and vendors from storing or retaining personally identifiable information or from disclosing it to any person or entity, including any law enforcement unit. But they may do so if the storage, retention, or disclosure is done to charge, collect, and enforce fines imposed under an ordinance.

The bill also specifies that any information and other data the camera gathers is subject to disclosure under the Freedom of Information Act, except for personally identifiable information.

Under the bill, "personally identifiable information" is information a municipality or vendor creates or maintains that identifies or describes a vehicle owner and includes the owner's address; phone number; license plate; photo; bank account information; credit card or debit card number; and the date, time, location, or direction of travel on a highway.

Annual Report

The bill requires municipalities operating noise cameras to annually report the following information to the Finance, Revenue and Bonding Committee, beginning one year after a noise camera starts operating in a municipality and until it is no longer operational:

1. the total number of violations detected by each camera on a daily, weekly, and monthly basis;

2. the total number of warnings and citations issued for violations recorded by the devices;
3. the number of hearings requested and their results;
4. the amount of fines and processing fees the municipality retained; and
5. the municipality's costs for the cameras.

§ 137 — ADDITIONAL DEDUCTION FOR CERTAIN COMBINED GROUPS AFFECTED BY COMBINED REPORTING

Allows certain combined groups meeting specified qualifications to deduct, over a 30 year period, the amount necessary to offset the increase in the valuation allowance against net operating losses (NOLs) and tax credits in Connecticut that resulted from the state's shift to combined reporting

For a 30-year period beginning with the 2026 income year, the bill allows certain combined groups to take a corporation business tax deduction equal to 1/30th of the amount necessary to offset the increase in the valuation allowance against net operating losses (NOLs) and tax credits in Connecticut that resulted from the state's shift to combined reporting (implemented in the 2016 income year). Under the bill, a "valuation allowance" is the portion of a deferred tax asset for which it is likely that a tax benefit will not be realized, as determined under generally accepted accounting principles (GAAP).

A combined group qualifies for a deduction under the bill if:

1. it is a publicly traded company, including affiliated corporations participating in a publicly traded company's financial statements prepared according to GAAP, as of January 1, 2016;
2. the shift to combined reporting resulted in an aggregate decrease in the amount of NOLs or tax credits the combined group may realize in Connecticut and, in accordance with GAAP, the group reported a valuation allowance;
3. the group is claiming the FAS 109 corporate income tax deduction (which certain companies may claim if the shift to combined reporting resulted in an acceleration of corporate

income tax); and

4. when calculating the FAS 109 deduction, the group did not include the impact of the valuation allowance resulting from the shift to combined reporting.

Under the bill, the increase in valuation allowance must be calculated based on the change in valuation allowance reported in the combined group's financial statements for the 2016 income year. The deduction (1) may not be reduced due to events that happen after the calculation, including disposition or abandonment of assets and (2) does not alter the tax basis of any asset. If the deduction exceeds the group's net income, the excess may be carried forward and applied until fully used.

The bill requires any group that intends to claim a deduction under the bill to file a statement with DRS by July 1, 2025, in the way the commissioner prescribes, specifying the total deduction amount the combined group claims. Combined groups that do not file a statement by this date may not claim the deduction. The bill specifies that it does not limit DRS's authority to review and redetermine the deduction amount, whether on the statement or on a group's tax return.

EFFECTIVE DATE: January 1, 2025

§ 138 — FINAL CANNABIS CULTIVATOR LICENSE EXTENSION

Allows DCP, until December 31, 2025, to grant a final cultivator license to certain social equity provisional cultivator license holders who have not met the minimum grow space requirement, under certain circumstances (e.g., pays the \$3 million fee); after that date, requires the licensee to pay a \$500 dollar extension fee for each day the licensee fails to satisfy the minimum grow space requirement

By law, the Department of Consumer Protection (DCP) opened a three-month application period for social equity applicants to apply for a provisional and final cannabis cultivator license for a facility located in a disproportionately impacted area without participating in a lottery or request for proposals. Additionally, a cultivator may, among other things, cultivate, grow, and propagate cannabis at an establishment with at least 15,000 square feet of grow space.

The bill allows DCP, from when the bill passes until December 31,

2025, to grant a final cultivator license to a social equity provisional cultivator license holder who has not developed the capability to meet the minimum grow space requirement. Under the bill, DCP may issue this license, and the holder may carry out the functions of a cultivator, if the holder submits, in a commissioner-prescribed way, a completed application for a final cultivator license and evidence that:

1. the holder's licensed cultivation facility contains at least 5,000 feet of grow space;
2. the holder and the facility are in compliance with the cannabis laws, regulations, and policies and procedures;
3. the holder has a detailed business plan and buildout schedule to cultivate, grow, and propagate cannabis at a licensed establishment containing at least 15,000 square feet of grow space by December 31, 2025; and
4. the holder has paid the required \$3 million fee, which existing law requires to be deposited in the Social Equity and Innovation Fund.

If DCP issues a final cultivator license under these procedures and the licensee fails to meet the 15,000 square feet of grow space requirement by December 31, 2025, the licensee must pay the department, in a way the commissioner sets, a \$500 extension fee for each day after that the facility fails to satisfy the minimum grow space requirement.

In addition to this fee, DCP may exercise its enforcement powers for cannabis establishments, for the failure to meet the grow space requirement by the specified date. By law, the DCP commissioner, for sufficient cause, may take certain disciplinary actions, including suspending or revoking a credential or issuing fines of up to \$25,000 per violation, and accepting an offer in compromise (CGS § 21a-421p).

EFFECTIVE DATE: Upon passage

§§ 139 & 140 — SOCIAL EQUITY COUNCIL

Expands the Social Equity Council membership; requires the council to (1) define its role and what it delegates to the executive director, (2) update the social equity plan criteria, and (3) to submit an estimate of certain social equity distributions; requires additional reports from the council and executive director

By law, the Social Equity Council is charged with, among other duties, promoting and encouraging full participation in the cannabis industry by people from communities disproportionately harmed by cannabis prohibition. The bill expands the council's membership and requires the council to specify its duties and those that are delegated to the executive director. It also requires the council to (1) update the criteria for social equity plans to include a specific, points-based rubric to evaluate the plans and (2) provide an estimate to the Office of Policy and Management (OPM) of certain social equity disbursements.

