OLR Bill Analysis

HB 6941

Emergency Certification

AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2025, AND MAKING APPROPRIATIONS THEREFOR, AND PROVISIONS RELATED TO REVENUE AND OTHER ITEMS IMPLEMENTING THE STATE BUDGET.

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§§ 1-51 — BUDGET PROVISIONS
Please refer to the fiscal note for a summary of these sections

§ 52 — RURAL SPEED ENFORCEMENT GRANT PROGRAM
Extends a DESPP grant program for speed enforcement on rural roads to eligible municipalities without a law enforcement unit or resident state trooper

§ 53 — AMBULANCE RATES
Requires the DPH commissioner to increase the maximum allowable rates by 10% in FY 24 for licensed and certified ambulance services, invalid coaches, and paramedic intercept services

§ 54 — HOSPITAL NURSE STAFFING PLANS
Requires hospitals to report biannually, instead of annually to DPH on their prospective nurse staffing plans and expands the plan's required contents

§ 54 — HOSPITAL STAFFING COMMITTEES
Modifies the composition, leadership, and selection of hospital staffing committee membership; establishes criteria the committees must consider when developing hospital nurse staffing plans; sets related notification, recordkeeping, and compensation requirements

§ 54 — HOSPITAL NONCOMPLIANCE WITH NURSE STAFFING REQUIREMENTS
Requires hospitals to biannually report to DPH on their compliance with nurse staffing assignments in their nurse staffing plans; requires DPH to investigate complaints regarding nurse staffing plan violations and, when appropriate, issue orders of noncompliance that require hospitals to implement corrective action plans and pay civil penalties; allows DPH to audit nurse staffing assignments

§ 54 — HOSPITAL NURSE PARTICIPATION IN HOSPITAL ACTIVITIES
Prohibits hospitals from requiring registered nurses to perform patient care tasks beyond the scope of their license and allows an RN to object to doing so, with limited exceptions

§ 55 — MANDATORY NURSE OVERTIME IN HOSPITALS

Prohibits hospitals from requiring nurses to work overtime and from discriminating or retaliating against them for refusing to do so, with limited exceptions

§ 56 — PROJECT LONGEVITY INITIATIVE EXPANSION

Expands the Project Longevity Initiative by (1) making its goal to reduce gun violence in all of the state's municipalities, not only its cities, and (2) requiring its implementation in Norwich and New London in addition to Bridgeport, Hartford, New Haven, and Waterbury

§ 57 — PROBATE COURT JUDGES' AND EMPLOYEES' INSURANCE COVERAGE

Increases the contribution paid for the state group hospitalization and medical and surgical insurance plan from the Probate Court Administration Fund for probate judges' and employees' additional cost, from up to 50% to up to 70%

§ 58 — POLICE RECORDING EQUIPMENT REPORTING

Requires (1) POST to create a form for law enforcement units to use to report on their compliance with state law's body and dashboard camera requirements, (2) the units to annually submit a report on the form, and (3) UConn's Institute for Municipal and Regional Policy to review the submissions and report findings and recommendations to specified entities

§ 59 — DECD STATE-WIDE TOURISM MARKETING

Requires DECD to use funding appropriated to the department to support tourism programs; prohibits the department from using these funds to market itself

§ 60 — MEDICAID WAIVER APPENDIX K REPORT

Requires the DSS commissioner to report to the Appropriations and Human Services committees by January 1, 2024, on the implementation of emergency amendments to home- and community-based Medicaid waivers

§ 61 — RESERVE FOR SALARY ADJUSTMENTS ACCOUNT REPORTS

Starting by January 1, 2024, requires the OPM secretary to give the Appropriations Committee quarterly reports on the status of the reserve for salary adjustments account

§ 62 — DPH PANDEMIC PREPAREDNESS REPORT

Requires the public health commissioner to annually report to the Appropriations Committee on the state's pandemic preparedness starting by January 1, 2024

§§ 63-65 — 340B PROGRAM

Makes various changes affecting participants in the federal 340B drug pricing program, such as (1) prohibiting PBMs from discriminating against 340B covered entities in connection with dispensing covered drugs, (2) requiring drug manufacturers to comply with specified federal pricing requirements when selling covered drugs to these entities, and (3) allowing covered entities or the attorney general to seek court relief if a PBM seeks to enforce contract provisions that violate the bill

§ 66 — BEVERAGE CONTAINER RECYCLING GRANT PROGRAM

Requires, within available appropriations, any organization that serves people with intellectual and developmental disabilities to be eligible for a grant under the beverage container recycling grant program

§ 67 — PLANNING COMMISSION FOR HIGHER EDUCATION

Changes commission membership and appointing authorities and requires the commission to update the strategic master plan for higher education

§ 68 — COMPETITIVE BIDDING FOR SHORE LINE EAST

Directs the DOT commissioner to select and contract with a Shore Line East operator through a competitive process

§ 69 — TECHNICAL CORRECTIONS DURING CODIFICATION

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

§ 70 — STIPENDS AND TUITION REFUNDS FOR CERTAIN STONE ACADEMY STUDENTS

Requires the Office of Higher Education to pay from the private career schools student protection account stipends and tuition refunds to certain Stone Academy practical nurse education program students

§ 71 — SET-ASIDE PROGRAM

Requires DAS to give awarding agencies a preliminary set-aside goal report for the upcoming fiscal year and delays the deadline by which agencies must submit their goals to DAS

§ 72 — HISTORIC PRESERVATION REVIEW PROCESS WORKING GROUP

Establishes a working group to study and make recommendations on the historic preservation review process

§ 73 — OFFICE OF WORKFORCE STRATEGY LOCATION

Moves OWS from the Office of the Governor to DECD for administrative purposes only

§ 74 — OPM HOUSING PROGRAMS REPORT

Ends a reporting requirement for OPM on housing programs by making the final report due by January 1, 2024

§ 75 — COMMUNITY INVESTMENT FUND 2030 ADMINISTRATIVE COSTS

Prohibits Community Investment Fund 2030 bond proceeds from paying for related administrative costs; requires DECD to pay for the administrative costs within available appropriations

§§ 76-83 — TRANSFER OF MUNICIPAL GRANT FUNDING FROM MRSA TO MRSF

Principally makes certain municipal grants, including PILOT and motor vehicle property tax grants, payable from MRSF rather than MRSA and correspondingly diverts certain tax revenue to that fund, rather than MRSA, to cover the grants; specifies supplemental revenue sharing grant amounts for certain municipalities and districts; changes the date by which OPM must make PILOT grants to municipalities

§§ 84-87 — COMPENSATION FOR JUDGES AND CERTAIN OTHER STATE OFFICIALS

Increases the salary and other compensation for judges and certain other judicial officials by approximately 3% starting in FY 24 and again in FY 25; correspondingly increases the salary of certain other state officials whose salary, by law, is tied to that of judges

§§ 88 & 89 — ETHNIC AND RACIAL DIVERSITY PLAN

Eliminates a requirement that OHE maintain a racial and ethnic diversity plan for the state's higher education institutions, but adds similar provisions into the existing OHE minority advancement program

§ 90 — BOR DISPOSING OF SURPLUS REAL PROPERTY

Authorizes BOR, with the OPM secretary's review and approval, to sell surplus CSCU property outside of the current disposition process for surplus state property

§ 91 — SOCIAL EQUITY AND INNOVATION ACCOUNT

For FY 24, allows the money in the account to be allocated for purposes the Social Equity Council solely determines, and delays the transfer of remaining money into the Social Equity and Innovation Fund from the end of FY 23 until the end of FY 24

§§ 92 & 419 — HIGHER EDUCATION CONSTITUENT UNIT EMPLOYEE RETIREMENT COSTS

Beginning FY 24, requires the (1) comptroller to pay the retirement-related fringe benefit costs for all employees of the constituent units of the state higher education system, rather than only for General Fund-supported employees; and (2) constituent units to fund their employee health and life insurance, unemployment compensation, and employers' social security tax.

§§ 93-97 & 419 — ONLINE LOTTERY SALES

Eliminates the diversion of online lottery sales revenue to fund the state's debt-free community college program

§§ 96 & 419 — REGIONALIZATION TASK FORCE AND SUBACCOUNT REPEALER

Repeals the regionalization task force and a related subaccount to fund its recommendations

§ 98 — OPEN EDUCATIONAL RESOURCE COUNCIL

Transfers the Connecticut Open Educational Resource Coordinating Council from OHE to CSCU and makes conforming changes; expands restrictions on council grant award recipients; adds to council duties, and requires them to include additional information in their biennial report to the legislature; allows the OER state-wide coordinator to hire a part-time employee

§ 99 — INDEPENDENT COLLEGE AND UNIVERSITY PROGRAM APPROVAL EXEMPTIONS

Makes permanent the law exempting qualifying independent colleges and universities from the Office of Higher Education's program approval process for an unlimited number of higher education programs per academic year; requires independent higher education institutions to at least annually update the credentials database with any new, modified, or discontinued programs

§ 100 — CONTRACT ASSIGNMENTS BY STATE AGENCIES

Allows the OPM secretary to execute an MOU with a department head to assign the department head the authority to enter into a contract or written agreement using funds

appropriated to the secretary for the contract's or agreement's purposes; allows budgeted agencies' department heads to similarly assign this authority upon the secretary's approval

§ 101 — FEES FOR STATE AGENCY ELECTRIC VEHICLE STATIONS

Changes the fund into which fees collected for using state agency EV charging stations are deposited

§ 102 — GRANT PROGRAM FOR PURCHASING ELIGIBLE BODY AND DASHBOARD CAMERAS AND RELATED EQUIPMENT AND SERVICES

Extends, through FY 25, the municipal grant program for purchasing eligible body and dashboard cameras and related equipment and services

§§ 103-109 — BACKGROUND CHECKS BY THE DEPARTMENT OF ADMINISTRATIVE SERVICES

Authorizes DAS to conduct background checks for certain agencies and positions in addition to the existing requirement for the employing state agencies

§§ 110-114 & 421 — PERSONAL SERVICES AGREEMENT PROCUREMENT THRESHOLDS

Increases, from $20,000 to $50,000, the cost threshold at which agencies must use competitive solicitation methods to enter into a PSA; eliminates a PSA's length as a criterion for determining whether a competitive solicitation is required; these changes also apply to POS contracts

§ 115 — RETIREMENT SECURITY PROGRAM REIMBURSEMENT

Eliminates a deadline for the state's retirement security program to reimburse the General Fund for certain expenses and instead requires the reimbursement to follow a plan established by the OPM secretary and state comptroller

§ 116 — CONNECTICUT PORT AUTHORITY AND BUILDING PERMITTING PROCESS

Applies to CPA the same building and fire safety rules that govern state agencies and the CAA when constructing or altering buildings

§ 117 — BUDGET RESERVE FUND SURPLUS

Prescribes, through FY 24, the order in which the state treasurer must transfer excess BRF funds to reduce the state's unfunded pension liability

§ 118 — SB 7 CHANGES TO CONTESTED PURA PROCEEDINGS

Narrows the scope of a provision in sSB 7, as amended, that prohibits utility company rate recovery for certain expenses incurred for PURA rate-making hearings

§ 119 — SB 7 PROHIBITION ON COST RECOVERY FOR MEMBERSHIP DUES, LOBBYING COSTS, AND ADS

Narrows the scope of a provision in sSB 7, as amended, that prohibits utility companies' rate recovery for certain expenses like trade association membership, lobbying, and advertising

§ 120 — SB 7 PROVISIONS ON ELECTRIC BILL FORMAT

Requires PURA to study the components of the delivery portion of electric bills and consider what additional information should be available to increase transparency about the costs and benefits of programs funded through certain charges on a customer's bill.

§§ 121 & 415 — SB 7 PROVISIONS ON PURA COMMISSIONERS

Repeals a provision in sSB7, as amended, that would have generally (1) allowed PURA's chairperson to assign any matter before PURA to one utility commissioner and (2) required that in any contested proceeding assigned to one commissioner, any proposed final decision must be voted on by all of the PURA commissioners

§ 122 — DUI AND CRIMINAL RECORD ERASURE

Specifies that DUI is not eligible for automatic criminal record erasure until 10 years after the person's most recent conviction, and makes DUI convictions ineligible for erasure if the person has a second DUI conviction within 10 years

§§ 123-126 — CANNABIS SOCIAL EQUITY AND INNOVATION AND PREVENTION AND RECOVERY SERVICES FUNDS

Renames two funds to specify they are "cannabis" funds; specifies that money may only be expended through General Assembly appropriations

§ 127 — CANNABIS REGULATORY FUND

Establishes a non-lapsing fund to be appropriated to state agencies to pay for costs incurred implementing authorized activities under RERACA

§§ 128 & 129 — DOC PILOT PROGRAMS FOR ALCOHOL USE DISORDER TREATMENT AND MENTAL ILLNESS

Requires DOC to (1) operate two pilot programs for people in its custody: one for people with alcohol use disorder and one for people with mental illness; (2) spend at least $500,000 on each pilot program to treat participants with certain medications; and (3) report to the legislature on the programs

§ 130 — DOC COMMISSARY IMPLEMENTATION PLAN

Requires DOC to (1) in consultation with JJPOC's incarceration subcommittee, develop and submit a commissary implementation plan to JJPOC and (2) fully implement the plan by November 1, 2023

§ 131 — PASSPORT TO THE PARKS ACCOUNT REPORT

Requires the DEEP commissioner to report on the passport to the parks account and subaccounts quarterly instead of semiannually; expands the report contents and recipients

§§ 132-134 — DEPARTMENT OF HOUSING

Makes DOH an executive branch agency instead of an agency within DECD for administrative purposes only

§§ 135 & 136 — HEALTH CARE PROVIDERS SERVING AS ADJUNCT FACULTY

Requires public higher education institutions to consider any licensed health care provider with at least 10 years of clinical experience to be qualified for an adjunct faculty position; correspondingly requires OHE, within available appropriations, to establish a program providing incentive grants to these providers who become adjunct professors

§§ 137-139 — DEBT FREE COMMUNITY COLLEGE AND THE ROBERTA B. WILLIS SCHOLARSHIP PROGRAM

Extends eligibility for the state's debt-free community college program to returning students; makes various changes to the Roberta B. Willis Scholarship program, including requiring FY 24 awards to use ARPA funds first and excluding regional-community technical colleges from the program

§ 140 — ENDOMETRIOSIS DATA AND BIOREPOSITORY PROGRAM

Requires UConn Health Center to develop an endometriosis data and biorepository program by January 1, 2024, and annually report on it to the Public Health Committee

§ 141 — TRIBAL GRANTS

Requires the OPM secretary to annually distribute $20,000 grants from the Mashantucket Pequot and Mohegan Fund to The Schaghticoke, Paucatuck Eastern Pequot, and Golden Hill Paugusset tribes

§ 142 — PRORATED PILOT GRANTS

Increases tiered PILOT grant rates by three percentage points, from 50%, 40%, and 30% to 53%, 43%, and 33% for tier one, two, and three municipalities, respectively

§ 143 — BATTERSON PARK FEASIBILITY STUDY

Requires the DEEP commissioner to study the feasibility of, and recommend options for, public recreational access to Batterson Park, hold public meetings on park redevelopment, and report to the Environment Committee by January 15, 2024

§§ 144-149 — HARTFORD SEWERAGE SYSTEM REPAIR AND IMPROVEMENT

Requires DEEP to use available funds, including certain Clean Water Act funds, for a program providing financial assistance to MDC for sewerage system upgrades and repairs in Hartford; creates a fund to be used for a financial assistance program for Hartford residents impacted by certain flooding; requires the MDC and Hartford to report to DEEP and the legislature

§ 150 — LGBTQ JUSTICE AND OPPORTUNITY NETWORK

Modifies the membership, name, and scope of the LGBTQ Health and Human Services Network

§§ 151-155 & 416 — USE OF CONNECTICUT TEACHERS' RETIREMENT FUND BONDS SCRF FOR CONNECTICUT BABY BOND TRUST PROGRAM

Authorizes the Connecticut Teachers' Retirement Fund Bonds Special Capital Reserve Fund to contain any financial guaranty the state treasurer obtains for the fund; sets conditions under which the money in the SCRF and any amount available under the guaranty may be deposited in the Connecticut Baby Bond Trust; eliminates the current $600 million GO bond authorization for the baby bonds program

§ 156 — COMPENSATION OF INCARCERATED INDIVIDUALS

Requires a $5-$10 per week pay range for DOC inmates performing services on the state's behalf

§§ 157-161 — FOOD AND NUTRITION POLICY ANALYST AND INCENTIVES FOR GROCERY STORES

Requires CWCSEO to hire a food and nutrition policy analyst to help reduce food insecurity and food deserts; authorizes municipalities to provide real property tax

abatements for the next two assessment years to new grocery stores established in food deserts if certain requirements are met

§§ 162-165 — FIREFIGHTERS CANCER RELIEF BENEFITS

Generally requires that firefighters who have certain cancers and meet other specified criteria receive workers' compensation-like benefits and disability retirement benefits that are paid by a municipality and then reimbursed from a state account; creates the Firefighter Cancer Relief Fund Advisory Committee to annually evaluate the account; and requires the treasurer to annually report on the status of the account and the existing Firefighters Cancer Relief Program

§§ 166-171 — STATE VOTING RIGHTS ACT

Prohibits election methods that impair a protected class member's right to vote; authorizes SOTS and others to file a court action and authorizes the court to impose tailored remedies for violations; prohibits intimidation, deception, or obstruction related to voting and allows aggrieved parties to seek remedies in court

§ 172 — APPRENTICESHIP REPORTING DATA

Requires apprenticeship program sponsors to annually give DOL certain information about the extent to which apprentices are successfully completing their program