The bill also requires additional reporting, specifically requiring the (1) council to make quarterly reports to the governor, the legislative leaders, and certain legislative committees and (2) executive director to make monthly reports to the council and the Black and Puerto Rican Caucus.

Finally, the bill makes various minor, technical, and conforming changes.

EFFECTIVE DATE: Upon passage

Membership

The bill increases the Social Equity Council membership from 15 to 17 members. Under current law, the Black and Puerto Rican Caucus chairperson has one appointment. The bill instead allows the Black and Puerto Rican Caucus chairperson to have two appointments, which she must designate one appointment each to the chairperson of the (1) Puerto Rican and Latino Caucus and (2) Black Caucus. It also increases the number of gubernatorial appointments from four to five.

Chairperson and Executive Director

The bill also requires the council, by July 1, 2024, to adopt bylaws specifying the duties the council members retain and the duties it delegates to the executive director. The council may, by majority vote,

take any formal personnel actions concerning the executive director for any reason.

Additionally, the bill provides for a final review board consisting of the council chairperson and the appointees of the House speaker, Senate pro tempore, and the House and Senate minority leaders. If the board determines, by majority vote, that removing the executive director is in the best interest of the council's mission, it must issue a letter to the council recommending this removal.

As under existing law, the governor appoints the council chairperson from among its members. The bill requires the chairperson to directly supervise the executive director, establish annual goals for the executive director, and perform the executive director's annual performance review.

The chairperson and executive director must jointly develop, and the council must approve:

1. the budgetary information the council is required to annually submit to the OPM secretary (see below);
2. the Social Equity and Innovation Account allocations that the council solely decides to further equity principles (see below); and
3. plans for expenditures to give access to capital for businesses, technical assistance for business start-up and operations, funding for workforce education, funding for community investments, and funding for investments in disproportionately impacted areas.

Social Equity Plans

Under existing law, the Social Equity Council must review, approve, or deny in writing any social equity plan a cannabis establishment submits as part of its final license application. Under the bill, the council must do so within 30 days after the plan's submission. If the council denies any plan, the applicant may revise and resubmit it without

prejudice.

By July 1, 2024, the council must update the criteria for these plans to include a specific, points-based rubric to evaluate them.

Grants

The council must approve the amounts, grantees, and purposes of any grants the council makes from the Social Equity and Innovation Account or the Cannabis Social Equity and Innovation Fund. Any contracts between the council and a grant maker must also require the council's approval for any subgrants by the grant maker.

Council Quarterly Report

The bill requires the council, starting by July 1, 2024, to quarterly report on its activities to the governor, six legislative leaders, and Appropriations and General Law committees. The report must include certain expenditure statistics and the status of the council's licensing responsibilities.

Specifically, the report must include the council's fiscal-year-to-date expenditures, including all expenditures broken out into the following categories:

1. for personal services and the associated fringe benefit costs;
2. for consultants used for reviewing applications for social equity applicant status;
3. to provide businesses with access to capital, including the number of these businesses;
4. to provide technical assistance for the start-up and operation of a business, including the number of businesses assisted;
5. to fund workforce education, the number of people served by any program the funding supported, and the number of people successfully placed in a relevant professional role after completing these programs;

6. to fund community investment grants, including the amounts, grantees, and purposes of any grants made and, if any of the grants were made to a grant maker, the amounts, grantees, and purposes of any subgrants;
7. for promotional or branding items, including information on what items were purchased;
8. for advertising or marketing campaigns or firms and sponsorships;
9. for other community outreach;
10. for travel; and
11. for other expenditures not described above.

The report must also include the performance status of the council's responsibilities in the adult-use cannabis licensing process, including the number of pending applications for (1) social equity applicant status, (2) social equity plans, and (3) workforce development plans. These must be categorized into the number of applications pending for under 30 days, between 30 and 59 days, between 60 and 89 days, and 90 or more days.

The report must also include the number of applications approved and denied that fiscal year, broken down by license type.

Executive Director Monthly Report

The bill requires, starting by July 1, 2024, the executive director to prepare a monthly report on the council's activities and submit it to the council and the Black and Puerto Rican Caucus. The report must include (1) the council's planned expenditures in the following month and (2) the status of the council's responsibilities in cannabis licensing.

The council's planned next-month expenditures must be broken out into the following categories:

1. consultants used for reviewing applications for social equity

- applicant status;
- 2. funding for community investment grants, broken down in the same manner as the quarterly report above;
- 3. promotional or branding items, advertising or marketing campaigns or firms, and sponsorships;
- 4. other community outreach; and
- 5. travel.

The performance status of the council's responsibilities in the cannabis licensing process must include the number of pending:

- 1. applications for social equity applicant status, including the date the application was submitted, broken down by license type, municipality, and House and Senate district location, and
- 2. social equity plans and workforce development plans, including the date the plan was submitted, broken down by license type.

Cannabis Social Equity and Innovation Account and Fund

By law, for purposes of the Cannabis Social Equity and Innovation Fund, the council must transmit to the OPM secretary estimated expenditure requirements (for even-numbered years) and recommended adjustments and revisions (for odd-numbered years), as prescribed under existing law for budgeted agencies. Under the bill, the estimates must include the amount of funds required to be distributed for the permissible purposes from the Cannabis Social Equity and Innovation Fund appropriations.

Under existing law, for FY 24, money from the Cannabis Social Equity and Innovation Account was allocated to further the principles of equity as the council solely determines. Under current law, these purposes may include providing, among other things, (1) access to capital for businesses, (2) technical assistance for business start-up and operations, and (3) funding for workforce education. The Cannabis Social Equity and Innovation Account Fund's moneys must be appropriated for these

same purposes.

The bill specifies that the money in the account and fund may be used to fund this access to business capital, technical assistance, or workforce education in any industry.

§§ 141 & 142 — EDUCATIONAL MATERIALS ON INTIMATE PARTNER VIOLENCE TOWARDS PREGNANT AND POSTPARTUM PEOPLE

Amends provisions in HB 5523, as amended by House Amendment “A” that require DPH to develop educational materials on certain topics, such as intimate partner violence toward pregnant and postpartum people; modifies terminology by replacing “pregnant and postpartum persons” with “expectant and postpartum mothers and persons”

HB 5523 (§§ 45 & 46), as amended by House Amendment “A,” requires the Department of Public Health (DPH), by January 1, 2025, to develop educational materials on intimate partner violence toward pregnant and postpartum people. It also transfers, from the state’s Maternal Mortality Review Committee to DPH, the responsibility for developing educational materials on various other topics required under current law (e.g., indicators of intimate partner violence and the health and safety of pregnant and postpartum persons with mental health disorders).