§ 173 — LUNG CANCER EARLY DETECTION AND TREATMENT REFERRAL PROGRAM

Establishes, within available appropriations, a Department of Public Health Lung Cancer Early Detection and Treatment Referral Program to (1) promote screening, detection, and treatment to people ages 50 to 80, prioritizing high-risk populations and (2) provide public education, counseling, and treatment referrals

§§ 174 & 420 — PROGRAM OF ALL-INCLUSIVE CARE FOR ELDERLY

Allows the DSS commissioner to submit a Medicaid state plan amendment to cover Program of All-Inclusive Care for Elderly services under Medicaid, within available appropriations

§ 175 — PRIVATE EDUCATION LENDER & CREDITOR DISCLOSURES

Requires private education lenders and creditors to register with DOB and provide it with certain information about their loans and borrowers; requires DOB to publish a summary of the information it receives; allows DOB to bar certain violators for up to 10 years

§ 176 — OFFICE OF THE STUDENT LOAN OMBUDSMAN

Establishes an Office of the Student Loan Ombudsman and requires the DOB commissioner to appoint a student loan ombudsman to head the office

§§ 177 & 178 — FEDERAL STUDENT LOAN SUBSERVICER REGISTRATION

Extends existing law's registration requirement for federal student loan servicers to also cover subservicers of these loans

§ 179 — LOCAL VOLUNTARY PUBLIC SAFETY REGISTRATION SYSTEM FOR PEOPLE WITH IDD

Amends a provision in sHB 5001 of the current session that creates a local voluntary public safety registration system for people with IDD, limiting the registration system to children with IDD and setting up a notification and opt-in procedure municipal police departments must follow when registrants turn 18

§ 180 — COMPENSATION FOR FAMILY CAREGIVERS

Requires DSS to amend current Medicaid waivers, rather than applying for new ones, to authorize compensation for family caregivers in DDS-administered waiver programs

§ 181 — COMMUNITY RESIDENCES EXEMPTED FROM A PROXIMITY AND DISPERSION REQUIREMENT

Amends a provision in sHB 5001 of the current session to narrow the community residences that are exempted from a public health law's proximity and dispersion limitation, aligning the exemption with the definition of "community residences"

§ 182 — SITING WAREHOUSES AND DISTRIBUTION FACILITIES

For certain smaller towns, prohibits allowing a warehouse or distribution facility on a parcel of land that meets specified conditions

§§ 183 & 184 — STUDENT LOAN REIMBURSEMENT PILOT PROGRAM

Requires OHE, within available appropriations, to establish a pilot program to reimburse eligible people for up to $5,000 a year (for a total of up to $20,000) for their student loan payments; makes payments deductible from a person's state adjusted gross income

§§ 185-192 — EARLY VOTING IMPLEMENTATION

Moves implementation of early voting from January 1, 2024, to April 1, 2024, and modifies several effective dates

§ 193 — USE OF OPIOID SETTLEMENT FUNDS TO EQUIP POLICE WITH OPIOID ANTAGONISTS

Expands the purposes for which the Opioid Settlement Fund may be used to include providing funds to municipal police departments to equip officers with opioid antagonists

§ 194 — CLASS I RUN-OF-THE-RIVER HYDROPOWER

Undoes a change in the definition of Class I renewable energy sources made by SB 7, as amended by Senate Amendment "A"

§ 195 — RPS CAP ON CLASS I RUN-OF-THE-RIVER HYDROPOWER

Increases the RPS cap on certain Class I run-of-the-river hydropower from 1 to 2.5 percentage points of the Class I requirement

§ 196 — LICENSING EXEMPTION FOR CHILD CARE SERVICES

Exempts the Police Athletic League of Stamford, Inc., from the OEC licensure requirements for child care service providers

§§ 197-199 — COMMISSION ON RACIAL EQUITY IN PUBLIC HEALTH

Redesignates the Commission on Racial Equity in Public Health's membership as an advisory body to the commission and reduces its membership from 28 to 15

§§ 200 & 201 — NEWBORN SCREENING FOR CYTOMEGALOVIRUS

Starting July 1, 2025, requires all newborns to be tested for the cytomegalovirus, instead of only those who fail a newborn hearing screening; requires the public health commissioner to convene a CMV working group and report to the Public Health Committee by January 1, 2025

§ 202 — CWCSEO TWO-GENERATIONAL STRATEGIC PLAN

Requires CWCSEO to (1) review the two-generational initiative's membership; (2) develop an advisory strategic plan, present it to the Two-Generational Advisory Board, and submit it to specified legislative committees by September 1, 2024; and (3) develop a dashboard to track two-generational outcomes of families in the state

§§ 203-207 — CONNECTICUT MUNICIPAL REDEVELOPMENT AUTHORITY (MRDA) AND AFFORDABLE HOUSING DEVELOPMENT

Requires municipalities that opt to collaborate with MRDA to adopt a housing growth zone near existing infrastructure; adds three members to MRDA's board; changes requirements for member municipalities

§ 208 — MUNICIPAL REPORTS TO DECD ON HOUSING STOCK CHANGES

Requires municipalities to annually report statistics on housing permits issued and dwellings demolished

§ 209 — STUDY OF STATE PROPERTY THAT COULD BE DEVELOPED AS HOUSING

Requires OPM to study whether any state-owned real property is available and suitable to develop as housing

§ 210 — REMOVAL OF CERTAIN EVICTION RECORDS FROM THE JUDICIAL DEPARTMENT WEBSITE

Requires the Judicial Department to remove from its website records or identifying information related to eviction proceedings within specified time periods based on an action's disposition; prohibits the department from selling or transferring these removed records for commercial purposes, such as consumer reporting or tenant screening

§ 211 — ACCESS TO PUBLIC DEFENDER SERVICE

Requires the Public Defender Services Commission to (1) annually establish guidelines that the Division of Public Defender Service must use to determine a person's eligibility for free representation and (2) publish the guidelines on the division's website

§ 212 — ATTORNEY GENERAL QUALIFICATIONS

Modifies the qualifications to serve as attorney general

§§ 213-216 — HEALTH INSURANCE COVERAGE FOR PARAEDUCATORS

Establishes two subsidy programs for paraeducators' health insurance costs; requires the Office of Health Strategy to help paraeducators enroll in certain health insurance programs; establishes a paraeducator healthcare working group

§§ 217-218 & 414 — DELAYED EFFECTIVE DATE FOR CONSUMER HEALTH DATA PRIVACY PROVISIONS

Delays by three months the effective date of sSB 3's provisions on consumer health data privacy and consumer health data controllers; makes corresponding changes to provisions on the attorney general's enforcement authority

§§ 219-229 — DELAYING CHANGES TO MOTOR VEHICLE ASSESSMENT LAW

Delays, by one year, provisions in a 2022 law that made various changes to motor vehicle taxation and assessment procedures

§§ 230 & 231 — PROHIBITION ON REVIEWS OF RECURRING PRESCRIPTION DRUGS TO TREAT AUTOIMMUNE DISORDERS, MULTIPLE SCLEROSIS, OR CANCER

Prohibits health carriers (e.g., insurers and HMOs) from requiring a prospective or concurrent review of a recurring prescription drug used to directly treat an autoimmune disorder, multiple sclerosis, or cancer that they already approved through utilization review

§ 232 — UTILIZATION REVIEW REQUEST TIME FRAMES

Shortens the maximum timeframes for health carriers to notify an insured or his or her authorized representative of certain utilization reviews

§§ 233 & 234 — NEWBORN HEALTH INSURANCE COVERAGE

Extends, from 61 days to 91 days after birth, the time period within which an insured person must (1) notify the health carrier about a newborn's birth and (2) pay any required premium or subscription fee to continue the newborn's coverage beyond that period

§§ 235 & 236 — STEP THERAPY PROHIBITIONS

Reduces how long an insurer can require an insured to use step therapy for prescription drugs from 60 to 30 days and prohibits step therapy from January 1, 2024, to January 1, 2027, for drugs used to treat schizophrenia, major depressive disorder, or bipolar disorder

§ 237 — STEP THERAPY TASK FORCE

Establishes a 23-member task force to study step therapy data collection

§§ 238 & 239 — MANAGED CARE ORGANIZATIONS REPORTS AND CONSUMER REPORT CARD

Requires managed care organizations (MCOs) to annually report certain prior authorization and utilization review data, actuarial analyses, and estimated premium savings to the insurance commissioner; requires the commissioner to include some of this information in his annual consumer report card

§ 240 — ELECTRONIC UTILIZATION REVIEW PROCESSING

Requires health care providers participating in a health carrier's network to use a carrier's secure electronic system to process utilization reviews

§§ 241-257, 418, 424 & 425 — BOARDS AND COMMISSIONS REPEAL

Repeals more than 20 boards, commissions, working groups, panels, and task forces

§§ 258-261 — FY 23 BUDGET ADJUSTMENTS

Makes deficiency appropriations and corresponding reductions for FY 23 in the General Fund and Special Transportation Fund

§§ 262-270 — PARTICIPATION BY PHARMACISTS AND INTERNS IN HAVEN'S ASSISTANCE PROGRAM

Makes pharmacists and pharmacy interns eligible for the professional assistance program for health professionals

§§ 271-274 — MANDATORY SPECIALIZED VEHICLE IDENTIFICATION NUMBER (VIN) MARKING ON VEHICLE PARTS PRIOR TO THE SALE OF ANY NEW VEHICLE

Principally, (1) requires dealers to specially mark a vehicle's VIN on its component parts before selling it and for purchasers to pay for this; (2) further requires dealers to provide warranties that provide purchasers money and credits if their vehicles are stolen; (3) restricts the replacement, refurbishment, and painting of marked component parts to licensed repairers; and (4) requires the insurance commissioner to adopt regulations to establish premium rate reductions to vehicle owners with marked component parts

§ 275 — MUNICIPAL APPROVAL OF CAA AIRPORT PURCHASE

Expands a provision in sSB 904 of the current session that subjects any CAA purchase of a municipally owned airport to approval by the municipality in which the airport is located

§§ 276-278, 293-296 & 417 — AUTISM SPECTRUM DISORDER (ASD) AND OPM

Makes OPM, rather than DSS, the lead agency to coordinate ASD services and transfers many of DSS's ASD-related duties to OPM; requires the ASDAC to report to OPM, rather than DSS

§§ 279-285 — TEMPORARY FAMILY ASSISTANCE (TFA) ELIGIBILITY AND BENEFITS

Modifies TFA requirements, including (1) extending the program's time limit from 21 to 36 months, (2) modifying the criteria for time limit extensions, (3) statutorily raising the asset limit, and (4) disregarding income for certain households

§ 286 — STATE ADMINISTERED GENERAL ASSISTANCE (SAGA) ASSET LIMIT INCREASE

Expands SAGA eligibility by raising asset limits from $250 to $500 for individuals and $500 to $1000 for married couples

§ 287 — STATE SUPPLEMENT PROGRAM (SSP) BENEFIT START DATE

Aligns the start date for SSP eligibility for a residential care home or rated housing facility resident with the date the person begins residing in the home or a facility, subject to a 90-day limit based on when DSS received the application

§ 288 — DSS PAYMENTS TO NON-ICF-ID BOARDING HOMES

Generally caps FYs 24 rates at FY 23 levels for room and board at private residential facilities and similar facilities; allows DSS to provide fair rent increases at the department's discretion for FY 24 and subsequent fiscal years

§ 289 — DSS PAYMENTS TO ICF-IDS

For ICF-IDs, establishes a methodology for inflationary adjustments, but prohibits inflationary increases, for FYs 24 to 26; generally requires rates for FYs 24 to 26 to be based on corresponding cost reports; maintains per diem, per bed rates at $501 for FYs 24 and 25, but eliminates the minimum rate for FY 26; allows DSS to provide discretionary fair rent increases and determine when to rebase rates based on change in ownership

§§ 290 & 307 — NURSING HOME MEDICAID RATES

Requires DSS to issue individualized quality metrics reports to nursing homes and submit recommendations on rate withholds for legislative approval; requires DSS to phase in approved rate withholds; makes conforming changes to transition to an acuity-based reimbursement methodology; establishes a methodology for determining inflationary adjustments and prohibits inflationary adjustments for FYs 23 and 24

§ 291 — FLAT RATE FOR RESIDENTIAL SERVICES

Freezes FY 24 rates at FY 16 levels for residential care homes, community living arrangements, and community companion homes that receive a flat rate rather than a cost-based rate

§ 292 — RESIDENTIAL CARE HOME RATES

Requires DSS to determine FY 24 rates based on 2022 cost report filings; allows rate increases, within available appropriations, for FYs 24 and 25 for certain costs, but prohibits rate increases based on any inflation factor for FY 24; establishes a method for calculating inflationary rate increases in subsequent years; and requires DSS to determine when a change in ownership requires a rebasing of rates

§ 297 — RATES FOR COMPLEX CARE NURSING SERVICES

Requires DSS to raise adult rates for at-home complex care nursing services to equal the pediatric rate and prohibits age-based rate differentials for these services

§§ 298-300 — EXPANSION OF HUSKY HEALTH BENEFITS TO CHILDREN INELIGIBLE DUE TO IMMIGRATION STATUS

Extends HUSKY health benefits to children ages 15 and under, rather than ages 12 and under, who meet program income limits but are ineligible due to immigration status; requires DSS to study extending coverage to anyone ages 25 and younger under similar conditions; applies third party state subrogation rights to medical assistance provided under these provisions

§§ 301 & 302 — FUNERAL ASSISTANCE FOR PEOPLE WITH LIMITED INCOME

Increases, from $1,350 to $1,800, the maximum amount DSS must pay towards funeral and burial or cremation costs for people with limited income

§ 303 — STATE-CONTRACTED PROVIDERS FOR IDD SERVICES

Authorizes state-contracted providers who received rate increases in FYs 22-23 for wage and benefit increases for employees providing services to people with IDD to use these funds in FY 23 for wage increases for certain intermediate care facility employees

§ 304 — DMHAS GRANT PROGRAM FOR MENTAL HEALTH SERVICES

Allows DMHAS grant funds awarded to hospitals, municipalities, and nonprofit organizations for psychiatric and mental health services to be used for building construction or renovation

§ 305 — CONNECTICUT PARTNERSHIP FOR LONG-TERM CARE PROGRAM ADMINISTRATION

Moves the Connecticut Partnership for Long-Term Care from ADS to OPM

§ 306 — PERSONAL CARE ATTENDANTS ARBITRATION PROCESS

Adds to the factors an arbitrator must consider in rendering an arbitration decision in PCA contract negotiations

§§ 308 & 309 — THIRD-PARTY LIABILITY FOR MEDICAID PAYMENTS

Codifies two new requirements on parties with third-party liability under federal law for the state's Medicaid program

§§ 310, 313 & 417 — REPEALED HUMAN SERVICES PROVISIONS

Repeals a limitation on state funds for emergency housing for TFA and SAGA recipients, conforming to practice; repeals an effectively obsolete program (ConnMAP) and a requirement that DSS establish a child health quality improvement program

§ 311 — ENERGY ASSISTANCE VENDOR PAYMENT STANDARDS

Requires DSS to ensure an adequate supply of fuel vendors for LIHEAP by (1) setting pricing standards, (2) reimbursing providers based on the price of fuel on the delivery dates, and (3) allowing vendors to electronically submit their invoices and receive payments; requires payment to a fuel vendor within 10 business days, rather than 30 days as under current law, after receiving an authorized fuel slip or invoice

§ 312 — MEDICAID PAYMENTS FOR MATERNITY SERVICES

Authorizes the DSS commissioner to implement a bundled payment for maternity services and associated alternative payment methods; requires her to do this to the extent federal law allows, within available appropriations, and in consultation with specified stakeholders

§ 314 — WORKING GROUP ON SKILLED NURSING FACILITY EXCESS LICENSED BED CAPACITY

Requires DSS to (1) appoint and convene a nine-member working group to review and evaluate excess licensed bed capacity at skilled nursing facilities; (2) report to each individual nursing home the implications of the working group's findings and recommendations on the nursing home's Medicaid rate; and (3) recommend Medicaid rate adjustments to address excess licensed bed capacity

§§ 315-317 — TAX RETURN INFORMATION FOR ACCESS HEALTH OUTREACH

Requires Access Health CT and DRS to enter into a memorandum of understanding to share information so that Access Health CT may do targeted outreach to state residents

§ 318 — HUSKY C INCOME LIMIT

Expands eligibility for HUSKY C by raising the income limit to 105% of FPL

§ 319 — VITAL RECORDS BIRTH CERTIFICATES

Allows people who submit certain documentation to change birth certificates to reflect changes to a parent's legal name

§ 320 — PRISONER OR INMATE NAME CHANGES

Requires the DOC commissioner, the chief court administrator, and the Board of Pardons and Paroles chairperson to determine a method for inmate name changes and requires the DOC commissioner to report on it to the Judiciary Committee by July 1, 2024

§ 321 — INMATES WITH GENDER INCONGRUENCE

Gives certain rights to inmates with a gender incongruence diagnosis, such as (1) having DOC staff address them based on their gender identity and (2) with exceptions, being placed in a correctional institution consistent with their gender identity

§§ 322 & 323 — REPRODUCTIVE AND GENDER-AFFIRMING HEALTH CARE SERVICES AND GENDER INCONGRUENCE

Expands "reproductive and gender-affirming health care services" to include gender incongruence for the purposes of a cause of action for recovery for persons against whom a judgment was entered in another state for their participation in providing or receiving

these services that are legal in Connecticut; specifies gender dysphoria treatment is set based on the most recent American Psychiatric Association manual

§ 324 — NAME CHANGE FEE ELIMINATION

Eliminates the $250 probate court filing fee to change a person's name

§ 325 — GENDER-AFFIRMING CARE IN HUSKY HEALTH

Requires DSS to (1) consult with those with expertise on gender-affirming care in developing and updating coverage policies for gender-affirming care in the HUSKY Health program and (2) report at least annually on this coverage to the Council on Medical Assistance Program Oversight

§ 326 — PRIVATE SCHOOL CURRICULUM ACCREDITATION

Narrows a requirement that SBE allow a private school's supervisory agent to accept accreditation from a specified accreditation agency by applying the requirement only to Waterbury rather than statewide; also requires the early childhood commissioner to recognize the agency for the same Waterbury school

§§ 327 & 328 — SCHOOL FEEDING PROGRAMS

Extends free lunch eligibility to students with a family income below 200% of the federal poverty level who are otherwise ineligible; makes state payment of federal reimbursement grants to school operators in the federal feeding programs required rather than optional

§ 329 — OPEN CHOICE FUNDS GRANT FOR LEGACY FOUNDATION

Requires the education commissioner to expend $500,000 of remaining Open Choice funds for a grant to The Legacy Foundation for student wrap-around services

§§ 330-333 — REQUIREMENT TO PROPORTIONATELY REDUCE SPECIFIED EDUCATION GRANTS

Extends the requirement that certain education grants be proportionately reduced if the amount appropriated for them is insufficient to fully fund them according to their statutory formulas

§ 334 — TRS MEMBERSHIP CRITERIA FOR STATE BOARD OF EDUCATION STAFF

Changes the eligibility criteria for membership in the Teachers' Retirement System for certain professional staff of the State Board of Education

§§ 335-338 — FAFSA COMPLETION REQUIREMENT FOR HIGH SCHOOL STUDENTS

Beginning with the graduating class of 2025, institutes a FAFSA completion high school graduation requirement; allows a waiver of the requirement; requires SDE to create the forms to implement the waiver; and makes various technical and conforming changes

§§ 339-341 — PRIORITY SCHOOL DISTRICT FUNDING

Ties eligibility for certain population-based supplemental PSD grants to FY 22; adds a fourth fiscal year of PSD phase-out grants in FY 24 for former PSDs that received their third year of phase-out grants in FY 23

§§ 342 & 343 — STATE POLICE STING OPERATIONS UNIT REGARDING ONLINE SEXUAL ABUSE OF MINORS

For FYs 24 and 25, requires DESPP to establish an investigative unit within the Internet Crimes Against Children Task Force to conduct sting operations relating to the online sexual abuse of minors; makes related changes to the task force's staffing and duties

§§ 344 & 345 — HVAC AND OUTDOOR ATHLETIC FACILITY MINIMUM REIMBURSEMENT RATES FOR CERTAIN TOWNS

Creates minimum HVAC and outdoor athletic facility school construction reimbursement rates for certain towns

§ 346 — SCHOOL READINESS PROGRAM PER CHILD COST

Extends the FY 21 cap on the per child cost rate through FY 24 and increases it beginning in FY 25

§ 347 — CARE 4 KIDS PROGRAM

In conformity with federal law, allows OEC to establish a protective service class making certain foster care children, newly adopted children, and homeless children categorically eligible for Care4Kids

§ 348 — SMART START COMPETITIVE GRANT PROGRAM

Removes the FY 24 sunset date (i.e., June 30, 2024) for the smart start competitive grant, thus making the program permanent

§ 349 — MAGNET SCHOOL ENROLLMENT REQUIREMENTS AND REVISING REDUCED ISOLATION STANDARDS

Makes permanent existing magnet school enrollment requirements; allows the education commissioner to revise the magnet school reduced isolation standards

§ 350 — GRANTS TO ASSIST SHEFF PROGRAMS

Allows the commissioner to award grants from existing Sheff settlement funds for four specific purposes

§§ 351-352 — GRANTS FOR THE HIRING OF SCHOOL SOCIAL WORKERS, PSYCHOLOGISTS, COUNSELORS, NURSES, LICENSED MARRIAGE AND FAMILY THERAPISTS, AND SCHOOL MENTAL HEALTH SPECIALISTS

Pushes out by one year the dates by which SDE must administer the school mental health therapist grant program; removes the requirement that grant recipients in both programs refund unexpended grant amounts to SDE; adjusts education commissioner reporting dates

§ 353 — GRANT FOR DELIVERY OF STUDENT MENTAL HEALTH SERVICES

Pushes out by one year the dates by which SDE must administer a grant program to provide student mental health services to certain youth camp and summer program operators; removes the requirement that grant recipients refund unexpended grant amounts to SDE

§§ 354 & 355 — EARLY CHILDHOOD EDUCATION FUND

Requires the comptroller to establish the fund and charges the OEC commissioner with reporting to legislative committees with recommendations for expenditures; requires the commissioner to report recommendations from the Blue-Ribbon Panel on Child Care

§ 356 — ECS GRANT SCHEDULE

Changes the statutory schedule for ECS grant increases so that currently underfunded towns are fully funded sooner, by FY 26 rather than by FY 28; changes the scheduled reductions for overfunded towns by holding the towns harmless for certain years and making the reduction smaller in other years

§§ 357 & 358 — MAGNET SCHOOL GRANT PROGRAMS AND TUITION

Requires that beginning in FY 25 each magnet school grant be "at least" the amount indicated in law; beginning in FY 25, limits magnet school tuition to 58% of the amount charged in the previous year; extends through FY 25 the ban on SDE awarding magnet school grants to schools that do not meet residency and reduced isolation enrollment requirements; makes permanent the requirement that magnet school operators meet these enrollment requirements; renews for FY 24 reduced magnet school tuition payments for certain towns; sunsets a targeted magnet school grant

§ 359 — CHARTER SCHOOL GRANT INCREASES

Increases the per-student state charter school grant for FYs 24-25; makes the FY 25 amount ongoing for future years

§ 360 — VO-AG CENTER GRANTS AND TUITION

Requires in FY 25 and subsequent years each vo-ag center grant to be "at least" the amount indicated in law, $5,200; beginning in FY 25, limits vo-ag center tuition for sending towns to 58% of the amount charged in the previous year

§ 361 — OPEN CHOICE GRANT SCHEDULE

Requires that beginning in FY 25 each Open Choice grant be "at least" the amount indicated in law

§ 362 — EDUCATION FINANCE REFORM SPENDING FUND AMOUNTS

Requires SDE to apportion the $150 million appropriated for "Education Finance Reform" in specific amounts to fund ECS grants, charter school operating grants, magnet school operating grants, Open Choice grants, and agriscience and technology center grants

§§ 363-365 — CORPORATION BUSINESS TAX SURCHARGE EXTENSION

Extends the 10% corporation business tax surcharge for three additional years to the 2023, 2024, and 2025 income years

§§ 366 & 367 — HUMAN CAPITAL INVESTMENT TAX CREDIT

Increases the human capital investment tax credit from 5% to 10% (for most eligible investments) and 25% (for eligible child care-related expenditures); makes donations or capital contributions to nonprofits for establishing child care centers for use by children residing in the community a credit-eligible investment; allows corporations to use the 25% human capital investment credits to reduce up to 70% of their corporation business tax liability, rather than 50.01%

§§ 368 & 369 — FILM AND DIGITAL MEDIA TAX CREDIT

Increases, for the 2024 and 2025 income years, the redemption rate for film and digital media tax credits claimed against the sales tax from 78% to 92% of the credits' face value; requires production companies and DECD to report certain information on the companies' job creation

§ 370 — FIXED CAPITAL INVESTMENT TAX CREDIT

Allows certain Connecticut-headquartered corporations that own at least 80% of an LLC to claim the fixed capital investment tax credit for amounts the LLC invested in qualifying fixed capital

§§ 371 & 372 — ANGEL INVESTOR TAX CREDITS FOR CANNABIS BUSINESSES

Eliminates the 40% angel investor tax credit for eligible investments in approved cannabis businesses beginning July 1, 2023

§ 373 — HISTORIC HOMES REHABILITATION TAX CREDIT

Changes the taxes against which historic homes rehabilitation tax credits may be claimed

§ 374 — CONNECTICUT TELEVISION NETWORK FUNDING

Increases, by $600,000, the amount of specified tax revenue be reserved for CT-N each fiscal year

§ 375 — WORKING GROUP ON THE TAXATION OF REAL AND PERSONAL PROPERTY ON TRIBAL LAND

Establishes a working group to study the taxation of reservation land held in trust for federally recognized Indian tribes and personal property located there

§§ 376-381 & 422 — PASS-THROUGH-ENTITY TAX

Starting in 2024, (1) makes the PE tax optional, (2) changes the method for calculating the tax base, (3) eliminates the corporation tax credit for PE taxes paid, and (4) eliminates the option for PEs to file a combined return with one or more commonly-owned PEs; reimposes a requirement that PEs file an income tax return and pay the tax on behalf of any nonresident member for whom the business is the only source of Connecticut income

§ 382 — HIGHWAY USE TAX REPORTING FREQUENCY

Requires carriers subject to the highway use tax to file returns and submit payments quarterly, rather than monthly as current law requires, starting with the fourth quarter of 2023

§ 383 — DIESEL FUEL TAX RATE

Sets the diesel fuel tax rate at 49.2 cents per gallon in FY 24

§§ 384 & 386 — TAXATION OF AVIATION FUEL

Exempts sales of aviation fuel from the petroleum products gross earnings tax (PGET) starting July 1, 2023, and, starting July 1, 2025, subjects it to a new aviation fuel tax at a 15 cents per gallon rate

§§ 385 & 387 — CONNECTICUT AIRPORT AND AVIATION ACCOUNT AND CONNECTICUT AIRPORT AUTHORITY FUNDING

Transfers $8 million from the STF to the Connecticut airport and aviation account in each of FYs 24 and 25; starting in FY 26, deposits aviation fuel tax revenue into the airport and aviation account

§ 388 — TAX CREDIT FOR PRE- AND POST-BROADWAY PRODUCTIONS AND LIVE THEATRICAL TOURS

Establishes a new tax credit for production companies of eligible theater productions performed at qualified facilities in Connecticut; caps the total credits allowed at $2.5 million per fiscal year

§ 389 — UNCLAIMED DEPOSITS REMITTED TO GENERAL FUND

Reduces the amount of unclaimed deposits remitted to the General Fund for FY 24 by allowing deposit initiators to keep unclaimed deposits for the first two quarters of FY 24 to reimburse them for the increased deposit on redeemed containers beginning January 1, 2024; for FY 25, reduces the required quarterly remittance from 55% to 50%; beginning in FY 26, ties the required remittance to the average statewide redemption rate for the preceding fiscal year

§ 390 — TAX CREDIT FOR CASH CONTRIBUTIONS TO SCHOLARSHIP ORGANIZATIONS FOR PRIVATE SCHOOLS

Creates a new tax credit against the personal income and corporation business tax for people and businesses making cash contributions to nonprofit organizations for scholarships to income-qualified students attending private elementary or secondary schools

§ 391 — TAX GAP ANALYSIS AND STRATEGY AND DRS PLAN

Requires DRS to (1) estimate the state's tax gap, develop a strategy to reduce the gap, and evaluate related staffing needs; (2) report information on this estimate and strategy to the legislature; and (3) publish a plan for the agency for closing the tax gap

§ 392 — TAX INCIDENCE REPORT

Expands the scope of DRS's biennial tax incidence report by requiring that the report include (1) the PE tax and other taxes generating at least $100 million and (2) additional information on tax burden distribution, effective tax rates, and tax credit and modification distribution

§ 393 — PERSONAL INCOME TAX RATES

Starting with the 2024 tax year, decreases the bottom two marginal income tax rates from (1) 3% to 2% and (2) 5% to 4.5%; gradually eliminates the benefit of the bill's decreased marginal rates for taxpayers beginning with taxable incomes exceeding $105,000 (single filers and married filing separately), $168,000 (heads of household), or $210,000 (joint filers)

§ 394 — RETIREMENT INCOME EXEMPTIONS

Starting in 2024, extends eligibility for the pension and annuity and IRA income tax exemptions to taxpayers with federal AGIs of at least (1) $100,000 but less than $150,000 for joint filers and (2) $75,000 but less than $100,000 for other filing statuses; gradually reduces the exemption for these taxpayers until it fully phases out at $100,000 or $150,000 as applicable

§§ 394 & 396 — CANNABIS BUSINESS EXPENSES DEDUCTION

Allows cannabis licensees to deduct from the state personal income or corporation business tax ordinary and necessary business expenses that would otherwise be eligible for a federal tax deduction but are disallowed because marijuana is a controlled substance

§ 395 — EARNED INCOME TAX CREDIT (EITC) INCREASE

Increases the state EITC from 30.5% to 40% of the federal credit

§ 397 — SALES AND USE TAX EXEMPTION FOR NONPRESCRIPTION OPIOID ANTAGONISTS

Exempts nonprescription opioid antagonists from the state sales and use tax

§ 398 — GAAP DEFICIT

Deems that $1 is appropriated in FYs 24-25 to pay off the state's GAAP deficit

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

Requires the state comptroller to transfer $95 million of FY 24 General Fund resources for use in FY 25

§§ 400-402 — TRANSFERS FROM GENERAL FUND

Transfers specified amounts from the General Fund to other funds in FYs 24 and 25

§ 403 — TASK FORCE TO REVIEW BOARDS OF ASSESSMENT APPEALS PROCEEDINGS

Establishes a seven-member task force to review boards of assessment appeals proceedings and report to the legislature by January 1, 2024

§ 404 — TASK FORCE ON BUILDING INSPECTION TIMELINESS

Establishes a seven-member task force to study the timeliness of building inspections required for building permits and report to the legislature by January 1, 2024

§§ 405 & 406 — STATE TREASURER AND INVESTMENT ADVISORY COUNCIL

Expands the investment-related job titles for which the state treasurer may set compensation; eliminates a prohibition on IAC members and their businesses or affiliates contracting with or providing investment services for state trust funds while they serve on the council and for one year after, but requires that they recuse themselves from related discussions or votes

§§ 407-409 — CORPORATION STOCK SHARE PLAN

Creates tax incentives for eligible corporations offering an employee stock-sharing arrangement that distributes their common stock to participating employees (i.e., offering a "share plan"); exempts from state personal income tax any share plan stock taxpayers receive; requires DRS to study the share plan program and report its findings to the legislature by December 15, 2023

§§ 410-412 — XL CENTER

Allows CRDA to enter into two separate agreements concerning the XL Center's management and operation and reconstruction and renovation; eliminates a requirement that the OPM secretary, on the state's behalf, enter into an agreement with CRDA on the proceeds from operating retail sports wagering at the XL Center

§ 413 — CONNECTICUT AIRPORT AUTHORITY REPORT

Requires CAA to annually report to the legislature on airport finances and acquisition, closure, and expansion plans

§ 416 — HEALTH CARE PROVIDER LOAN REIMBURSEMENT PROGRAM

Repeals an unfunded health care provider loan reimbursement program

§ 423 — AMERICAN RESCUE PLAN ACT (ARPA) TRANSFER

Eliminates the FY 23 transfer of $314.9 million in ARPA funds to the General Fund

§§ 1-51 — BUDGET PROVISIONS

Please refer to the fiscal note for a summary of these sections

§ 52 — RURAL SPEED ENFORCEMENT GRANT PROGRAM

Extends a DESPP grant program for speed enforcement on rural roads to eligible municipalities without a law enforcement unit or resident state trooper

Existing law requires DESPP, within available resources, to administer a municipal grant program for speed enforcement activities on rural roads. Municipalities eligible for grants under current law are those with a population of less than 25,000 and that have a law enforcement unit or resident state trooper. The bill removes the requirement that these municipalities have a law enforcement unit or resident state trooper.

By law, eligible municipalities must apply to the program as DESPP prescribes. Program grants are capped at $5,000, but eligible municipalities may receive up to 10 grants. DESPP must continue to award grants until all resources dedicated to the program are spent.

EFFECTIVE DATE: July 1, 2023

§ 53 — AMBULANCE RATES

Requires the DPH commissioner to increase the maximum allowable rates by 10% in FY 24 for licensed and certified ambulance services, invalid coaches, and paramedic intercept services

For FY 24, the bill requires the DPH commissioner to increase by 10% the maximum allowable rates for licensed and certified ambulance services, invalid coaches, and paramedic intercept services.

EFFECTIVE DATE: Upon passage

§ 54 — HOSPITAL NURSE STAFFING PLANS

Requires hospitals to report biannually, instead of annually to DPH on their prospective nurse staffing plans and expands the plan's required contents

By law, hospitals must report on their prospective nurse staffing plans to the Department of Public Health (DPH) along with a written certification that the plan is sufficient enough to provide adequate and appropriate patient health care services in the ensuing hospital licensure period.

The bill modifies requirements for these plans by (1) requiring hospitals to report to DPH biannually, by each January 1 and July 1, instead of annually, as under current law; (2) requiring hospitals to post their plans on each patient care unit in a location visible and accessible to staff, patients, and the public; and (3) expanding their required contents.

EFFECTIVE DATE: October 1, 2023

Plan Contents

In addition to the information already required by law, starting January 1, 2024, the bill requires plans to include the following:

1. information on hospital staff objections or refusals to comply with the nurse staffing plan that were communicated to the hospital staffing committee (see below);

2. measurements of and evidence to support the plan's successful implementation;

3. direct care registered nurse (RN) staff retention, turnover, and recruitment metrics, including the (a) turnover rate per hospital unit during the prior 12 months and (b) average years of experience of permanent direct care RN staff per unit;

4. the number of times since the last plan was submitted that the hospital was non-compliant with the plan, including the plan's nurse staffing ratios and a description of how and why the hospital was non-compliant and its plans to avoid future noncompliance; and

5. certification that the hospital and its hospital staffing committee are meeting the bill's requirements and a description of how each requirement is being met.