This bill modifies terminology by replacing (1) “pregnant and postpartum persons” with “expectant and postpartum mothers and persons” and (2) “postpartum person” with “postpartum mother or person.”

EFFECTIVE DATE: July 1, 2024

§ 143 — ARTIFICIAL INTELLIGENCE TOOL PILOT PROGRAM

Requires SDE to create an AI pilot program to award grants to five school boards to help educators and students to use AI in the classroom; the boards selected must include at least one rural, one suburban, and one urban district and reflect the racial and ethnic diversity of the state

For FY 25, the bill requires the State Department of Education (SDE) to administer an artificial intelligence (AI) tool pilot program to award school boards with grants to help them implement an existing artificial intelligence tool for classroom instruction and student learning.

The commissioner will select the AI tool and five school boards to

participate in the grant. The school boards selected must include at least one rural, one suburban, and one urban district and reflect the racial and ethnic diversity of the state.

The commissioner and each participating board of education must jointly select the grade level in which the AI tool will be used, provided it is done in a level grades seven to 12, inclusive.

The bill requires the tool must comply with laws governing the use of AI, the Family Educational Rights and Privacy Act of 1974 (FERPA), the Connecticut student data privacy law (see *Background – Student Data Privacy Law*), and other laws protecting student data and privacy.

Under the bill, AI means any technology, including machine learning that uses data to train an algorithm or predictive model to help a computer system or service autonomously perform any task, including visual perception, language processing, or speech recognition, that is normally associated with human intelligence or perception.

EFFECTIVE DATE: July 1, 2024

Background — Student Data Privacy Law

Connecticut’s student data privacy law restricts how website and mobile application operators and consultants who contract with boards of education may process or access student data. It applies to student records and information and student-generated content. Among other things, it requires operators and consultants to use reasonable security practices to safeguard student data and generally prohibits contractors from selling or disclosing student information (CGS §§ 10-234aa to -234gg).

§ 144 — ARTIFICIAL INTELLIGENCE PROFESSIONAL DEVELOPMENT FOR TEACHERS

Requires SDE to provide professional development for educators participating in the AI tool pilot program

The bill requires SDE, for FY 25, to provide professional development for educators working for the school boards participating in the AI tool pilot program (see previous section).

The professional development must include:

1. training on how to use the pilot program's AI tool properly and safely;
2. how the tool can benefit (a) educators in classroom instruction, and (b) students in learning, academic achievement, and workforce development; and
3. the laws governing the use of AI, FERPA, the Connecticut student data privacy law, and other laws protecting student data and privacy.

EFFECTIVE DATE: July 1, 2024

§ 145 — MODEL DIGITAL CITIZENSHIP CURRICULUM

Requires SDE to develop a model digital citizenship curriculum for grades kindergarten to 12

The bill requires SDE, in collaboration with the Commission for Educational Technology, to develop a model digital citizenship curriculum for grades kindergarten to 12, inclusive, that school boards can use.

The curriculum must be completed by January 1, 2025 and (1) be rigorous, age appropriate, and aligned with State Board of Education-approved curriculum guidelines; (2) include content and instruction to develop digital citizenship skills and dispositions within online spaces with the media and technology across all content areas to cultivate positive student relationships and school climate; and (3) include topics aligned with the model curriculum developed by SDE on civics and citizenship, including instruction in digital citizenship and media literacy.

The bill permits SDE to accept gifts, grants, and donations, including in-kind donations, to help implement the model digital citizenship curriculum the bill creates.

EFFECTIVE DATE: July 1, 2024

§ 146 — HOSPITAL FINANCIAL REPORTING TO OHS

Requires hospitals to report certain financial information to OHS semi-annually, starting by October 1, 2024; authorizes OHS to take certain actions when hospitals meet certain financial thresholds

The bill requires hospitals to report semi-annually, starting by October 31, 2024, to the OHS executive director on certain financial information for the prior two calendar quarters. Specifically, hospitals must report the (1) number of days of cash on hand, or days cash and cash equivalents otherwise available to them, (hereafter “cash on hand”) and (2) dollar amounts of the following expenses that are at least 90 days past due in the reporting period:

1. any invoices or utility bills;
2. fees, taxes, or assessments owed to public entities; and
3. unpaid employee health insurance premiums, including unpaid contributions, claims, or other obligations supporting employees under self-insured or fully-insured plans.

The bill requires the executive director to develop a uniform template for hospitals to use to submit the semi-annual reports to OHS and to post the template on the OHS website. The template must (1) be based on generally accepted accounting principles and (2) include definitions for the terms it uses.

Under the bill, hospitals may request an extension to comply with the reporting requirement, as the executive director prescribes. She may grant an extension request for good cause.

The bill also authorizes the OHS executive director to take certain actions for hospitals who meet the following thresholds:

1. if a hospital reports two consecutive quarters of no more than 60 days of cash on hand, the executive director may require the hospital to provide additional information she deems relevant to understanding the hospital’s financial health;
2. if a hospital reports less than 45 days of cash on hand, OHS must

reach out to the hospital and offer assistance; and

3. if a hospital reports multiple consecutive quarters of 100 or more days of cash on hand, the executive director may waive one of the two semi-annual reports.

EFFECTIVE DATE: July 1, 2024

§ 147 — TRANSFER OF FY 24 GENERAL FUND REVENUE TO FY 25

Increases, by \$110 million, the required transfer of FY 24 General Fund revenue to FY 25

The bill increases, from \$95 million to \$205 million, the amount of FY 24 General Fund resources that the state comptroller must transfer to be counted as FY 25 General Fund revenue.