§ 54 — HOSPITAL STAFFING COMMITTEES

Modifies the composition, leadership, and selection of hospital staffing committee membership; establishes criteria the committees must consider when developing hospital

nurse staffing plans; sets related notification, recordkeeping, and compensation requirements

By law, hospitals must establish a dedicated hospital staffing committee to help prepare its annual nurse staffing plan, and whose membership must comprise of at least 50% direct care RNs the hospital employs. The bill further requires (1) direct care RNs to be an odd number and one more than the total number of non-direct care RNs on the committee membership and (2) that each committee include broad based representation across hospital services.

Under the bill, when RNs are members of a collective bargaining unit, the collective bargaining unit must select the direct care RNs who will account for at least 50% of the committee membership. A representative of the collective bargaining unit must also provide the hospital with a list of multiple names of direct care RNs from which hospital management must select the one additional member beyond the 50%.

Direct care RNs who are not members of a collective bargaining unit must be selected for the committee through a process the hospital's direct care RNs determine. It requires the hospital staffing committee that existed prior to October 1, 2023, to seek feedback from all direct care RNs the hospital employs on what the process should entail. The direct care RNs who are members of this committee must decide, by majority vote, the parameters of the process. Hospital management must select the remaining committee members.

The bill requires the hospital staffing committee, when developing the nurse staffing plan, to (1) evaluate the most recent patient outcomes research, (2) share with hospital staff the procedures for communicating concerns about the plan and staffing assignments, and (3) review all reports communicated to the committee on these concerns or any RN's objection or refusal to participate in a staffing assignment.

EFFECTIVE DATE: October 1, 2023

Compensation

The bill requires hospitals to pay its employees who serve on the committee their regular pay rate, including differentials, for doing so

and consider, to the extent possible, the time the employees serve on the committee as part of their regularly scheduled workweek. It also requires hospitals to ensure that direct care RNs have coverage to attend committee meetings.

Leadership and Meetings

The bill requires each hospital staffing committee to have two co-chairpersons with direct patient care experience, as follows: (1) one direct care RN elected by the committee's direct care RNs and (2) one elected by committee members who are not direct care RNs.

It also requires the committee to take minutes of every meeting and, upon request, (1) make them available to any hospital staff member, and (2) submit them to DPH.

Under the bill, a majority of members constitutes a quorum for conducting committee business. The committee must make decisions by a majority vote of its members at the meeting. If a quorum is an equal number of members who are and who are not direct care RNs, a sufficient number of non-direct care RNs must abstain from voting to allow direct care RNs to be a majority of the voting members.

Notification

The bill requires hospitals to notify nurses, on their hire date and annually after that, about the hospital staffing committee, including (1) its purpose; (2) the criteria and process for becoming a member; (3) the hospital's internal review process for the nurse staffing plan; and (4) the hospital's mechanism for obtaining input from direct care staff, including direct care RNs and other members of patient care teams, in developing the plan.

Records

The bill requires hospitals to maintain accurate records for at least the prior three years on the ratios of patients to (1) direct care RNs per patient care unit per shift and (b) assistive personnel providing patient care per patient care unit per shift.

The records must also include the number of:

1. patients in each unit on each shift,

2. direct care RNs assigned to each patient in each unit on each shift, and

3. assistive personnel providing patient care assigned to each patient in each unit on each shift.

Hospitals must also make the records available, upon request, to DPH, hospital staff and patients, collective bargaining units representing staff, and the public.

Under the bill, "assistive personnel" are non-licensed personnel who provide specific delegated patient care activities.

§ 54 — HOSPITAL NONCOMPLIANCE WITH NURSE STAFFING REQUIREMENTS

Requires hospitals to biannually report to DPH on their compliance with nurse staffing assignments in their nurse staffing plans; requires DPH to investigate complaints regarding nurse staffing plan violations and, when appropriate, issue orders of noncompliance that require hospitals to implement corrective action plans and pay civil penalties; allows DPH to audit nurse staffing assignments

Biannual Report

The bill requires each hospital, by October 1, 2024, and biannually after that, to report to DPH, as the commissioner prescribes, whether it has complied in the past six months with at least 80% of nurse staffing assignments in its nurse staffing plan.

DPH Orders for Noncompliance

If a hospital fails to (1) establish or maintain a hospital staffing committee, (2) submit a biannual compliance report to DPH, (3) post the staffing plan, or (4) comply with at least 80% of the nurse staffing assignments in its nurse staffing plan, the bill requires the DPH commissioner to issue an order that does the following:

1. requires the hospital to submit and implement a corrective action plan unless DPH disapproves the plan within 20 business days after the hospital submits it and

2. imposes a civil penalty of $3,500 for the first violation and $5,000

for subsequent violations.

Hearings

If a hospital contests the DPH order, it must submit a written request for a hearing to DPH within five business days after receiving the order. If the hospital fails to do so, the order is deemed final that takes effect five business days after the hospital received it.

Under the bill, if DPH receives a hearing request, it must be conducted as a contested case proceeding under the Uniform Administrative Procedure Act (UAPA).

Civil Penalties

The bill requires hospitals to pay any civil penalties imposed by DPH (1) within 15 days after the final date the hospital may appeal the DPH order to Superior Court under the UAPA or (2) in the case of an appeal, within 15 days after the final judgment.

Under the bill, if the hospital does not pay the civil penalties, or the cost of a required audit (see below), the DPH commissioner must notify the social services commissioner who must immediately withhold the amount owed from the hospital's next Medicaid payment.

Audit

The bill permits the DPH commissioner to order an audit of a hospital's nurse staffing assignments for each of its unit set in its nurse staffing plan. The audit may include an assessment of the hospital's compliance with the staffing plan's required contents, the accuracy of reports submitted to DPH, and the hospital staffing committee's membership.

In determining whether to order an audit, the DPH commissioner must consider (1) whether the hospital has been consistently noncompliant with the nurse staffing plan, (2) fear of false reporting by the hospital, or (3) any other health care quality safety concerns.

Under the bill, the audit (1) must be paid for by the hospital and (2) does not affect the work of a medical review committee conducting a

peer review of hospital activity.

EFFECTIVE DATE: October 1, 2023

§ 54 — HOSPITAL NURSE PARTICIPATION IN HOSPITAL ACTIVITIES

Prohibits hospitals from requiring registered nurses to perform patient care tasks beyond the scope of their license and allows an RN to object to doing so, with limited exceptions

The bill prohibits hospitals from requiring an RN to perform any patient care task beyond the scope of his or her license. It allows an RN to object to or refuse to participate in any activity, policy, practice, or task the hospital assigns, if he or she does not have the education, training, or experience to participate without compromising patient safety.

However, an RN cannot abandon a patient or refuse to perform patient care activities in the following situations:

1. during an ongoing surgical procedure, until it is completed;
2. in critical care units, labor and delivery, or emergency departments, until they are relieved by another nurse;
3. public health or institutional emergencies; and
4. an instance where the nurse's inaction or abandonment would jeopardize patient safety.

The bill provides that the prohibition does not prohibit a hospital, DPH, or the State Board of Examiners for Nursing from requiring a nurse to complete additional training or continuing education consistent with the nurse's assigned roles and job description.

It also prohibits a hospital from taking any adverse action (e.g., discharge, discrimination, or retaliation) against an RN or any aspect of the RN's employment for (1) objecting or refusing to participate, (2) participating in a hospital staffing committee, or (3) raising concerns about unsafe staffing or workplace violence, racism, or bullying.

Form Submissions

If an RN objects or refuses to participate, he or she must (1) immediately contact a supervisor for assistance or allow the hospital to find a suitable replacement and (2) within 12 hours, submit a DPH-approved form the hospital developed that includes the following:

1. a detailed statement of the reasons for the objection or refusal to participate;

2. a description of how performing the activity, policy, practice, or task would compromise patient safety; and

3. the ways in which the activity, policy, practice, or task was inconsistent with the nurse's education, training, experience, or job description.

The bill requires the hospital to review and analyze the form through one of its committees or functions (e.g., the quality assessment and performance improvement program, risk management, or patient safety) and make any necessary adjustments to nurse staffing assignments to improve patient safety. They must also provide DPH with confidential access to the forms upon request.

Filing Complaints

If an RN reasonably believes his or her participation in an activity, policy, practice, or task violates a provision of the hospital's nurse staffing plan or a policy of its nurse staffing committee, he or she may file a complaint with the nurse staffing committee on a DPH-approved form the hospital developed. The hospital and its nurse staffing committee must analyze the complaint and provide DPH with an analysis of actions they took in response to it. DPH must submit the forms it receives with its biannual report required under the bill (see above).

EFFECTIVE DATE: October 1, 2023

§ 55 — MANDATORY NURSE OVERTIME IN HOSPITALS

Prohibits hospitals from requiring nurses to work overtime and from discriminating or retaliating against them for refusing to do so, with limited exceptions

Similar to current law, the bill prohibits hospitals from requiring a nurse to work overtime and from discriminating or retaliating against them (e.g., threatened or actual discipline or discharge) for refusing to do so. Under current law, the prohibition does not apply in the following situations:

1. nurses participating in an ongoing surgical procedure, until it is completed;

2. nurses working in critical care units, until they are relieved by another nurse starting a scheduled work shift;

3. public health emergencies;

4. institutional emergencies, such as adverse weather conditions or widespread illness, that the hospital administrator determines will significantly reduce the number of nurses available to work; and

5. nurses covered by a collective bargaining agreement that addresses mandatory overtime.

The bill (1) specifies that these exemptions apply only when patient safety requires it and there is no reasonable alternative and (2) limits the latter exemption to only nurses employed by a state-operated behavioral health facility covered by a collective bargaining agreement that addresses mandatory overtime.

The bill requires hospitals, under these limited exemptions, to make a good faith effort to cover overtime hours voluntarily before mandating nurses to work them. It also prohibits them, as a regular practice, from mandating overtime in order to provide necessary staffing levels for patient care or address situations resulting from routine staffing needs (e.g., absenteeism or vacation, personal, or sick leave).

Under the bill, "overtime" means working:

1. in excess of a set scheduled work shift, regardless of the shift's length, if the shift is determined and communicated at least 48

hours before it starts;

2. more than 12 hours in a 24-hour period; or

3. more than 48 hours in any hospital-defined work week.

Collective Bargaining Units

The bill provides that its provisions cannot (1) be construed to alter or impair a collective bargaining agreement's terms that place additional mandatory overtime restrictions or limitations or (2) prohibit mandatory overtime for nurses covered by collective bargaining agreements that address mandatory overtime that are in effect prior to October 1, 2023, or for state employees, in effect prior to June 1, 2027.

EFFECTIVE DATE: October 1, 2023

§ 56 — PROJECT LONGEVITY INITIATIVE EXPANSION

Expands the Project Longevity Initiative by (1) making its goal to reduce gun violence in all of the state's municipalities, not only its cities, and (2) requiring its implementation in Norwich and New London in addition to Bridgeport, Hartford, New Haven, and Waterbury

By law, the "Project Longevity Initiative" is a comprehensive, community-based initiative to reduce gun violence in the state's cities. The bill expands this initiative by (1) making its goal to reduce gun violence in all state municipalities, not only its cities, and (2) requiring its implementation in the cities of Norwich and New London in addition to the cities of Bridgeport, Hartford, New Haven, and Waterbury as under current law.

Under current law, the chief court administrator must consult with various state officials (e.g., chief state's attorney) and local stakeholders (e.g., clergy members, nonprofits, and community leaders) in implementing the initiative in Bridgeport, Hartford, and Waterbury. The bill expands this to include Norwich and New London.

Existing law, unchanged by the bill, requires the administrator in her duties and responsibilities pertaining to the initiative (including the continued implementation of the initiative in New Haven) to do the following:

1. provide planning and management assistance to municipal officials and

2. do anything necessary to apply for and accept federal funds allotted or available to the state under any federal act or program.

The bill also deletes obsolete language resulting from the transfer of responsibility for the initiative from the Office of Policy and Management secretary to the chief court administrator.

EFFECTIVE DATE: July 1, 2023

§ 57 — PROBATE COURT JUDGES' AND EMPLOYEES' INSURANCE COVERAGE

Increases the contribution paid for the state group hospitalization and medical and surgical insurance plan from the Probate Court Administration Fund for probate judges' and employees' additional cost, from up to 50% to up to 70%

Under current law, for the group hospitalization and medical and surgical insurance plan procured by the Comptroller, the Probate Court Administration Fund must pay for each probate judge and employee up to (1) 100% of the portion of the premium charged for the judge's or employee's individual coverage and (2) 50% of any additional cost for the judge's or employee's form of coverage. The bill increases the contribution to be paid from the fund for judges' and employees' additional cost from up to 50% to up to 70%.

EFFECTIVE DATE: July 1, 2023

§ 58 — POLICE RECORDING EQUIPMENT REPORTING

Requires (1) POST to create a form for law enforcement units to use to report on their compliance with state law's body and dashboard camera requirements, (2) the units to annually submit a report on the form, and (3) UConn's Institute for Municipal and Regional Policy to review the submissions and report findings and recommendations to specified entities

Under existing law, police officers must generally use body-worn recording equipment (i.e., body cameras) while interacting with the public, and law enforcement units must require the use of dashboard cameras with a remote recorder in each police patrol vehicle used by any of the police officers it employs.

The bill requires the Police Officer Standards and Training Council (POST) to create a form for law enforcement units to use to report their compliance with the body and dashboard camera laws. POST must do this by October 1, 2023, and in consultation with UConn's Institute for Municipal and Regional Policy. The form must require the following:

1. a unit's number of operating body and dashboard cameras,

2. a unit's number of police patrol vehicles unequipped with a dashboard camera and the reasons for this,

3. information on any incidents in which a unit's internal investigation found a police officer violated the unit's use of body or dashboard cameras policy, and

4. any other information deemed necessary.

Beginning by January 1, 2024, each law enforcement unit must submit a report annually using POST's form to UConn's Institute for Municipal and Regional Policy, which must then post the units' reports on its website. Starting by July 1, 2024, the institute, annually and within available appropriations, must review the units' reports and submit a report of its own with its findings and any recommendations to the governor, POST, the Office of Policy and Management's Criminal Justice Policy and Planning Division, and the Judiciary and Public Safety and Security committees.

EFFECTIVE DATE: July 1, 2023

Definitions

By law, a "police officer" is a sworn member of a law enforcement unit or any member of that unit who performs police duties. A "law enforcement unit" is any state or municipal agency or department (or tribal agency or department created and governed under a memorandum of agreement) whose primary functions include enforcing criminal or traffic laws; preserving public order; protecting life and property; or preventing, detecting, or investigating crime.

A "police patrol vehicle" is any state or local police vehicle besides an administrative vehicle with a body-camera-wearing occupant, a bicycle, a motor scooter, an all-terrain vehicle, an electric personal assistive mobility device, or an animal control vehicle. A "dashboard camera with a remote recorder" is a camera that (1) attaches to a dashboard or windshield of a police vehicle, (2) electronically records video of the view through the vehicle's windshield, and (3) has an electronic audio recorder that may be operated remotely.

§ 59 — DECD STATE-WIDE TOURISM MARKETING

Requires DECD to use funding appropriated to the department to support tourism programs; prohibits the department from using these funds to market itself

The bill specifies that the funding it appropriates to the Department of Economic and Community Development (DECD) must be used to support tourism programs throughout the state. It prohibits DECD from using this funding to market itself.

EFFECTIVE DATE: Upon passage

§ 60 — MEDICAID WAIVER APPENDIX K REPORT

Requires the DSS commissioner to report to the Appropriations and Human Services committees by January 1, 2024, on the implementation of emergency amendments to home- and community-based Medicaid waivers

The bill requires the DSS commissioner to report to the Appropriations and Human Services committees by January 1, 2024, on the implementation of Appendix K emergency preparedness and response amendments for the applicable Medicaid home- and community-based services waivers. Appendix K amendments generally allow the state to make temporary changes to home- and community-based services waivers during emergency situations (e.g., the COVID-19 public health emergency).

EFFECTIVE DATE: Upon passage

§ 61 — RESERVE FOR SALARY ADJUSTMENTS ACCOUNT REPORTS

Starting by January 1, 2024, requires the OPM secretary to give the Appropriations Committee quarterly reports on the status of the reserve for salary adjustments account

The bill requires the Office of Policy and Management (OPM)

secretary, starting by January 1, 2024, to submit quarterly reports to the Appropriations Committee on the status of the reserve for salary adjustments account. The report must at least include the (1) total amount of appropriated and carryforward funds available in the account and (2) amount distributed to each agency during the previous calendar quarter. The first quarterly report submitted each year must also include a year-end reconciliation for the previous calendar year.

By law, the legislature, upon the Department of Administrative Services (DAS) commissioner's request and OPM secretary's approval, must appropriate sufficient funds to the reserve for salary adjustments account to be used for modifying the compensation plan for state employees, as identified by (1) the objective job evaluation process the DAS commissioner must conduct at least every five years and (2) other studies negotiated under collective bargaining agreements.

EFFECTIVE DATE: Upon passage

§ 62 — DPH PANDEMIC PREPAREDNESS REPORT

Requires the public health commissioner to annually report to the Appropriations Committee on the state's pandemic preparedness starting by January 1, 2024

The bill requires the public health commissioner, by January 1, 2024, and annually after that, to report to the Appropriations Committee on the state's pandemic preparedness.

EFFECTIVE DATE: July 1, 2023

§§ 63-65 — 340B PROGRAM

Makes various changes affecting participants in the federal 340B drug pricing program, such as (1) prohibiting PBMs from discriminating against 340B covered entities in connection with dispensing covered drugs, (2) requiring drug manufacturers to comply with specified federal pricing requirements when selling covered drugs to these entities, and (3) allowing covered entities or the attorney general to seek court relief if a PBM seeks to enforce contract provisions that violate the bill

Section 340B of the federal Public Health Service Act (i.e., the 340B Drug Pricing Program) requires drug manufacturers participating in Medicaid to sell certain outpatient prescription drugs ("covered drugs") at discounted prices to health care organizations that care for uninsured and low-income patients. These organizations include federally

qualified health centers, children's hospitals, hospitals that serve a disproportionate number of low-income patients, and other safety net providers ("340B covered entities").

The bill prohibits pharmacy benefit managers (PBMs) from (1) discriminating in certain ways against 340B covered entities or their specified pharmacies in connection with dispensing covered drugs and (2) preventing the 340B covered entities from keeping the benefit of the covered drugs' discounted prices. It applies to all PBMs and their subsidiaries.

The bill specifically requires certain drug manufacturers (including wholesalers) to comply with federal 340B pricing and sales requirements when selling covered drugs to 340B covered entities in Connecticut. It also prohibits them from imposing a precondition, limitation, delay, or other barrier to purchasing covered drugs beyond those required by federal law.

The above provisions on covered drugs apply to those that a 340B covered entity (1) purchases under the program and that are subject to the program's pricing requirements or (2) would purchase except for the prohibited conduct.

The bill allows covered entities, or the attorney general, to seek an injunction or other court relief to prevent PBMs or drug manufacturers from enforcing contract provisions that violate the bill's restrictions.

EFFECTIVE DATE: October 1, 2023

Activities Constituting Discrimination by PBMs

The bill prohibits PBMs from imposing requirements, conditions, or exclusions that (1) discriminate against 340B covered entities or their specified pharmacies in connection with dispensing covered drugs and (2) prevent covered entities from keeping the benefit of the discounted pricing. ("Specified pharmacies" are those that the 340B covered entity owns or contracts with and that dispense drugs on the entity's behalf under the program, whether in person or by mail.)

For these purposes, discrimination includes the following:

1. payment terms, reimbursement methodologies, or other terms or conditions that (a) distinguish between covered and non-covered drugs, (b) consider the availability of 340B program discounts when determining reimbursement, or (c) are less favorable than the payment or purchase terms or reimbursement methods for similarly situated entities that are not furnishing or dispensing covered drugs;

2. terms or conditions for 340B covered entities or specified pharmacies based on their (a) furnishing or dispensing covered drugs or (b) status as a 340B covered entity or specified pharmacy, including restrictions or requirements for participating in certain pharmacy networks or audit frequency or scope;

3. requiring 340B covered entities or their specified pharmacies to (a) identify covered drugs or their costs or (b) provide information not sought from other drug purchasers;

4. refusing to contract, or ending a contract, with a 340B covered entity or specified pharmacy, or excluding either from a network, because of its status as a 340B covered entity or specified pharmacy or for any reasons other than those that apply equally to non-340B covered entities and pharmacies;

5. refusing to sell covered drugs to a 340B covered entity or specified pharmacy because of its status as such, or for reasons that do not apply equally to other entities and pharmacies;

6. retaliating against a 340B covered entity or specified pharmacy because it avails itself of a right or remedy under these provisions; and

7. interfering with a person's choice to receive a covered drug from a 340B covered entity or specified pharmacy, whether in person or by direct delivery, mail, or other shipment method.

The bill specifies that these provisions apply to PBM-administered self-insured employee welfare benefit plans under the federal Employee Retirement Income Security Act.

For contracts between PBMs and 340B covered entities, the bill makes any contract provisions that violate the above restrictions void and unenforceable. This applies to contracts entered into, amended, or renewed after October 1, 2023, and despite the existing insurance laws and UAPA.

Prohibitions on Drug Manufacturers and Wholesalers

The bill specifically prohibits drug manufacturers subject to the 340B program's pricing rules, and their wholesalers, from imposing preconditions, limitations, delays, or other barriers on 340B covered entities purchasing covered drugs, unless they are required by federal law. The bill specifies that prohibited conduct includes the following:

1. implementing policies or limitations restricting 340B covered entities' or specified pharmacies' ability to dispense covered drugs, including restricting the number or type of locations that may dispense them;

2. conditioning the sale of covered drugs for 340B covered entities on enrollment with third-party vendors or sharing claims or other data;

3. charging 340B covered entities for covered drugs more than the federal ceiling price, including conditioning discounts on rebate requests;

4. interfering with a person's choice to receive a covered drug from a 340B covered entity or specified pharmacy, whether in person or by direct delivery, mail, or other shipment method;

5. delaying covered drug shipments compared to non-discounted drugs; and

6. retaliating against a 340B covered entity or specified pharmacy

because it avails itself of a right or remedy under these provisions.

Injunction or Other Court Relief

The bill allows a covered entity or the attorney general to go to court seeking a temporary or permanent injunction and other appropriate relief to prevent a PBM or drug manufacturer (including a wholesaler) from continuing to enforce contract provisions that violate the bill. The bill allows a court, if it finds such a violation, to grant injunctive relief and other relief that justice may require. The court may set deadlines for compliance.

In these cases, if the PBM or manufacturer appeals, the injunction remains in effect unless the court determines that this would lead to great and irreparable injury.

§ 66 — BEVERAGE CONTAINER RECYCLING GRANT PROGRAM

Requires, within available appropriations, any organization that serves people with intellectual and developmental disabilities to be eligible for a grant under the beverage container recycling grant program

The bill requires, within available appropriations, any organization that serves people with intellectual and developmental disabilities to be eligible to participate in the state's beverage container recycling grant program. It does this regardless of the law's parameters for awarding grants.

By law, this Department of Energy and Environmental Protection grant program provides forgivable grants for new and proposed expansions of beverage container redemption centers in urban areas and environmental justice communities lacking access to redemption centers. Grant funds are prioritized to first-time redemption center owners and those that are locally owned, minority-owned, and women-owned businesses. The law also specifies certain factors to be considered when awarding grants such as walking distance to the location, population density, and current access to beverage container redemption locations. The funds may be used for things like infrastructure, technology, and initial operating expenses.

EFFECTIVE DATE: July 1, 2023

§ 67 — PLANNING COMMISSION FOR HIGHER EDUCATION

Changes commission membership and appointing authorities and requires the commission to update the strategic master plan for higher education

By law, the Planning Commission for Higher Education develops and ensures implementation of a strategic master plan for higher education that must address degree attainment, the number of people entering the workforce, and the achievement gap.

The bill modifies certain duties of the Planning Commission for Higher Education, makes changes to commission membership and appointing authorities, and requires the commission to update the strategic master plan.

EFFECTIVE DATE: July 1, 2023

Commission Members and Appointing Authorities

By law, the commission includes 19 voting members. The bill changes the appointing authority for four members, as shown in the table below.

Table: Appointed Members and Appointing Authorities

Member	***Appointing Authority***	
	Current Law	***The Bill***
Large independent higher education institution representative	Connecticut Conference of Independent Colleges (CCIC) president	Senate president pro tempore
Small independent higher education institution representative	CCIC president	House speaker
Private career school representative	Education commissioner	Office of Higher Education executive director
Teaching faculty representative from a private career school	Education commissioner	Office of Higher Education executive director

The bill includes the provost, rather than the vice president, in the list of officials who may represent independent higher education institutions, along with the president or chair of the institution's board.

Under current law, there are 13 ex-officio, nonvoting commission members, which include the CCIC president or president's designee. The bill replaces the president or president's designee with a representative of one of the state's independent higher education institution associations, appointed by the governor. The bill also adds the Chief Workforce Officer to the commission, increasing the total number of ex-officio, nonvoting members from 13 to 14.

By law, the governor appoints the commission's chairperson from among its members. The bill requires the chairperson to be a voting member.

Strategic Master Plan Update

The bill requires the commission to revise and update the strategic master plan adopted in 2015. Current law requires the plan to establish numerical goals on degree attainment, workforce, and the achievement gap for 2020 and 2025. The bill instead requires the updated plan to (1) assess progress toward these goals established under the 2015 plan and (2) revise or establish these goals for the years 2025 and 2030.

Current law requires the plan to recommend changes to funding policies, practices, and accountability to improve coordination of appropriation, tuition, and financial aid and seek ways to maximize funding through federal and private grants. The bill specifies that this funding's purpose is to accomplish state goals.

Current law allows the commission to consider various actions in developing the plan. Under the bill, in updating the plan, the commission may also consider:

1. increasing financial aid in workforce shortage areas for first-generation students, in addition to minority students as required under current law;

2. expanding dual credit and career pathway opportunities in high schools and aligning them with higher education institutions, rather than implementing mandatory college preparatory curricula as current law requires;

3. assessing and promoting, rather than implementing, high school programs to assist students seeking higher education or an alternative path to post-secondary education;

4. addressing the educational needs and increasing the retention rates of underserved and first-generation students, in addition to minority students and nontraditional students as current law requires;

5. developing policies to promote the Connecticut Automatic Admissions program, rather than the Guaranteed Admission program; and

6. developing policies to award credits for prior learning and experience.

Under current law, in developing the plan, the commission may consider seeking partnerships between public higher education institutions and the business community to move students into workforce shortage areas. Under the bill, in updating the plan, the commission may instead consider promoting partnerships between higher education institutions and the business community to expand work-based learning opportunities for students and retraining and development opportunities for employees.

Current law requires the commission, in developing the plan, to consider establishing partnerships between public high schools and higher education students. For the updated plan, these partnerships may include community organizations and their purpose is to expand college access for underserved and first-generation students.

Reporting Requirements

The bill requires the commission to submit the following information by September 1, 2024, to the Appropriations, Commerce, Education, Higher Education and Employment Advancement, and Labor committees and the governor:

1. a preliminary report on the development of the updated strategic

master plan, including specific goals and benchmarks for 2025 and 2030; and

2. recommendations for appropriate legislation and funding.

Current law requires the commission to annually report to these committees and the governor on the plan's implementation and progress towards the goals specified in the plan. The bill makes the next report due January 1, 2026.

§ 68 — COMPETITIVE BIDDING FOR SHORE LINE EAST

Directs the DOT commissioner to select and contract with a Shore Line East operator through a competitive process

The bill authorizes and directs the Department of Transportation commissioner to select one or more operators for Shore Line East rail service through a competitive process and enter into a contract with the ones selected.

EFFECTIVE DATE: Upon passage

§ 69 — 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

§ 70 — STIPENDS AND TUITION REFUNDS FOR CERTAIN STONE ACADEMY STUDENTS

Requires the Office of Higher Education to pay from the private career schools student protection account stipends and tuition refunds to certain Stone Academy practical nurse education program students

The bill requires the Office of Higher Education (OHE) to make two sets of payments from the private career school student protection account (see *Background – Private Career School Student Protection Account*). First, OHE must pay a stipend to each person who (1) graduated from Stone Academy's practical nurse education program

(a.k.a., Career Training Specialists, LLC) between November 1, 2021, and February 28, 2023, (2) has taken or passed the licensure exam to be a licensed practical nurse, and (3) meets any requirements established by the OHE executive director. Under the bill, the OHE executive director must determine the stipend amounts for each qualifying person but caps payments in total at $150,000.

Second, OHE must also paya tuition refund to certain people based on applications received through existing law's process to refund students that were enrolled in certain private career schools (see *Background — Application for Private Career School Tuition Refund*). Specifically, under the bill, to each applicant who (1) was enrolled in, but did not graduate from, Stone Academy's practical nurse education program between November 1, 2021, and February 1, 2023, and (2) completed a course or unit of instruction at Stone Academy that was not in compliance with applicable statutes and regulations. If the OHE executive director determines that an applicant is entitled to a tuition refund, he must determine the appropriate amount, which must not exceed the tuition paid for the course or unit of instruction. The refund must be paid in the manner and subject to terms specified under existing law.

Additionally, the bill allows the state to take appropriate action, including an action in Superior Court, against Stone Academy or its owner or owners to reimburse the private career student protection account for the above stipends, refunds, and administrative costs that are paid from the account and to reimburse the state for the reasonable and necessary expenses to do so. The state must reimburse the account up to an amount equal to the stipends, refunds, and administrative cost from any funds collected through an action.

The bill specifies that nothing in it is to be interpreted to limit any right or remedy available to the state arising from Stone Academy's operations.

EFFECTIVE DATE: Upon passage

Background — Private Career School Student Protection Account

This is an account in the General Fund that is generally used to refund tuition to students unable to complete a course at a private career school because the school becomes insolvent or ceases operation. It is funded by quarterly assessments on private career schools and certain other fees (CGS § 10a-22u).

Background — Application for Private Career School Tuition Refund

When a private career school becomes insolvent or closes abruptly, preventing a student from finishing a course or unit of instruction, state law allows the student to apply to the OHE executive director for a tuition refund. A student has two years from the date when the school became insolvent or ceased to operate to apply for the refund. OHE's executive director reviews the applications and determines the validity of the refund claim and the amount to refund to the student. Tuition refunds are financed by the private career school student protection account. The student or any person or organization who paid tuition on the student's behalf receives a refund from the state, to the extent the account has the necessary funds (CGS § 10a-22v).

§ 71 — SET-ASIDE PROGRAM

Requires DAS to give awarding agencies a preliminary set-aside goal report for the upcoming fiscal year and delays the deadline by which agencies must submit their goals to DAS

The bill delays, from August 30 to September 30, the annual deadline by which state agencies and political subdivisions, other than municipalities, must notify the Department of Administrative Services (DAS) and other parties of their small contractor and minority business enterprise contracting set-aside goals for the current fiscal year. (By law, municipalities are not subject to this reporting requirement.)

The bill requires DAS to annually give awarding agencies a preliminary set-aside goal report for the upcoming fiscal year by June 30.

EFFECTIVE DATE: July 1, 2024

§ 72 — HISTORIC PRESERVATION REVIEW PROCESS WORKING GROUP

Establishes a working group to study and make recommendations on the historic preservation review process

The bill establishes a 23-member working group to (1) study the State Historic Preservation Officer's (SHPO) role in administering the historic preservation review process under the Connecticut Environmental Policy Act (CEPA) and (2) recommend changes to the act and its related regulations.

EFFECTIVE DATE: Upon passage

Study and Recommendations

The bill requires the study to make recommendations on, at minimum:

1. the historic preservation consultation process,
2. historic preservation review timelines,
3. outlining steps in the review process and defining the roles of those involved with it,
4. specific goals and outcomes of the review process, and
5. a process for municipalities to appeal the SHPO's determinations made under CEPA regarding historic buildings' or properties' renovations.

The bill requires the working group to submit its findings and recommendations to the Commerce Committee by February 1, 2024. The working group terminates after doing so or February 1, 2024, whichever is later.

Working Group Members

The working group consists of (1) the Commerce Committee's chairpersons (who serve as the working group's chairs); (2) the Commerce Committee's ranking members, SHPO, Economic and Community Development commissioner, and OPM secretary, or their

designees; and (3) 16 appointed members.

The governor appoints two members: (1) one representing his office and who has expertise in overseeing CEPA and its related regulations and (2) one representing the Council on Environmental Quality. And the following five tribes appoint one member each: (1) Schaghticoke, (2) Paucatuck Eastern Pequot, (3) Mashantucket Pequot, (4) Mohegan, and (5) Golden Hill Paugussett.

The working group chairs appoint nine members:

1. one from an organization that advocates on behalf of Connecticut municipalities,

2. one from an organization that advocates on behalf of Connecticut's small towns and communities,

3. one from an organization that advocates for revitalizing historic commercial districts and downtowns in the state,

4. one from a municipal historic preservation commission,

5. one from an association representing businesses and industries in the state,

6. two municipal economic development officers,

7. one from a property development organization who has expertise in construction and renovations, and

8. one from the brownfields working group established under state law.

Members appointed by the working group chairs, except the representative of the brownfields working group, may be members of the General Assembly. Appointing authorities must make initial appointments within 30 days of the bill's passage and fill any vacancies.

The working group's chairs must schedule and hold the first meeting within 90 days of the bill's passage and the Commerce Committee's

administrative staff serve as the working group's administrative staff.

§ 73 — OFFICE OF WORKFORCE STRATEGY LOCATION

Moves OWS from the Office of the Governor to DECD for administrative purposes only

For administrative purposes only, the bill moves the Office of Workforce Strategy (OWS) from the Office of the Governor to the Department of Economic and Community Development (DECD).

EFFECTIVE DATE: Upon passage

§ 74 — OPM HOUSING PROGRAMS REPORT

Ends a reporting requirement for OPM on housing programs by making the final report due by January 1, 2024

Existing law requires OPM, within available appropriations, to (1) aggregate data on federal and state housing programs in the state; (2) analyze the programs' impact on economic and racial segregation; and (3) report its findings and recommendations to the Housing Committee biennially, starting by January 1, 2022. The bill ends this reporting requirement by making the office's final report due by January 1, 2024.

EFFECTIVE DATE: Upon passage

§ 75 — COMMUNITY INVESTMENT FUND 2030 ADMINISTRATIVE COSTS

Prohibits Community Investment Fund 2030 bond proceeds from paying for related administrative costs; requires DECD to pay for the administrative costs within available appropriations

By law, the Community Investment Fund 2030 is a five-year bonding program running through FY 27 to fund qualifying projects and grants in eligible municipalities (i.e., those designated as public investment communities or alliance districts). The Community Investment Fund 2030 board, which is located within the Department of Economic and Community Development (DECD), directs these investments.

Under current law, funds from the bond proceeds can be used to pay or reimburse the DECD commissioner for administrative costs to run the program (in addition to costs associated with approved eligible projects). The bill explicitly prohibits using these funds for administrative costs, and correspondingly requires DECD to pay for

those within available appropriations.