EFFECTIVE DATE: Upon passage

§§ 148-150 — CARRYFORWARD OF CERTAIN CANNABIS-RELATED APPROPRIATIONS

Carries forward certain funds appropriated to OPM for costs associated with cannabis legalization and requires them to be used in FY 25 for certain studies and community action agencies

The bill carries forward certain funds appropriated to OPM for costs associated with cannabis legalization and requires them to be used by (1) OPM in FY 24 or 25 for studies related to UConn Health Center, managerial compensation, and CSCU (\$1.5 million) and (2) DSS in FY 25 for Community Action Agencies (\$ 2.3 million). It correspondingly repeals provisions in HB 5523, as amended by House Amendment “A” carrying forward these funds (§§ 501 & 502).

EFFECTIVE DATE: Upon passage

§ 151 — PRIORITY LIST GRANT COMMITMENTS

Authorizes 11 school construction state grant commitments totaling \$486.4 million toward total estimated project costs of \$583.3 million; reauthorizes three projects with an additional state grant commitment of \$73.9 million

The bill authorizes school construction state grant commitments totaling \$486.4 million toward total estimated project costs of \$583.3 million. It also reauthorizes three projects that have changed substantially in scope and cost with an additional state grant

commitment of \$73.9 million.

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

EFFECTIVE DATE: Upon passage

School Construction Grant Commitments

For each project authorized by the bill, the table below shows the district, school, project type, estimates for total cost and state grant commitment, and state reimbursement rate.

Table: 2024 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>
Bristol	Edgewood Pre-K Academy	Renovation	\$16,803,560	\$11,701,999	69.64%
LEARN	New Early Childhood School at 51 Daniels Avenue	Magnet/ Alteration/ Purchase of Facility	95,736,656	90,949,823	95%
Stamford	South School – Upper	New	85,871,466	51,522,880	60%
Stamford	South School – Lower	New	72,463,942	43,478,365	60%
Bristol	Bristol Central High School Culinary Arts	Alteration	1,426,955	993,731	69.64%
Bristol	Bristol Eastern High School Culinary Arts	Alteration	1,448,285	1,008,586	69.64%
Danbury	Danbury High School	Alteration	16,500,000	10,429,650	63.21%
Hartford	Montessori Magnet at	Renovation	102,569,302	97,440,837	95%

<i>District</i>	<i>School</i>	<i>Project Type</i>	<i>Estimated Project Costs</i>	<i>Estimated Grant</i>	<i>Reimbursement Rate</i>
	Batchelder				
Hartford	S.A.N.D. Elementary School	Renovation	82,837,086	78,695,232	95%
Hartford	Maria C. Colon Sanchez Elementary School	Renovation	96,945,196	92,097,936	95%
Newington	John Wallace Middle School	Renovation	10,717,573	8,038,180	75%
Totals			\$583,319,021	\$486,356,618	

Reauthorized Projects

The bill also reauthorizes three school construction projects with a change in cost and scope, resulting in an additional state grant commitment of \$73,910,096. The table below describes the changes to these projects.

Table: Reauthorized School Construction Projects

<i>District</i>	<i>School and Project</i>	<i>Current Law</i>		<i>The Bill</i>	<i>Reimbursement Rate</i>
Hartford	Betances Learning Lab Magnet School	Estimated project costs	\$43,709,774	\$66,825,200	95%
		Estimated state grant	41,524,285	63,483,940	
Hartford	Fred D. Wish Museum School	Estimated project costs	49,320,000	67,290,900	95%
		Estimated state grant	46,854,000	63,926,355	
Hartford	E.B. Kennelly School	Estimated project costs	51,146,225	88,130,000	95%
		Estimated state grant	48,845,414	83,723,500	

§§ 152-154 — PRIORITY LIST REQUIREMENTS

Requires that the priority list include additional information about enrollment projections; allows school boards to redirect a school building project to a public use during the grant

amortization period; eliminates requirement that DAS assign categories to school building projects; modifies local authorization requirements and reasons for which DAS may disapprove an application

Project Report (§ 152)

The law requires DAS to annually submit the priority list to the legislature, governor, and Office of Policy and Management secretary in December. For each project, the list must include enrollment and capacity projections for (1) the school receiving the grant and (2) all schools under the applicable school board's jurisdiction (for the eight years following the application date in the latter case). The bill additionally requires that the report include (1) who conducted the enrollment projections and their cost and (2) an estimate and itemization of each project's ineligible costs.

Projects Redirected for Public Use (§ 152)

Existing law establishes a 10- or 20-year amortization period (depending on the grant amount) for school building project grants and generally requires school boards to repay the unamortized balance if they abandon, sell, lease, demolish, or redirect the project's use during the amortization period to anything other than a school use. The bill additionally allows school boards to redirect the project to a public use during the amortization period without triggering the repayment requirement. (Current law allows towns to seek forgiveness of the unamortized balance if they redirect the project for a public use.)

Project Categories (§§ 152 & 153)

The bill eliminates a requirement that DAS assign school building projects to one of three categories and makes conforming changes. Generally, the categories are based on whether the project provides mandatory instructional facilities, enhances these facilities, or provides supportive services.

Local Authorization (§ 152)

The law prohibits DAS from adding a project to the priority list unless the applicant, before applying, has either secured funding authorization for the local share of project costs or has scheduled and prepared a referendum for which results will be submitted by November 15 in the

application year. Beginning with applications submitted on and after July 1, 2026, the bill requires that the local share include an additional 10% contingency in accordance with guidance developed by DAS.

Project Review (§ 154)

Current law allows the DAS commissioner to disapprove a grant application if, among other things, it does not comply with the state fire marshal's or Department of Public Health's requirements. The bill instead allows her to disapprove an application if it does not include an attestation from the local fire marshal or district or municipal health department, as applicable, that the project plans comply with these requirements.

Additionally, beginning July 1, 2025, the bill allows the DAS commissioner to reject an application that does not include the solar feasibility assessment required by the bill (see § 176 – SOLAR FEASIBILITY STUDY below).

EFFECTIVE DATE: July 1, 2024

§§ 155 & 156 — REIMBURSEMENT RATE INCREASES FOR CERTAIN EARLY CHILDHOOD PROJECTS

Increases the reimbursement rate bonus to 15 percentage points for certain elementary and early childhood projects; establishes a new 15 percentage point bonus for buildings used exclusively for early childhood care and education

Current law gives a five-percentage-point reimbursement rate increase for new or expansion elementary school building projects that include space for a school readiness program. The bill (1) increases this bonus rate to 15 percentage points and (2) broadens its availability to include an early childhood care and education program providing services for children from birth to age five. As under existing law, recipient districts must maintain the program for at least 10 years.