EFFECTIVE DATE: July 1, 2023

§§ 76-83 — TRANSFER OF MUNICIPAL GRANT FUNDING FROM MRSA TO MRSF

Principally makes certain municipal grants, including PILOT and motor vehicle property tax grants, payable from MRSF rather than MRSA and correspondingly diverts certain tax revenue to that fund, rather than MRSA, to cover the grants; specifies supplemental revenue sharing grant amounts for certain municipalities and districts; changes the date by which OPM must make PILOT grants to municipalities

- Beginning July 1, 2023 (FY 24), diverts 7.9% of the revenue from the state's 6.35% sales and use tax to the Municipal Revenue Sharing Fund (MRSF), rather than the Municipal Revenue Sharing Account (MRSA), as current law requires

- Correspondingly requires the Office of Policy and Management (OPM) secretary to use MRSF, rather than MRSA, to fund the following municipal grants: (1) motor vehicle property tax grants, paid out by August 1 annually; (2) payment in lieu of taxes (PILOT) grants, including those known as Tiered PILOT, and additional PILOTs paid to specified municipalities; and (3) supplemental revenue sharing grants, paid out by October 31 annually

- With respect to the supplemental revenue sharing grant, specifies the grant amounts for municipalities and districts, and requires they be proportionally reduced if MRSF funds are insufficient to cover them

- Beginning FY 24, requires funds remaining in MRSF at the end of each fiscal year to be paid out as municipal revenue sharing grants by the following October 1

- Requires OPM to pay PILOT grants due to municipalities and fire districts by September 30, rather than May 30, annually

- Makes minor and conforming changes

- EFFECTIVE DATE: July 1, 2023, except the provision on PILOT

payment due dates is effective upon passage

§§ 84-87 — COMPENSATION FOR JUDGES AND CERTAIN OTHER STATE OFFICIALS

Increases the salary and other compensation for judges and certain other judicial officials by approximately 3% starting in FY 24 and again in FY 25; correspondingly increases the salary of certain other state officials whose salary, by law, is tied to that of judges

For FYs 24 and 25, the bill increases the following by approximately 3%: (1) salaries for judges, family support magistrates, family support referees, and judge trial referees; (2) additional amounts that certain judges receive for performing administrative duties; and (3) salaries of certain officials whose compensation, by law, is determined in relation to the salary of the chief justice or a Superior Court judge or a state referee's per-diem rate (including the governor, lieutenant governor, and constitutional officers).

EFFECTIVE DATE: July 1, 2023

Judicial Salaries

The table below shows the bill's changes to judicial salaries starting in FYs 24 and 25.

Table: Judicial Salaries

Position	*Current Salary*	*Salary Starting July 1, 2023 (FY 24)*	*Salary Starting July 1, 2024 (FY 25)*
Supreme Court chief justice	$226,711	$233,512	$240,518
Chief court administrator (if a judge)	217,854	224,390	231,121
Supreme Court associate judge	209,770	216,063	222,545
Appellate Court chief judge	207,450	213,674	220,084
Appellate Court judge	197,046	202,957	209,046
Deputy chief court administrator (if a Superior Court judge)	193,420	199,223	205,199
Superior Court judge	189,483	195,167	201,023
Chief family support magistrate	164,932	169,880	174,976
Family support magistrate	156,973	161,682	166,533
Family support referee	245/day*	252/day*	260/day*
Judge trial referee	285/day*	294/day*	302/day*

*Plus expenses, mileage, and retirement pay

As under existing law, judges with at least 10 years of judicial or other state service also receive semi-annual longevity payments equal to a specified percentage of their annual salary.

Administrative Judges

The law provides judges with extra compensation for taking on certain administrative duties. The bill increases these annual payments from $1,292 to $1,331 starting in FY 24 and then to $1,371 starting in FY 25, which are in addition to the judges' annual salaries.

The judges who receive this additional amount are (1) the appellate system's administrative judge; (2) each judicial district's administrative judge; and (3) each chief administrative judge for (a) facilities, administrative appeals, the judicial marshal service, or judge trial referees, and (b) the Superior Court's family, juvenile, criminal, or civil divisions.

Related Increases

The bill's provisions also result in salary, rate, or maximum compensation increases for other officials or judges whose compensation is tied to those of judges or judge trial referees. Specifically:

1. the salaries of workers' compensation administrative law judges vary depending on service time and are tied to those of Superior Court judges (CGS § 31-277),

2. the salaries of probate court judges vary depending on probate district classification and range from 45% to 75% of a Superior Court judge's salary (CGS § 45a-95a),

3. senior judges receive the same per-diem rates as state referees (CGS §§ 51-47b(a) & 52-434b),

4. the probate court administrator's salary is the same as that of a Superior Court judge (CGS § 45a-75), and

5. the maximum compensation a retired judge may receive is equal to the highest annual salary during the fiscal year for the judicial office the judge held at retirement (CGS § 51-47b(b)).

Additionally, existing law generally makes the (1) governor's salary equal to the salary for the Supreme Court chief justice and (2) lieutenant governor's, secretary of the state's, state treasurer's, state comptroller's, and state attorney general's equal to those for Superior Court judges (CGS §§ 3-2, -11, -77, -111 & -124).

§§ 88 & 89 — ETHNIC AND RACIAL DIVERSITY PLAN

Eliminates a requirement that OHE maintain a racial and ethnic diversity plan for the state's higher education institutions, but adds similar provisions into the existing OHE minority advancement program

The bill eliminates a requirement that the Office of Higher Education (OHE), in consultation with the constituent units, develop and maintain an affirmative action plan that ensures that Connecticut higher education institution students, faculty, administrators, and staff are representative of the state's racial and ethnic diversity. It also eliminates corresponding requirements that (1) OHE annually report on the affirmative action plan to the governor and General Assembly and (2) institutions develop corrective procedures if plan goals are not met. By law, unchanged by the bill, each constituent unit must prepare an affirmative action plan and the Commission on Human Rights and Opportunities annually reports to the governor and General Assembly on the plans' results (CGS § 46a-68).

The bill requires that OHE's minority advancement program, which under current law supports higher education institutions in meeting their ethnic and racial diversity goals, ensure this representation in higher education institutions. The bill makes various conforming changes.

EFFECTIVE DATE: July 1, 2023

§ 90 — BOR DISPOSING OF SURPLUS REAL PROPERTY

Authorizes BOR, with the OPM secretary's review and approval, to sell surplus CSCU property outside of the current disposition process for surplus state property

The bill authorizes the Board of Regents (BOR), regardless of existing law on the disposition of surplus state property (see *Background*), to sell, exchange, lease, convey, or transfer surplus property that (1) a CSCU institution controls and has custody over, and (2) is no longer needed to discharge any of the institution's functions, as BOR determines.

Under the bill, the Office of Policy and Management (OPM) secretary must review and approve these transactions. They must be to a bona fide purchaser at a price and on terms BOR determines are:

1. reflective of fair market value, based on at least two appraisals done within three months before the transaction;

2. in the state's and the owning institution's best interest; and

3. consistent with the owning institution's objectives and purposes.

The bill requires BOR to use the proceeds from any of these transactions as follows: first, to pay outstanding bonds or other debt associated with the property or improvements to it; second, for any costs associated with the transaction; and, finally, for any capital expenditure consistent with BOR's campus improvement plan.

EFFECTIVE DATE: July 1, 2023

Background — Surplus Property

Existing law has numerous requirements for the disposition of surplus state property. Among other things, it requires the Department of Administrative Services (DAS) to first offer the property to the municipality in which the property is located if no state agencies express interest in it. If the municipality declines to acquire the property, DAS may offer it to other parties through a sale, lease, exchange, or other agreement. DAS must also consider offering surplus property to abutting landowners before offering it for general sale. By law, UConn is exempt from this process (CGS § 4b-21).

§ 91 — SOCIAL EQUITY AND INNOVATION ACCOUNT

For FY 24, allows the money in the account to be allocated for purposes the Social Equity Council solely determines, and delays the transfer of remaining money into the Social Equity and Innovation Fund from the end of FY 23 until the end of FY 24

Account Purposes

Under current law and under the bill until the end of FY 23, the Office of Policy and Management (OPM) secretary must allocate money from the Social Equity and Innovation Account, in consultation with the Social Equity Council, to state agencies for the purpose of

1. paying costs the council incurs;

2. administering programs under the Responsible and Equitable Regulation of Adult-Use Cannabis Act (RERACA) for the purpose of (a) paying costs the council incurs, (b) administering programs RERACA provides, (c) funding for workforce education, and (d) funding for community investments; and

3. paying costs incurred to implement activities RERACA authorizes.

For FY 24, the bill instead requires the OPM secretary to allocate the money in the account for purposes the Social Equity Council solely determines to further the principles of equity. These purposes may include providing (1) access to capital for businesses, (2) technical assistance for the start-up and business operations, and (3) funding for workforce education, community investments, and investments in disproportionately impacted areas.

Existing law defines "equity" and "equitable" as efforts, regulations, policies, programs, standards, processes, and any other government functions or principles of law and governance intended to: (1) identify and remedy past and present patterns of discrimination and disparities of race, ethnicity, gender, and sexual orientation; (2) ensure that these intentional or unintentional patterns are not reinforced or perpetuated; and (3) prevent the emergence and persistence of foreseeable future patterns of discrimination or disparities on these bases.

Account Transfer Delay

Under existing law, at the end of FY 23, $5 million must be transferred from the account to the General Fund, or if the account contains less than this amount, the remaining amount must be transferred. Current law then requires all the money that is left in the account to be transferred to the Social Equity and Innovation Fund. The bill delays the transfer to the fund until the end of FY 24.

By law, money from the Social Equity and Innovation Fund must be appropriated for the purposes of providing (1) access to business capital, (2) technical assistance for business start-ups and operations, (3) workforce education, (4) community investments, and (5) paying costs incurred to implement activities authorized under RERACA.

EFFECTIVE DATE: Upon passage

§§ 92 & 419 — HIGHER EDUCATION CONSTITUENT UNIT EMPLOYEE RETIREMENT COSTS

Beginning FY 24, requires the (1) comptroller to pay the retirement-related fringe benefit costs for all employees of the constituent units of the state higher education system, rather than only for General Fund-supported employees; and (2) constituent units to fund their employee health and life insurance, unemployment compensation, and employers' social security tax.

Currently, the Office of the State Comptroller pays the fringe benefit costs, using the resources appropriated for the State Comptroller-Fringe Benefits, of constituent unit employees who are paid out of the General Fund, while the individual constituent units of the state higher education system pay for those who are paid from other sources (e.g., tuition revenue). Constituent units are UConn and the Connecticut State Colleges and Universities (CSCUs), which includes the regional community technical colleges and Charter Oak State College.

Under the bill, beginning FY 24, the comptroller must pay the retirement-related fringe costs for all constituent unit employees, and the constituent units must pay the non-retirement employee fringe costs (i.e., health and life insurance, unemployment compensation, and social security tax).

The retirement-related fringe benefit costs under the bill include retirement for hazardous duty employees and employees enrolled in the

State Employee Retirement System, an alternative retirement program, or the teachers' retirement system, as applicable. The bill makes conforming changes by repealing requirements that the comptroller fund certain fringe benefit costs for (1) non-General Fund supported community college employees and (2) UConn Health Center employees.

EFFECTIVE DATE: July 1, 2023

§§ 93-97 & 419 — ONLINE LOTTERY SALES

Eliminates the diversion of online lottery sales revenue to fund the state's debt-free community college program

"Pledge to Advance CT," or PACT, is the state's debt-free community college program. Current law generally dedicates online lottery sales revenue to fund it.

Under current law, the Connecticut Lottery Corporation (CLC) must deposit online lottery ticket sales proceeds into the online lottery ticket sales fund, a separate CLC fund for (1) making specified transfers to the General Fund and debt-free community college account and (2) paying CLC's costs for the online lottery program. (CLC has not yet implemented online lottery ticket sales.) Starting in FY 24, current law requires the first $14 million in net proceeds for each fiscal year to be transferred to the debt-free community college account and any remaining amount to be transferred to the General Fund.

The bill eliminates the debt free community college account, the dedicated account for online lottery proceeds, and the required fund transfers, instead directing the revenue to CLC's lottery and gaming fund. By law, CLC must transfer to the General Fund on a weekly basis any balance of this fund that exceeded the corporation's needs for paying lottery prizes and meeting operating expenses and reserves, with an exception for payments directed to the Connecticut Teachers' Retirement Fund Bonds Special Capital Reserve Fund in certain circumstances.

The bill also makes many conforming changes.

EFFECTIVE DATE: July 1, 2023

§§ 96 & 419 — REGIONALIZATION TASK FORCE AND SUBACCOUNT REPEALER

Repeals the regionalization task force and a related subaccount to fund its recommendations

The bill repeals a task force established in 2019 to study ways to encourage greater and improved collaboration between the state and municipal governments and regional bodies. The task force submitted its recommendations and terminated according to law. The bill also repeals provisions:

1. requiring the OPM secretary to offer regional functions, activities, or services the task force identified that are performed by municipalities, but might be more efficiently performed by OPM;

2. authorizing OPM and specified regional entities to charge fees to municipalities that opt to participate in these regional functions, activities, or services; and

3. establishing a regionalization subaccount in the General Fund's regional planning incentive account, funded by online lottery program revenue in excess of the amount necessary to fund PACT, to fund the task force's recommendations.

EFFECTIVE DATE: July 1, 2023

§ 98 — OPEN EDUCATIONAL RESOURCE COUNCIL

Transfers the Connecticut Open Educational Resource Coordinating Council from OHE to CSCU and makes conforming changes; expands restrictions on council grant award recipients; adds to council duties, and requires them to include additional information in their biennial report to the legislature; allows the OER state-wide coordinator to hire a part-time employee

By law, the Connecticut Open Educational Resource (OER) Coordinating Council must establish an OER program to lower the cost of textbooks and course materials for high-impact courses at state higher education institutions. This bill redefines OER, thus changing the scope of the council's duties.

Under current law, the OER council is part of the executive branch

and the Office of Higher Education (OHE) executive director appoints council members, including the state-wide OER coordinator. OHE administrative staff serves as the council's administrative staff. The bill moves the council from the executive branch to the Connecticut State Colleges and Universities (CSCU), and gives the CSCU president the same duties that the OHE executive director has under current law (i.e., appointing the statewide coordinator and council members). The bill also makes the CSCU administrative staff serve as the council's administrative staff.

The bill expands restrictions on council grant award recipients. Under current law, the council can accept, review, and approve grant applications but grant recipients must license open educational resources through a creative common attribution license. The bill allows recipients to use another open copyright license, which the bill defines.

The bill also requires the OER council to:

1. develop a model policy for OER that includes standardized definitions and data collection methods and

2. report once every two years, rather than annually, to the Higher Education and Employment Advancement Committee on the use of OERs.

It also changes the report's contents to include information courses in which all required material is open source. The bill also allows the OER statewide coordinator to hire a part-time employee to assist and support the council. Lastly, it makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2023

Definitions

Open Educational Resources. Under current law, "OER" is a college level resource available on a website for students, faculty, and the public to use on an unlimited basis at a lower cost than the marketing value of the printed textbook or other educational resource. It includes full courses, course materials, modules, textbooks, streaming videos,

tests, software, and other similar teaching, learning, and research resources that reside in the public domain or have been released under a creative commons attribution license that permits the free use and repurposing of the resources.

The bill redefines OER as a teaching, learning, or research resource that is (1) offered freely to users in at least one form and (2) either (a) in the public domain or (b) released under a creative commons attribution license or other open copyright license.

Under the bill, a "creative commons attribution license" is a copyright license allowing for the free use, reuse, modification, and distribution of a product, as long as the original author is credited. Under current law, it is a copyright crediting the author of a digital work product license that allows for the free use and distribution of a work product.

The bill defines "open copyright license" as a copyright license that is not a creative commons attribution license, but allows for the free use, reuse, modification, and distribution of a work product as long as the original author is credited.

Open Educational Resource Council Duties. The bill adds to the OER Coordinating Council's duties and requires it to develop a model policy for higher education institutions to adopt. The policy must establish (1) definitions for OER terms, (2) ways to collect data on OER use and availability, and (3) ways to present online course catalogs to students to clearly identify courses using OER.

Report to Legislature

Current law requires the OER Coordinating Council to annually report to the Higher Education and Employment Advancement Committee on the use of OERs, including the number and percentage of high-impact courses for which OERs have been developed.

Beginning February 1, 2024, the bill makes this a biennial, rather than annual, reporting requirement and changes the report's contents. Under the bill, the report must include the number of courses utilizing OER

instead of the number and percentage of high-impact courses for which OER have been developed. Under the bill, a "course utilizing OER" is a course in which all required materials are OER.

By law, unchanged by the bill, the report must also include information about (1) the degree to which higher education institutions promote the use and access to OER, (2) grants the council awards, (3) any legislative recommendations.

§ 99 — INDEPENDENT COLLEGE AND UNIVERSITY PROGRAM APPROVAL EXEMPTIONS

Makes permanent the law exempting qualifying independent colleges and universities from the Office of Higher Education's program approval process for an unlimited number of higher education programs per academic year; requires independent higher education institutions to at least annually update the credentials database with any new, modified, or discontinued programs

Current law exempts qualifying independent colleges and universities from the Office of Higher Education's (OHE's) approval process for an unlimited number of new or modified programs until June 30, 2023, but beginning July 1, 2023, it limits the exemptions to 15 new or modified programs in any academic year.

The bill removes the restrictions set to begin on July 1, 2023, which makes permanent the law exempting qualifying independent colleges and universities from OHE's program approval process for an unlimited number of programs per academic year.

Under existing law and the bill, institutions qualify for these exemptions if they:

1. are eligible to participate in specified federal financial aid programs;

2. have a financial responsibility score of at least 1.5, as determined by the U.S. Department of Education (this score reflects the overall relative financial health of institutions); and

3. have been located in Connecticut and accredited as a degree-granting institution in good standing for at least 10 years by a federally recognized regional accrediting association.

The bill makes a corresponding change to a reporting requirement. Under current law, exempt institutions must file certain information with OHE about new programs and related topics. The bill instead requires these institutions, by the last day of each semester but at least annually, to update OHE's credentials database with any new, modified, or terminated higher learning programs.