Additionally, the bill establishes a new 15 percentage point bonus for a building or facility to be used exclusively by a school board for an early childhood care and education program providing services for children from birth to age five. The recipient district must maintain the program for at least 20 years. The bill specifies that the district's overall

reimbursement rate cannot exceed 100%.

The bill also increases, from 10 to 15 percentage points, the reimbursement rate bonus for elementary school projects relating to (1) full-day kindergarten or preschool in priority school districts or priority schools or (2) reducing class sizes under the Early Reading Success program. It specifies that a recipient district's overall reimbursement rate cannot exceed 100%.

EFFECTIVE DATE: July 1, 2024

§ 157 — INCLUSIVE MUNICIPALITY DESIGNATION

Requires school boards seeking a five-percentage point reimbursement rate increase for being in an "inclusive municipality" to give DAS the housing commissioner's written determination that the municipality qualifies for the designation

Existing law makes local and regional boards of education for an "inclusive municipality," as determined by the housing commissioner, eligible for a five-percentage point increase to their state grant reimbursement rate for school building projects (see *Background – Inclusive Municipality*).

The bill requires boards of education seeking this bonus rate to submit to DAS a written determination by the housing commissioner that the municipality in which the project will occur qualifies for the designation. The board must submit the determination before December 1 in the year it applies to DAS for a school building project grant, and the determination must have been issued within that year. The bill applies to applications submitted on and after July 1, 2024.

EFFECTIVE DATE: July 1, 2024

Background — Inclusive Municipality

To qualify as an inclusive municipality, a municipality must have a total population exceeding 6,000 and a share of affordable housing units that is less than 10% of its total housing, as determined by the housing commissioner.

The municipality must also have done the following:

1. adopted, and currently maintain, zoning regulations that (a) promote fair housing, as determined by the commissioner; (b) provide a streamlined approval process for multi-family housing development of three units or more; (c) permit mixed-use development; and (d) allow accessory dwelling units and
2. built new affordable housing units that (a) are deed-restricted to households whose income is 80% or less of the state median income and (b) equal at least 1% of the municipality's total housing units in the three years immediately before the municipality's grant application.

§ 158 — GRANTS TO ENDOWED ACADEMIES

Eliminates a requirement that an endowed academy's governing board meet specified composition requirements to be eligible for a grant

By law, an endowed academy that functions as a public high school under state law is eligible for school construction grants (i.e., Gilbert School, Norwich Free Academy, and Woodstock Academy). The bill eliminates a requirement that, to be eligible for a school construction grant, at least half of the members of an endowed academy's governing board, other than its chairperson, represent the school boards of the towns that designate them as their high schools. It retains the requirement that the academies provide school facilities to those towns for at least 10 years after the last grant payment.

EFFECTIVE DATE: July 1, 2024

§§ 159, 161 & 164 — PROGRAM ADMINISTRATION

Replaces certain references to SDE or SBE in the school building project statutes with references to DAS

The bill conforms the law to current practice by replacing references to the State Department of Education (SDE) or State Board of Education (SBE) in the school building project statutes with references to DAS. (Legislation in 2011 and 2014 transferred the primary responsibility for school construction grants from SDE to DAS.)

Specifically, under current law, if a school building project receives a grant with a reimbursement rate of 95% or more but ceases to be used

for these purposes within 20 years after legislative approval, then title must revert to the state unless the SDE commissioner decides otherwise for good cause. The bill instead requires that title revert unless the DAS commissioner decides otherwise for good cause.

The bill also (1) makes permanent a requirement that DAS prescribe school construction rules and regulations in consultation with SDE (under current law, it had to do so by June 30, 2013) and (2) repeals references to SBE regulations. It also repeals an obsolete provision on submitting change orders to SDE.

EFFECTIVE DATE: July 1, 2024

§ 160 — ENERGY FUNDS AND SCHOOL CONSTRUCTION GRANTS

Excludes certain energy-related funds from the state funds that must be subtracted from the total project cost when calculating a school construction grant

Current law requires that any state funds received by a town for a school building project be subtracted from the total project costs before the state calculates the town's state reimbursement grant amount. Starting July 1, 2024, the bill excludes funds or benefits received under the following energy-related initiatives from being subtracted for this requirement:

1. certain rate design standards for electric utilities (CGS § 16-19f),
2. the Department of Energy and Environmental Protection's microgrid and resilience grant and loan program (CGS § 16-243y),
3. renewable energy tariffs (see *Background – Renewable Energy Tariffs* under §§ 173-175) (CGS § 16-244z),
4. conservation and load management programs (CGS § 16-245m),
and
5. the Green Bank's Clean Energy Fund (CGS § 16-245n).

EFFECTIVE DATE: July 1, 2024

§§ 162 & 163 — PROJECT AUDITS

Modifies certain audit-related and post-project completion deadlines; makes technical changes

The law requires towns and regional school districts to submit a notice of project completion for a school building project after issuing a certificate of occupancy for the project. The bill shortens, from within three years to within one year after this issuance, the deadline by which towns and regional districts must submit the notice. By law, DAS must deem the project completed and conduct the audit if the town or district does not submit the notice by the required deadline.

Under current law, if DAS does not complete an audit within five years after receiving a notice of project completion, then it must conduct a limited scope audit (e.g., a review of total reported expenditures and adherence to authorized space specifications). The bill instead requires DAS to conduct the limited scope audit two years after making the final project payment.

The bill also makes a technical change by repealing a redundant provision allowing the DAS commissioner to waive audit deficiencies if she finds that doing so is in the state's best interests. A separate statute, unchanged by the bill, also authorizes this (CGS § 10-286g). Additionally, the bill removes a reference to a repealed statute (see § 210— REPEALED PROVISIONS below).

EFFECTIVE DATE: July 1, 2024

§ 163 — CONTRACTING REQUIREMENTS

Makes certain cooperative purchasing contracts a qualified bidder for most project awards; eliminates prohibition on construction managers bidding on project elements; requires that consultant awards be made from a pool of at least three of the most responsible qualified proposers; requires construction managers to report on ineligible costs and meet quarterly with school boards

Cooperative Purchasing Contracts

The law generally requires that orders and contracts for school building projects receiving state assistance be awarded to the lowest responsible qualified bidder only after a public invitation to bid. Under the bill, qualified bidders include cooperative purchasing contracts

offered through a regional education service center (RESC) or council of government. Under current law and the bill, separate requirements apply for consultant and construction management services awards (see below).

Consultant and Construction Management Services Award Process

Current law requires that contracts for school building project architectural services be awarded from a pool of up to the four most responsible qualified proposers after a public selection process. The bill instead requires that the award be from a pool of at least three of the most responsible qualified proposers and makes conforming changes. Among other things, the awarding authority must determine at least three of the most responsible qualified proposers after the qualification process (rather than the four most responsible qualified proposers) and award the contract to one of these proposers.

Under the bill, this change also applies to contracts for (1) construction management services and (2) other consultant services, including services rendered by an owner's representatives, construction administrators, program managers, environmental professionals, planners, and financial specialists. The bill requires that DAS approval of orders or contracts for these consultants be in writing or through written electronic communication for the costs to be eligible for state funding.

Guaranteed Maximum Price (GMP) and Construction Managers

Under existing law, the construction manager's contract must include a GMP for construction costs. This price must be determined no later than 90 days after selecting trade subcontractor bids.

The bill (1) eliminates current law's prohibition on construction managers bidding on project elements and (2) prohibits construction from beginning before the GMP is determined. Current law allows site preparation and demolition work to occur before the GMP is determined.

Construction Manager Reporting and Document Retention

The bill requires that construction manager contracts include a requirement to retain all documents and receipts for two years following the date DAS completes the project audit (see above).

It also requires construction managers to submit to school boards (1) quarterly reports regarding ineligible project costs to date and (2) a final report on total ineligible costs. It must submit this final report upon submitting the notice of project completion and before DAS audits the project.

Additionally, the bill requires construction managers to meet quarterly with the school board to review any change orders for eligibility as the project progresses.

EFFECTIVE DATE: July 1, 2024

§§ 165, 166, 171 & 172 — TECHNICAL AND CONFORMING CHANGES

Removes references to repealed statutes

The bill makes technical and conforming changes by removing references to repealed statutes (see § 210— REPEALED PROVISIONS below).

EFFECTIVE DATE: July 1, 2024

§ 167 — SINGLE-USER TOILET AND BATHING ROOMS

Prohibits DAS from including new construction projects on the priority list if the project plans do not provide for single-user toilet and bathing rooms

Beginning July 1, 2025, the bill prohibits DAS from including new construction projects on the priority list if the project plans do not provide for single-user toilet and bathing rooms available for all students and school personnel.

EFFECTIVE DATE: July 1, 2024

§ 168 — SCHOOL BUILDING COMMITTEE MEMBERSHIP

Requires that school building committees include the school board chair or a designee

The bill requires that local school building committees include the school board chair for the project's district or a designee. Under existing

law, the committee must have at least one member with experience in the construction industry. Among other things, the committees approve project plans (CGS § 10-291).

EFFECTIVE DATE: July 1, 2024

§§ 169 & 170 — INDOOR AIR QUALITY GRANTS

Makes endowed academies and state charter schools eligible for grants; delays, from July 1, 2024, to July 1, 2026, the start of the prohibition on DAS awarding a grant to an applicant that is not compliant with the inspection requirement; requires DAS to reconsider previously rejected grant applications in FYs 25 and 26; earmarks up to \$15 million of an existing bond authorization for grants to purchase equipment and materials for constructing and installing individual classroom air purifiers

Endowed Academies and Charter Schools

The law allows school boards or RESCs to apply to DAS for grants to reimburse costs for projects to install, replace, or upgrade HVAC systems or related improvements. The bill extends eligibility for these grants to endowed academies and state charter schools and makes conforming changes. As under existing law for school boards and RESCs, DAS must consider the academy's or charter school's ability to finance the remainder of the project costs.

Under the bill, endowed academies must receive the same reimbursement rate for indoor air quality grants as they do for school building project grants under existing law. Generally, this percentage may be up to 85%, based on the weighting of the reimbursement rates of towns that have designated the academy as their high school, rounding to the next higher whole number and adding 5% (CGS § 10-285b).

The bill requires that state charter schools receive half of the reimbursement rate for the town in which the school is located. Generally, school boards may receive a reimbursement grant for 20%-80% of eligible expenses, based on the town ranking among all Connecticut towns using property wealth as a measure. As with the school construction grant program, less-wealthy towns receive a larger reimbursement rate. RESCs are reimbursed under a similar method that reflects the wealth of the towns served by the RESC.

Reconsideration of Rejected Applications

The bill requires DAS, for FYs 25 and 26, to reconsider any rejected application that a school board or RESC submitted before July 1, 2024. The bill specifies that the school board or RESC does not need to submit a new application for reconsideration unless the (1) previous application was denied for being incomplete or (2) DAS commissioner determines that additional information or revisions are needed. Under the bill, DAS must provide technical assistance to school boards and RESCs during the reconsideration period.

State Grants for HVAC Inspections

The law requires school boards to complete a uniform inspection and evaluation of their school buildings' HVAC systems. Starting July 1, 2024, current law prohibits the DAS commissioner from awarding grants for HVAC or indoor air quality improvements to school districts that have not certified compliance with the law's inspection and evaluation requirements. The bill delays the start of this prohibition to July 1, 2026.

Bond Authorization

Existing law authorizes state GO bonds to fund the indoor air quality grants. The bill earmarks up to \$15 million of the authorization for grants to purchase equipment and materials for constructing and installing individual classroom air purifiers. It earmarks up to \$11.5 million of this amount for UConn as part of the Supplemental Air Filtration for Education program under the Clean Air Equity Response Program to use for this purpose. It earmarks the remainder for an organization or organizations that provide equipment and materials for individual classroom air purifiers to schools

EFFECTIVE DATE: July 1, 2024

§§ 173-175 — RENEWABLE TARIFF FOR SOLAR IN SCHOOLS

Requires PURA to initiate a docket by January 1, 2025, to establish a program to encourage solar facility and energy storage installation at public schools

The bill requires the Public Utilities Regulatory Authority (PURA) to initiate a docket by January 1, 2025, to develop a program to encourage

solar facility and energy storage system installation at public schools. PURA must incorporate the program into existing renewable energy tariffs (see *Background – Renewable Energy Tariffs*). The bill authorizes PURA to (1) establish a separate tariff (i.e., generally, a set of rules and rates) for projects selected under this program and (2) limit the program's size by implementing a cap of up to 25 MW per year on the generating capacity of selected projects, though PURA must allow unused allowance under the cap in any given year to accrue (i.e., be available in subsequent years). Under the bill, this program is separate from and not counted toward separate caps in existing renewable energy tariffs or energy storage programs (see *Background – Energy Storage Programs*).