As under current law, these institutions also must annually file with OHE the institution's (1) current program approval process and all governing board actions concerning approval of any new higher learning program, and (2) financial responsibility composite score.

The bill also makes conforming changes.

EFFECTIVE DATE: July 1, 2023

Currently Exempt Institutions

In practice, Connecticut College, Trinity College, Wesleyan University, and Yale University are already exempt from OHE's program approval authority. These institutions, classified by OHE as national independents, are longstanding institutions that predate the state's regulation of postsecondary academic programs. Additionally, the institutions' charters give the schools the authority to decide which degrees to confer and do not require state approval for additional degrees.

§ 100 — CONTRACT ASSIGNMENTS BY STATE AGENCIES

Allows the OPM secretary to execute an MOU with a department head to assign the department head the authority to enter into a contract or written agreement using funds appropriated to the secretary for the contract's or agreement's purposes; allows budgeted agencies' department heads to similarly assign this authority upon the secretary's approval

The bill allows the Office of Policy and Management (OPM) secretary to execute a memorandum of understanding (MOU) with a budgeted agency's department head. It also allows a budgeted agency's department head, with the secretary's approval, to execute an MOU with a different budgeted agency's department head.

In both cases, the MOU may give the assignee department head the

authority to enter into a contract or written agreement using funds appropriated to the secretary or the original department (as applicable) for the contract's or agreement's purposes by the General Statutes or a public or special act, or authorized by the State Bond Commission. The assignee department head must also otherwise have the authority to contract for the specific purpose for which the funds must be used.

The bill requires the OPM secretary to submit a report to the Appropriations Committee annually beginning by January 1, 2024, with a summary of all assignments in the prior year by the secretary and budgeted agencies.

By law, budgeted agencies are executive branch departments, boards, councils, commissions, institutions, or other agencies (CGS § 4-69(11)(A)). A department head generally means state agency commissioners and certain executive directors (i.e., not every budgeted agency has a department head) (CGS § 4-5).

EFFECTIVE DATE: July 1, 2023

§ 101 — FEES FOR STATE AGENCY ELECTRIC VEHICLE STATIONS

Changes the fund into which fees collected for using state agency EV charging stations are deposited

Existing law requires state agencies to assess and collect fees for using electric vehicle (EV) charging stations purchased and installed on state agency property on or after October 1, 2022. The fees must recover, at the maximum extent practicable, the operational, maintenance, and electric costs for the stations. Under current law, collected fees must be deposited in the state fund that funded the station. The bill instead requires the fees to be deposited in the fund that pays the electricity costs of the station's hosting state agency.

EFFECTIVE DATE: July 1, 2023

§ 102 — GRANT PROGRAM FOR PURCHASING ELIGIBLE BODY AND DASHBOARD CAMERAS AND RELATED EQUIPMENT AND SERVICES

Extends, through FY 25, the municipal grant program for purchasing eligible body and dashboard cameras and related equipment and services

The act extends, through FY 25, the OPM-administered municipal grant program for purchasing eligible police body cameras, digital data storage devices or services, and certain dashboard cameras. By law, the grants are for up to 50% of the associated costs for distressed municipalities and up to 30% for all other municipalities. In both cases, funding for digital data storage services is limited to the cost for up to one year.

EFFECTIVE DATE: Upon passage

§§ 103-109 — BACKGROUND CHECKS BY THE DEPARTMENT OF ADMINISTRATIVE SERVICES

Authorizes DAS to conduct background checks for certain agencies and positions in addition to the existing requirement for the employing state agencies

This bill requires the Department of Administrative Services (DAS) commissioner to conduct criminal background checks for specified positions at other state agencies. Under a 2019 Executive Order that centralized human resources (HR) for most state agencies (see *Background*), DAS currently performs HR functions on these agencies' behalf. The table below lists the positions affected by the bill and the agencies currently required to conduct background checks.

Under current law, these agencies generally must require prospective (or in some cases current or transferring) employees to (1) state whether they have ever been convicted of a crime or are facing pending criminal charges when they apply and (2) submit to state and national criminal history checks. Under the bill, the DAS commissioner is also required to do so for these positions.

The bill also (1) increases the frequency of periodic criminal background checks, from every 10 years to every five years, for existing Department of Revenue Services (DRS) employees and any other state employees or applicants exposed to federal tax information and (2) allows these checks more frequently if the U.S. Treasury Department requires. Finally, the bill adds a requirement that the DAS commissioner conduct background checks on all state agency contractors and

subcontractors (including applicable employees) with access to certain federal tax information.

EFFECTIVE DATE: Upon passage

Covered Agencies and Positions

The bill extends to the DAS commissioner the requirement to conduct criminal background checks and other listed verifications for the positions and agencies listed in the table below.

Table: Covered Positions and Agencies

Covered Positions	*Agency Currently Required to Conduct the Checks*
Applicants, including transfers, to the vital records unit of the Department of Public Health (DPH)	DPH
Applicants for any position with direct contact with inmates	Department of Correction
External applicants to the Department of Motor Vehicles (DMV)	DMV
Applicants to DRS, including transfers, and current DRS employees (the bill additionally adds contractors and subcontractors, including applicable employees, with access to federal tax information, returns, or return information)	DRS
Applicants to the Department of Children and Families (DCF)	DCF
Applicants offered conditional employment by the Department of Developmental Services (DDS)	DDS
Any agency applicants or transfers that have exposure to federal tax information, if DAS provides HR services for the employing agency (the bill additionally expands this requirement to all agency contractors and subcontractors, including applicable employees)	Employing Agency

Background — State Centralization of Human Resources

In July 2019, the governor signed Executive Order #2 to centralize the human resource functions of most state agencies and entities under DAS. The order also established the Human Resources & Labor Relations Centralization Initiative Steering Committee, co-chaired by the DAS commissioner and the Office of Policy and Management secretary, to implement the order.

§§ 110-114 & 421 — PERSONAL SERVICES AGREEMENT PROCUREMENT THRESHOLDS

Increases, from $20,000 to $50,000, the cost threshold at which agencies must use competitive solicitation methods to enter into a PSA; eliminates a PSA's length as a criterion for determining whether a competitive solicitation is required; these changes also apply to POS contracts

The bill (1) increases, from $20,000 to $50,000, the cost threshold at which state agencies must use competitive negotiation or competitive quotations when entering into a personal services agreement (PSA) and (2) eliminates a PSA's length as a criterion for determining whether a competitive solicitation is required. These changes also generally apply to purchase-of-service (POS) contracts as, by law, these contracts are subject to the same requirements as PSAs (see *Background*).

The bill also (1) requires the requesting state agency, rather than the Office of Policy and Management (OPM) secretary, to notify the state auditors about certain PSAs for audit services and (2) eliminates a provision in current law that deems PSA applications requiring approval by the OPM secretary approved if he does not act on them within a set time period. Lastly, it makes technical and conforming changes.

EFFECTIVE DATE: January 1, 2024

Cost Thresholds

Current law (1) prohibits state agencies from executing a PSA costing more than $50,000 or lasting longer than one year without the OPM secretary's approval and (2) requires the purchasing agency to use competitive negotiation or competitive quotations for these procurements unless it receives a waiver from the OPM secretary to allow a sole source purchase.

The bill eliminates a PSA's length as a factor for determining whether these requirements apply, thereby applying them to PSAs only when their cost exceeds $50,000.

For PSAs with a term of one year or less, current law requires agencies to use competitive negotiation or competitive quotations (1) when possible, for PSAs costing up to $20,000, and (2) for each PSA that

costs more than $20,000 and up to $50,000, unless the purchasing agency receives a waiver from the OPM secretary to allow a sole source purchase.

The bill makes a conforming change by increasing, from $20,000 to $50,000, the maximum cost of a PSA for which agencies must use competitive negotiation or quotations when possible.

For PSAs requiring the OPM secretary's approval for the PSA or a sole source purchase waiver, the bill eliminates provisions in current law that (1) require him to act on the application within 15 business days after receiving it and (2) deem the application approved if he does not act within this time period.

Audit Services

Existing law requires that the state auditors be given an opportunity to review certain PSA applications for audit services and advise whether they are necessary and, if so, could be provided by the auditors. The requirement applies to audit services PSAs that are subject to the OPM secretary's approval (e.g., those costing more than $50,000).

Current law requires the secretary to immediately notify the auditors of these applications upon receipt. The bill instead requires the (1) purchasing agency to notify the auditors and (2) auditors to advise the purchasing agency, rather than the secretary as under current law, of the need for the services and whether the auditors could provide them.

Background — POS Contracts

By law, a POS contract is one between a state agency and a private provider organization or municipality to obtain direct health and human services for agency clients and generally not for administrative or clerical services, material goods, training, or consulting service. The definition does not include a contract with an individual. The law subjects POS contract requirements to the same procurement requirements as PSAs (CGS § 4-70b(a) & (e)).

§ 115 — RETIREMENT SECURITY PROGRAM REIMBURSEMENT

Eliminates a deadline for the state's retirement security program to reimburse the General Fund for certain expenses and instead requires the reimbursement to follow a plan established by the OPM secretary and state comptroller

The bill eliminates (1) an October 1, 2023, deadline for the Connecticut Retirement Security Program to reimburse the General Fund for any money spent from it to administer the program and (2) a requirement for the reimbursement to also cover General Fund costs of providing compensation for covered employees. It instead requires that the reimbursement follow a plan established and agreed upon by the OPM secretary and state comptroller.

The plan must (1) include a schedule for reimbursing any money spent from the General Fund to the program and (2) incorporate any previously agreed upon terms between the comptroller and state treasurer to repay the General Fund for a funding advance made under an existing law that allowed such an advance. The bill requires the reimbursement payments to continue under the plan's terms until all money spent from the General Fund for the program is repaid. It also allows the program to pay any unpaid amounts earlier than the plan requires.

By law, the program is administered by the Office of the State Comptroller to establish a retirement program with Roth individual retirement accounts for eligible private-sector employees.

EFFECTIVE DATE: Upon passage

§ 116 — CONNECTICUT PORT AUTHORITY AND BUILDING PERMITTING PROCESS

Applies to CPA the same building and fire safety rules that govern state agencies and the CAA when constructing or altering buildings

The bill applies to the Connecticut Port Authority (CPA) the law that requires state agencies and the Connecticut Airport Authority (CAA) to obtain building permits and certificates of occupancy for certain large-scale construction projects from the State Building Inspector. Specifically, they must do so for state and authority buildings and structures, or additions to them, that (1) include residential occupancies for at least 25 people or (2) exceed certain statutory threshold limits and

require an independent structural review (see *Background*). Neither a building permit nor certificate of occupancy is needed for a newly built or altered state or authority building below these thresholds.

Among other things, under the law, state agencies and CAA must apply to the state building inspector before beginning work on buildings over the threshold limits and substantially comply with the state building and fire safety codes. The state building inspector (1) must review their plans and specifications for the building, structure, or addition to verify compliance with the State Building Code and (2) may inspect the buildings and order them to comply with the code. She may ask the state fire marshal to review their plans to verify compliance with the Fire Safety Code. Additionally, before the building can be occupied or used, the state building inspector and state fire marshal must verify compliance with the State Building Code and Fire Safety Code and the state agencies and CAA must obtain a certificate of occupancy issued by the state building inspector.

The bill also makes conforming changes and a technical change to remove an obsolete provision.

EFFECTIVE DATE: Upon passage

Background — Threshold Limits

By law, the threshold limits generally are (1) four stories; (2) 60 feet high; (3) a clear span of 150 feet wide; (4) 150,000 square feet of floor space; or (5) occupancy by 1,000 or more people (CGS § 29-276b).

§ 117 — BUDGET RESERVE FUND SURPLUS

Prescribes, through FY 24, the order in which the state treasurer must transfer excess BRF funds to reduce the state's unfunded pension liability

Existing law caps the Budget Reserve Fund's (BRF) balance at 15% of net General Fund appropriations for the current fiscal year, through FY 24. (Starting in FY 25, the law caps the BRF's maximum balance at 18% and specifies how surplus funds must be diverted when the balance is at least 15% but less than the 18% maximum.)

Once the BRF reaches its maximum balance, the law requires the state

treasurer to transfer any remaining General Fund surplus, as he determines to be in the state's best interests, for reducing either the State Employees Retirement Fund's or Teachers' Retirement Fund's unfunded liability by up to 5%. Any amounts that remain after this transfer may be used to make additional payments to either retirement system, as the treasurer determines to be in the state's best interests, or to pay off other forms of outstanding state debt (CGS § 4-30a(c)).

The bill requires the treasurer, from the bill's passage through the end of FY 24, to determine that it is in the state's best interest to appropriate the excess funds as follows:

1. first to reduce the State Employees Retirement Fund's unfunded liability by up to 5%,

2. second to reduce the Teachers' Retirement Fund's unfunded liability by up to 5%, and

3. third to make additional payments toward the State Employees Retirement System's unfunded liability.

The same provision applies under existing law through the end of FY 23.

EFFECTIVE DATE: Upon passage

§ 118 — SB 7 CHANGES TO CONTESTED PURA PROCEEDINGS

Narrows the scope of a provision in sSB 7, as amended, that prohibits utility company rate recovery for certain expenses incurred for PURA rate-making hearings

Current law prohibits electric distribution companies (EDCs, i.e., Eversource and United Illuminating) from recovering their costs for attending or participating in the Public Utilities Regulatory Authority's (PURA) rate-making hearings. sSB 7, as amended by Senate Amendment "A," broadens this prohibition to cover any PURA-regulated utility company with more than 75,000 customers, any rate proceeding before PURA, and the costs of preparing for or appealing them. It also specifies that these costs include fees for attorneys, expert witnesses, and consultants; the portion of employee salaries associated

with attending, participating, preparing, or appealing the proceeding; and related costs PURA identifies.

This bill narrows these changes in sSB 7 so that they only apply to rate proceedings begun on or after January 1, 2024, for EDCs and PURA-regulated gas companies, pipeline companies, and water companies (not all PURA-regulated utility companies) with more than 75,000 customers.

EFFECTIVE DATE: Upon passage

§ 119 — SB 7 PROHIBITION ON COST RECOVERY FOR MEMBERSHIP DUES, LOBBYING COSTS, AND ADS

Narrows the scope of a provision in sSB 7, as amended, that prohibits utility companies' rate recovery for certain expenses like trade association membership, lobbying, and advertising

sSB 7, as amended by Senate Amendment "A," prohibits any PURA-regulated utility company from recovering through their rates any direct or indirect costs associated with certain activities (e.g., membership dues for an industry trade association, lobbying, certain advertising, and certain travel expenses). It also requires those companies with more than 75,000 customers to annually report to PURA an itemized list of the costs associated with those activities.

This bill narrows these provisions in sSB 7 so that they only apply to EDCs and PURA-regulated gas companies, pipeline companies, and water companies (not all PURA-regulated utility companies), and for the reporting requirement, to those companies with more than 75,000 customers.

EFFECTIVE DATE: Upon passage

§ 120 — SB 7 PROVISIONS ON ELECTRIC BILL FORMAT

Requires PURA to study the components of the delivery portion of electric bills and consider what additional information should be available to increase transparency about the costs and benefits of programs funded through certain charges on a customer's bill.

sSB 7, as amended by Senate Amendment "A," generally requires EDCs to use four categories for charges in their bills (generation, local distribution, transmission, and system benefits and federally mandated

congestion charges approved by PURA) and allows PURA to modify these categories under certain conditions.

This bill also requires PURA's chairperson to conduct a study that analyzes the components of the delivery portion of the electric bill for customers of each EDC. The study must consider what additional information should be available to customers on a state-run website, an EDC's website, or at other locations that aim to increase transparency about the costs and benefits of programs funded through certain charges on a customer's bill. The study may also include recommendations for a detailed plan aimed at educating customers on how to access programs funded through these charges. The chairperson must submit a report with the analysis and recommendations to the Energy and Technology Committee by January 15, 2025.

EFFECTIVE DATE: July 1, 2023

§§ 121 & 415 — SB 7 PROVISIONS ON PURA COMMISSIONERS

Repeals a provision in sSB7, as amended, that would have generally (1) allowed PURA's chairperson to assign any matter before PURA to one utility commissioner and (2) required that in any contested proceeding assigned to one commissioner, any proposed final decision must be voted on by all of the PURA commissioners

The bill repeals CGS § 16-2, as amended by § 21 of sSB 7, as amended by Senate Amendment "A." Among other things, this provision allows PURA's chairperson to assign any matter before PURA to one or more utility commissioners, rather than to a panel of three or more utility commissioners as under current law, and gives the assigned commissioner the same powers that the panels currently have (e.g., deciding whether to hold a public hearing). It also requires that in any contested proceeding assigned to one or more PURA commissioners, any proposed final decision must be voted on by all of the PURA utility commissioners.

In repealing the provision, the bill reverts to current law, which generally allows PURA's chairperson to assign any matter before PURA to a panel of at least three commissioners, and requires any decision by the panel, if it was not unanimous, to be approved by a majority vote of all PURA commissioners. (Currently, only three commissioners serve

on PURA.)

The bill also changes how PURA's chairperson is selected. It requires the governor, starting by June 30, 2023, and in each odd-numbered year after that, to appoint the chairperson from among the commissioners. The chairperson then serves a two-year term, starting on July 1 of that year. Current law requires the commissioners to elect the chairperson from amongst themselves for a one-year term. (The repealed section in sSB 7, as amended, contains an identical provision; in effect, the bill retains this provision.)