Under the bill, project proposals may use electricity estimates that exceed the existing on-site usage at the time of the proposal to account for the following additional future uses:

1. electric vehicle charging stations,
2. electric heating and cooling systems, and
3. powering equipment to provide food and water.

EFFECTIVE DATE: July 1, 2024

Background — Renewable Energy Tariffs

The law and subsequent PURA decisions establish renewable energy tariffs that govern how electric customers that install, lease, or otherwise contract with solar facilities are compensated for the energy and related attributes these facilities generate. The law sets caps for two programs under these tariffs: the Nonresidential Energy Solutions program (NRES) and the Shared Clean Energy Facility program (SCEF). For NRES, the law caps low-emissions projects at 10 MW per year and zero-emissions projects at 100 MW per year. For SCEF, the law applies a 50 MW cap (CGS § 16-244z(c)(1)(A)).

Background — Energy Storage Programs

The law authorizes PURA to develop and implement programs for

electric energy storage resources (e.g., batteries) connected to the electric distribution system (CGS § 16-243ee). While the law does not set caps for energy storage, the program PURA subsequently established is based on energy storage deployment goals in statute (PURA Docket 17-12-03RE03). By law, these goals are as follows:

1. 300 MW by December 31, 2024;
2. 650 MW by December 31, 2027; and
3. 1,000 MW by December 31, 2030 (CGS § 16-243cc).

§ 176 — SOLAR FEASIBILITY STUDY

Generally requires school boards, before submitting a priority list application, to have a solar feasibility assessment performed for the school building that is the subject of the application

Beginning July 1, 2025, the bill requires school boards, before submitting a priority list application for a school building project grant, to have a solar feasibility assessment performed for the building that is the subject of the application unless it already uses solar energy. Boards may coordinate with one another in providing the assessment.

Under the bill, the assessment must give a school board the information it needs to determine the feasibility of installing solar facilities on the school's premises, including the following:

1. the school's annual electric load during the most recent calendar year, if applicable;
2. the available area of rooftop space and impervious surface to host solar facilities;
3. available opportunities to interconnect with the electric distribution system; and
4. a description of anticipated costs, savings, and contractual terms for solar facilities, including interconnection costs and electric bill credits.

As noted earlier, the bill allows the DAS commissioner to reject a

priority list application that does not have this assessment (see § 154 above).

EFFECTIVE DATE: July 1, 2024

§§ 177-209 — SCHOOL CONSTRUCTION PROJECT EXEMPTIONS, WAIVERS, AND MODIFICATIONS

Exempts school construction projects in 25 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; also repeals a prior project authorization

The bill exempts school construction projects in 25 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 bill grants.

Table: Notwithstandings for School Construction Projects

Bill §	Town	School and Project	Exemption, Waiver, or Other Change
177	Danbury	Danbury Career Academy at Cartus, new construction	Increases the maximum cost of a 2022 notwithstanding for the same project from \$154 million to \$179.5 million Amends a 2023 notwithstanding for the same project to increase, from \$39.4 million to \$45.76 million, the amount Danbury may be reimbursed for site acquisition costs
178	Danbury	Ellsworth Avenue School,	Allows replacement of a roof that is less than 20

Bill §	Town	School and Project	Exemption, Waiver, or Other Change
		roof replacement	years old to be eligible for a state reimbursement grant, based on the town's standard rate
179	New London	Science/Technology Magnet High School, interdistrict magnet facility extension and alteration	Allows reimbursement of up to \$1,591,736 for otherwise ineligible project costs
180	Milford	Projects at 14 specified schools	Waives the standard building space requirements
181	Tolland	Birch Grove Primary School, new construction	Waives the standard building space requirements
182	Greenwich	Central Middle School, renovation	<p>Waives the filing deadline to be on the 2024 priority list (§ 151) for the project with a maximum cost of \$112,017,000 if Greenwich files an application before October 1, 2024</p> <p>Sets a 20% project reimbursement rate</p> <p>Waives standard space specifications</p>
183	Trumbull	Hillcrest Middle School, new construction	<p>Waives the filing deadline to be on the 2024 priority list (§ 151) for the project with a maximum cost of \$140,962,823 if Trumbull files an application before December 1, 2024</p> <p>Sets a 44% project reimbursement rate rather than 24.29%*</p>
184	Derby	<p>Irving School, solar panels</p> <p>Bradley School, solar panels</p> <p>Derby Middle School, solar</p>	Allows reimbursement for otherwise ineligible project costs

Bill §	Town	School and Project	Exemption, Waiver, or Other Change
		panels	
185	New Britain	Smith Elementary School, renovation	<p>Waives the filing deadline to be on the 2024 priority list (§ 151) for the project with a maximum cost of \$145 million if the application is filed before October 1, 2026, and the project includes constructing preschool facilities as part of or on the school's site</p> <p>Allows a 95% reimbursement rate instead of 78.93%* if (1) New Britain is an educational reform district on the bill's effective date and (2) the school building committee for the project meets specified membership criteria</p> <p>Waives the standard building space requirements</p>
186	New Britain	Chamberlain Elementary School, renovation	Allows New Britain to change the project's scope to not include constructing preschool facilities as long as those facilities are included in the Smith Elementary School project (see above)
187	New Britain	Jefferson Elementary School, renovation	Amends a 2023 notwithstanding for the same project by extending the application deadline from October 1, 2026, to October 1, 2028
188	Torrington	Torrington Middle & High School, construction of a	Sets the allowable project reimbursement rate at 85% for constructing

Bill §	Town	School and Project	Exemption, Waiver, or Other Change
		central administration facility	<p>outdoor athletic facilities (including artificial turf), including for any costs that would otherwise be reimbursed at one-half of this rate</p> <p>Allows reimbursement of up to \$6 million for otherwise ineligible project costs</p>
189	Ellington	Windermere Elementary School, renovation	<p>Reauthorizes project and allows a change in scope if the cost does not exceed \$74.6 million</p> <p>Waives the filing deadline to be on the 2024 priority list (§ 151)</p> <p>Waives requirement that all projects must be awarded after a publicly advertised invitation to bid, including notice on the State Contracting Portal, if the project is otherwise eligible under the program</p>
190	Darien	Holmes Elementary School, roof replacement	Waives the requirement that a construction bid not be let out without DAS plan and specifications approval
191	Darien	Hindley Elementary School, roof replacement	Waives the requirement that a construction bid not be let out without DAS plan and specifications approval
192	Darien	Hindley Elementary School, extension and alteration	<p>Reauthorizes project and allows a change in scope if the cost does not exceed \$33,479,045</p> <p>Waives the filing deadline</p>

Bill §	Town	School and Project	Exemption, Waiver, or Other Change
			to be on the 2024 priority list (§ 151)
193	Darien	Holmes Elementary School, extension and alteration	Reauthorizes project and allows a change in scope if the cost does not exceed \$34,003,800 Waives the filing deadline to be on the 2024 priority list (§ 151)
194	Darien	Royle Elementary School, extension and alteration	Reauthorizes project and allows a change in scope if the cost does not exceed \$34,007,890 Waives the filing deadline to be on the 2024 priority list (§ 151)
195(a), (b) & (d)	Ansonia	New middle school construction	Waives the filing deadline to be on the 2024 priority list (§ 151) for the project if the application is filed before October 1, 2024 (maximum cost not specified) Allows an 87% reimbursement rate, rather than 67.86%* Waives the standard building space requirements
195(c)	Ansonia	New middle school, construction of a central administration facility	Sets the allowable project reimbursement rate at 87%, including for any costs that would otherwise be reimbursed at one-half of this rate
196	East Hartford (Goodwin University-run <i>Sheff</i> magnet	Goodwin University Industry 5.0 Magnet Technical High School	Reauthorizes the project and increases its allowable cost from \$75 million to \$85 million if the application is filed before

Bill §	Town	School and Project	Exemption, Waiver, or Other Change
	school)		June 1, 2024 Changes project from extension and alteration to new construction
197	Region 4 (i.e., Chester, Deep River, and Essex)	John Winthrop Middle School, alteration	Waives the filing deadline to be on the 2024 priority list (§ 151) for the project with a maximum cost of \$5.8 million Waives the standard building space requirements
198	Windsor (Capital Region Education Council)	Early learning center at former Roger Wolcott School	Waives the filing deadline to be on the 2024 priority list (§ 151) for the project with a maximum cost of \$4,887,928 Makes the project eligible for total (100%) project cost reimbursement
199	Stamford	Davenport Elementary School, alteration	Waives the filing deadline to be on the 2024 priority list (§ 151) for the project with a maximum cost of \$3,767,801 if the application is filed before October 1, 2024
200	Waterbury	Code violation project Duggan Elementary School, renovation and extension Jonathan E. Reed Elementary School, new construction and site purchase, Carrington Elementary School, new construction Waterbury Career Academy, new construction and site	Waives any audit deficiencies

Bill §	Town	School and Project	Exemption, Waiver, or Other Change
		purchase Michael F. Wallace Middle School, extension and alteration John F. Kennedy High School, extension and alteration	
201	Thompson	Tourtellotte Memorial High School, code violation and oil tank replacement	Waives the requirement that a construction bid not be let out without DAS plan and specifications approval as long as DAS later approves them
202	Simsbury	Latimer Lane School, renovation	Sets a 35% project reimbursement rate instead of 33.57%**
203	Middletown	Middletown High School, new construction	Allows reimbursement of up to \$3.5 million for audit deficiencies and otherwise ineligible project costs
204	Farmington	Farmington High School, new construction and central administration facility	Allows reimbursement of up to \$1.8 million for otherwise ineligible project costs
205	Groton (state project)	Ella T. Grasso Technical High School, extension and alteration	Reauthorizes project and allows a change in scope if the cost does not exceed \$135,821,895 Waives the filing deadline to be on the 2024 priority list (§ 151)
206	Meriden (state project)	H.C. Wilcox Technical High School (project unspecified)	Waives the filing deadline to be on the 2024 priority list (§ 151) for the project with a maximum cost of \$15.5 million if the application is filed before October 1, 2024

Bill §	Town	School and Project	Exemption, Waiver, or Other Change
207	Enfield	Nathan Hale Elementary School, extension and alteration	Forgives a refund owed to the state for the unamortized balance of the remaining state grant as of the date the building project was abandoned, sold, leased, demolished, or redirected for use other than as a public school
208	Manchester	Bowers Elementary School, renovation Buckley Elementary School, renovation Keeney Elementary School, renovation	Allows federal, Eversource, and other state funds to count towards town's local share of project costs
209	Sherman	Sherman School, renovation	Waives the filing deadline to be on the 2024 priority list (§ 151) for the project with a maximum cost of \$42.5 million if the application is filed before October 1, 2024 Sets a 30% project reimbursement rate instead of 25%* Waives the standard building space requirements

*FY 24 reimbursement rates 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)

**Rate from 2022 priority list (PA 22-118, § 362)

EFFECTIVE DATE: Upon passage

§ 210 — REPEALED PROVISIONS

Repeals several obsolete school building project statutes

The bill repeals several obsolete school building project statutes and

makes conforming changes. The statutes relate to the following:

1. a 2002 pilot program for design-build projects (CGS § 10-285f);
2. an FY 06 pilot program for a charter school building project (CGS § 10-285h);
3. lump sum grant payments for projects submitted before October 15, 1975 (CGS §§ 10-287a & -287f); and
4. interest subsidy grants for certain projects authorized before July 1, 1996, or for which an application was submitted before July 1, 1997 (CGS §§ 3-76t, 10-287j & 10-292c to -292n).

The repeal of the interest subsidy grants also includes the repeal of a GO bond authorization that funded the grants (CGS § 10-292k). (The State Bond Commission has fully allocated the authorization.)

EFFECTIVE DATE: July 1, 2024

§ 211 — TECHNICAL CORRECTIONS DURING CODIFICATION

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

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

EFFECTIVE DATE: Upon passage