EFFECTIVE DATE: Upon passage

§ 122 — DUI AND CRIMINAL RECORD ERASURE

Specifies that DUI is not eligible for automatic criminal record erasure until 10 years after the person's most recent conviction, and makes DUI convictions ineligible for erasure if the person has a second DUI conviction within 10 years

Existing law provides a process, not yet fully operational, to erase records of most misdemeanor convictions and certain felony convictions after a specified period following the person's most recent conviction. sHB 6918 of the current session, as amended and passed by the House, specifies that motor vehicle violations are generally covered by the law in the same way as misdemeanors or felonies (i.e., either seven or 10 years after the person's most recent conviction).

This bill creates an exception, making driving under the influence (DUI) ineligible for erasure until 10 years after the person's most recent conviction. Under sHB 6918 as amended, a first conviction for DUI is eligible seven years after the person's most recent conviction.

The bill also makes a DUI conviction ineligible for erasure if the defendant has a second DUI within the following 10 years. It replaces a provision in sHB 6918, as amended, that instead makes a DUI conviction ineligible for erasure if it occurred within 10 years before any additional DUI arrest.

EFFECTIVE DATE: July 1, 2023

§§ 123-126 — CANNABIS SOCIAL EQUITY AND INNOVATION AND PREVENTION AND RECOVERY SERVICES FUNDS

Renames two funds to specify they are "cannabis" funds; specifies that money may only be expended through General Assembly appropriations

The bill (1) renames the Social Equity and Innovation Fund and Prevention and Recovery Services Fund to specify they are "cannabis" funds and (2) specifies that money in the funds must be appropriated by the legislature. It also specifies that any balance remaining at the end of any fiscal year must be carried forward to the next fiscal year. It also makes various minor, technical, and conforming changes.

By law, money from the Social Equity and Innovation Fund must be appropriated for the purposes of providing (1) access to business capital, (2) technical assistance for business start-ups and operations, (3) workforce education, (4) community investments, and (5) paying costs incurred to implement activities authorized under the Responsible and Equitable Regulation of Adult-Use Cannabis Act (RERACA). The Prevention and Recovery Services Fund must be appropriated for the purposes of (1) substance abuse prevention, treatment, and recovery services and (2) collecting and analyzing data regarding substance use.

EFFECTIVE DATE: July 1, 2023

§ 127 — CANNABIS REGULATORY FUND

Establishes a non-lapsing fund to be appropriated to state agencies to pay for costs incurred implementing authorized activities under RERACA

Starting July 1, 2023, the bill establishes the Cannabis Regulatory Fund as a separate, non-lapsing fund. The fund must contain any money required to be deposited in it and the treasurer must hold it separate and apart from all other money, funds, and accounts.

The bill requires that the fund be appropriated to state agencies for paying costs incurred to implement authorized activities under the Responsible and Equitable Regulation of Adult-Use Cannabis Act (RERACA).

EFFECTIVE DATE: July 1, 2023

§§ 128 & 129 — DOC PILOT PROGRAMS FOR ALCOHOL USE DISORDER TREATMENT AND MENTAL ILLNESS

Requires DOC to (1) operate two pilot programs for people in its custody: one for people with alcohol use disorder and one for people with mental illness; (2) spend at least $500,000 on each pilot program to treat participants with certain medications; and (3) report to the legislature on the programs

The bill requires the Department of Correction (DOC) to operate the following two pilot programs for people in its custody:

1. one program to screen, assess, and treat people with substance use disorder and

2. one program to treat people with mental illness.

Under the bill, the department must spend at least $500,000 on each pilot program to treat participants with medications that are (1) approved by the federal Food and Drug Administration, for participants with alcohol use disorder and (2) clinically appropriate, long-acting injectables, for participants with mental illness.

The bill requires DOC, by December 1, 2025, to report to the Appropriations and Judiciary committees on each pilot program, including:

1. the total number of people who received the treatment;

2. the number of people who requested the treatment but were not approved, and the reasons they were denied; and

3. initiatives to expand and improve access to the medications described above for people in DOC custody.

EFFECTIVE DATE: July 1, 2024

§ 130 — DOC COMMISSARY IMPLEMENTATION PLAN

Requires DOC to (1) in consultation with JJPOC's incarceration subcommittee, develop and submit a commissary implementation plan to JJPOC and (2) fully implement the plan by November 1, 2023

By July 1, 2023, the bill requires the Department of Correction (DOC), in consultation with the Juvenile Justice Policy and Oversight

Committee's (JJPOC) incarceration subcommittee, to develop and submit a commissary implementation plan to JJPOC. DOC must fully implement the plan by November 1, 2023.

The bill also requires DOC to immediately implement procedures for more equitable commissary options for certain incarcerated youth.

EFFECTIVE DATE: Upon passage

Commissary Implementation Plan

The plan must provide for the following regarding youths in DOC facilities:

1. an integrated positive behavior motivation system to engage and reinforce positive youth behaviors and expectations that can be used to pay for commissary goods in place of money;

2. revised commissary policies and procedures that include the development and implementation of these positive behavior motivation policies and procedures;

3. increased incentives to promote good health and recognize a diverse range of ethnic groups, races, sexes, and cultural backgrounds;

4. identification of youth within the institution who do not have equitable access to the commissary (see below) and strategies to implement equitable access;

5. provision of menstrual products as required by law;

6. transition of saved commissary allocations, including how associated saved funds can be transitioned and accessed when a youth is transferred to an adult facility;

7. ongoing training and assistance, such as that provided through the Capitol Region Education Council's Positive Behavioral Intervention and Supports;

8. a continuous quality improvement system for the plan's ongoing implementation; and

9. biannual surveys or focus groups to get feedback from youth in DOC facilities on (a) ways to improve DOC's system and (b) the plan's implementation.

Procedures for More Equitable Commissary Options

The bill requires DOC to immediately implement procedures for more equitable commissary options for youth within the institution that do not have equitable access to it, including those who are indigent, without family supports, or with disabilities that contribute to lack of access.

§ 131 — PASSPORT TO THE PARKS ACCOUNT REPORT

Requires the DEEP commissioner to report on the passport to the parks account and subaccounts quarterly instead of semiannually; expands the report contents and recipients

By law, when the Department of Energy and Environmental Protection (DEEP) rents out a state park property for special events (e.g., weddings and receptions), the funds collected go into a subaccount in the passport to the parks account dedicated to maintaining that specific park.

Current law requires the DEEP commissioner to report semiannually to the Office of Fiscal Analysis (OFA) on the (1) rental fees collected, itemized by subaccount; (2) amount DEEP spent for each park; and (3) projects for which funds were spent.

The bill instead requires the commissioner to report by July 1, 2023, and quarterly thereafter. Under the bill, she must report to the Appropriations and Environment committees in addition to OFA. The bill expands the report contents to also include the (1) projected end-of-fiscal-year balance for the account and each subaccount and (2) number of positions funded through the account, and whether they are filled or unfilled or permanent or seasonal.

EFFECTIVE DATE: Upon passage

§§ 132-134 — DEPARTMENT OF HOUSING

Makes DOH an executive branch agency instead of an agency within DECD for administrative purposes only

Under current law, the Department of Housing (DOH) is within the Department of Economic and Community Development (DECD) for administrative purposes only. The bill instead makes DOH an executive branch agency.

An agency assigned to a state department for administrative purposes only ("APO agency") exercises its authority, licensing, and policy-making functions without the approval or control of the state department in which it is located. An APO agency may also prepare its own budget and hire its own personnel or enter into contracts. The department to which an APO agency is assigned provides administrative support, including record keeping and reporting; disseminates required notices, rules, or orders for the agency; provides staff; and includes the agency's budgetary requests in the departmental budget (CGS § 4-38f).

EFFECTIVE DATE: October 1, 2023

§§ 135 & 136 — HEALTH CARE PROVIDERS SERVING AS ADJUNCT FACULTY

Requires public higher education institutions to consider any licensed health care provider with at least 10 years of clinical experience to be qualified for an adjunct faculty position; correspondingly requires OHE, within available appropriations, to establish a program providing incentive grants to these providers who become adjunct professors

Beginning January 1, 2024, the bill requires public higher education institutions to consider any licensed health care provider applying for an adjunct faculty position in their field to be qualified if the provider has at least 10 years of clinical experience. Under the bill, the institutions must give them the same consideration as other qualified applicants (presumably, as it relates to experience). Providers hired under this provision who remain in the position for at least one academic year are eligible for incentive grants (see below).

These provisions apply to UConn, the Connecticut State Universities, the regional community-technical colleges, and Charter Oak State

College.

EFFECTIVE DATE: July 1, 2023

Grant Program

The bill requires the Office of Higher Education (OHE), by January 1, 2024, and within available appropriations, to establish and administer a program giving $20,000 incentive grants to licensed health care providers accepting adjunct professor positions under the provisions described above if they remain in the position for at least one academic year. These providers are eligible for another $20,000 grant if they remain in the position for at least two academic years. OHE's executive director must establish the application process.

The bill requires the executive director, starting by January 1, 2025, to annually report on the program to the Public Health Committee. The director must report on:

1. the number and demographics of the adjunct professors who applied for and received program grants,

2. which institutions employed them and the number and types of classes they taught, and

3. any other information he considers pertinent.

§§ 137-139 — DEBT FREE COMMUNITY COLLEGE AND THE ROBERTA B. WILLIS SCHOLARSHIP PROGRAM

Extends eligibility for the state's debt-free community college program to returning students; makes various changes to the Roberta B. Willis Scholarship program, including requiring FY 24 awards to use ARPA funds first and excluding regional-community technical colleges from the program

This bill extends eligibility for the state's debt-free community college program to returning students and increases the program's minimum award amounts. The bill also makes changes to the Roberta B. Willis Scholarship program, including:

1. limiting the program by excluding the regional-community technical colleges, making their students ineligible to receive an award under the program;

2. changing how scholarship funds are used, including requiring the Office of Higher Education (OHE) to use certain federal American Rescue Plan Act (ARPA) allocations before General Fund appropriations; and

3. allowing the program to use a student aid index as an alternative to family contribution when determining student eligibility.

The bill also makes many technical and conforming changes.

EFFECTIVE DATE: July 1, 2024

Debt-Free Community College Eligibility Expansion (§ 137)

Under current law, the state's debt-free community college program allows eligible Connecticut high school graduates who enroll as first-time community-technical college students to receive awards on a semester basis.

The bill removes requirements that (1) a qualifying student must be a first-time enrollee at a regional community-technical college, which extends program eligibility to returning students, and (2) awards must be applied during a student's first 48 consecutive months of community college attendance, allowing them to receive the award if they meet all other eligibility requirements. As under existing law, an award is available to a qualifying student for the first 72 credit hours they earn.

The bill also makes conforming changes by eliminating provisions for separate eligibility requirements for qualifying students who take a medical or personal leave of absence or are called to active duty in the armed forces while enrolled in a community college.

Allocation of Roberta B. Willis Scholarship Program Funds (§§ 138-139)

Current law requires the General Assembly to allocate funds to OHE for the Roberta B. Willis Scholarship program. The bill requires OHE, for FY 24, to make awards for the program from any funds allocated to the office from federal ARPA funding until they are exhausted, before making any awards or allocating any funds from General Fund

appropriations. The bill also exempts any unused appropriations from automatically lapsing when the fiscal year ends.

Under current law, at least 20% but no more than 30% of available appropriations are allocated to the need and merit-based grant. The bill maintains the 20% minimum but caps the maximum allocation at 30% of available funds or $10 million, whichever is greater.

Regional-Community Technical Colleges (§ 138)

The bill excludes the regional-community technical colleges from the scholarship program, which makes students at these institutions ineligible to receive an award under the program. It makes several conforming changes.

Award Distribution and Student Eligibility (§ 138)

Need and Merit-Based Grants. Under existing law and unchanged by the bill, the need and merit-based grants are available to state residents who are enrolled full- or part-time as an undergraduate student at any Connecticut public or independent college or university.

Current law requires OHE to make the determination of financial need based on the family contribution for educational costs as computed from the student's Free Application for Federal Student Aid (FAFSA). Beginning July 1, 2024, the bill also updates statutory references to "family contribution" in the Roberta B. Willis Scholarship program to "student aid index" to reflect changes in federal law. (The federal FAFSA Simplification Act (part of the Consolidated Appropriations Act of 2021 – P.L. 116-260) phases out the "Expected Family Contribution" and replaces it with "Student Aid Index"). Under the bill, "student aid index" is the index used to determine financial aid eligibility as computed from a student's FAFSA

Under current law, OHE makes awards on a sliding scale up to a maximum federal family contribution set annually by OHE and based on funding levels and the number of eligible applicants. Under the bill, as an alternative to family contribution, OHE can use student aid index when making need and merit-based awards.

§ 140 — ENDOMETRIOSIS DATA AND BIOREPOSITORY PROGRAM

Requires UConn Health Center to develop an endometriosis data and biorepository program by January 1, 2024, and annually report on it to the Public Health Committee

This bill requires UConn Health Center (UCHC), by January 1, 2024, to develop an endometriosis data and biorepository program to enable and promote research on (1) early detection of endometriosis in adolescents and adults and (2) the development of therapeutic strategies to improve clinical management of the condition. It must do this in collaboration with an independent, nonprofit biomedical research institution in Connecticut that is engaged in endometriosis research with UCHC.

Under the bill, UCHC must annually report on the program's implementation to the Public Health Committee, starting by January 1, 2025.

EFFECTIVE DATE: July 1, 2023

Program Duties

Under the bill, the endometriosis data and biorepository program must do the following:

1. design a comprehensive longitudinal sample and clinical data collection protocol to characterize endometriosis and cellular functions of those with endometriosis;

2. collect from patients with endometriosis and control patients without the condition and code (a) endometrial tissue specimens; (b) fluids, including blood and urine; and (c) clinical and demographic data and questionnaires on endometriosis symptoms and quality of life;

3. develop standard operating procedures for biological material samples, including for their transportation, coding, processing, and long-term retention and storage;

4. establish data transmission and onboarding operations necessary for institutions in the state to participate in banking with and

accessing data from the program;

5. curate biological endometriosis samples from a diverse cross-section of communities in the state to ensure they represent all groups affected by endometriosis, including under-represented populations such as African American, black, Latino, Latina, Latinx, and Puerto Rican persons; other persons of color; transgender and gender diverse persons; and persons with disabilities;

6. raise awareness on endometriosis in these underrepresented populations and promote research on better diagnostic and therapeutic options, including through communications with health care providers and those impacted by endometriosis on information about the latest therapeutic options for people diagnosed with the condition;

7. create opportunities for collaborative research among institutions in the state focused on the pathogenesis, pathophysiology, progression, prognosis, and prevention of endometriosis and the discovery of noninvasive diagnostic biomarkers, new targeted therapeutics, and improved medical and surgical interventions;

8. serve as a centralized resource for endometriosis information and a conduit to promote endometriosis education and raise its public awareness;

9. facilitate collaboration among researchers and health care providers, educators, students, patients, and others impacted by endometriosis through conferences and continuing medical education programs on best practices for endometriosis diagnosis, care, and treatment;

10. collect information on endometriosis's impact on Connecticut residents, including health and comorbidity, health care costs, and overall quality of life; and

11. apply for and accept grants, gifts, and funds bequeathed to perform its functions.

Under the bill, a "biorepository" is a facility that collects, catalogs, and stores human samples of biological material, including urine, blood, tissue, cells, DNA, RNA, and protein for laboratory research. These samples are coded without individual identifiers and linked with phenotypic data (i.e., non-individually identifiable clinical information on a person's disease history, symptoms, and demographic data, including age, sex, race, and ethnicity).

§ 141 — TRIBAL GRANTS

Requires the OPM secretary to annually distribute $20,000 grants from the Mashantucket Pequot and Mohegan Fund to The Schaghticoke, Paucatuck Eastern Pequot, and Golden Hill Paugusset tribes

The bill requires the Office of Policy and Management (OPM) secretary to annually distribute a $20,000 grant to each of The Schaghticoke, Paucatuck Eastern Pequot, and Golden Hill Paugusset tribes beginning in FY 24. He must distribute the grants from the Mashantucket Pequot and Mohegan Fund in addition to any payments made to towns from the fund.

The tribes must use the grants to manage their properties. The bill prohibits using the grants in connection with any legal claim against the state or federal government or to support any petition for federal recognition.

EFFECTIVE DATE: Upon passage

§ 142 — PRORATED PILOT GRANTS

Increases tiered PILOT grant rates by three percentage points, from 50%, 40%, and 30% to 53%, 43%, and 33% for tier one, two, and three municipalities, respectively

The payment in lieu of taxes (PILOT) program gives annual grants to municipalities and taxing districts for (1) state-owned property, municipally owned airports, and Indian reservation land and (2) private nonprofit college and hospital property. PILOT grant amounts are generally determined by multiplying the assessed value of the PILOT-eligible property by the statutory reimbursement rate for the given

property type.

By law, if the amount appropriated for PILOT grants is not enough to fully fund them according to these reimbursement rates, the grant amounts must be prorated according to a three-tiered proration method. (OPM generally determines each municipality's and district's tier designation based on its per capita property wealth, with certain exceptions.) Under current law, tier one, two, and three municipalities must receive 50%, 40%, and 30% of their PILOT grants, respectively. The bill increases these rates to 53%, 43%, and 33%, respectively.

By law, unchanged by the bill, if the annual appropriation is not enough to fund the grants at these percentages, then the grants to each municipality and district must be proportionately reduced, but they cannot be less than what was received in FY 21. Conversely, if the annual appropriation exceeds the amount required to fund PILOT grants at these percentages, then the grants must be proportionately increased.

EFFECTIVE DATE: July 1, 2023

§ 143 — BATTERSON PARK FEASIBILITY STUDY

Requires the DEEP commissioner to study the feasibility of, and recommend options for, public recreational access to Batterson Park, hold public meetings on park redevelopment, and report to the Environment Committee by January 15, 2024

The bill requires the DEEP commissioner to study the feasibility of, and recommend options for, public recreational access to Batterson Park property in New Britain and Farmington. In doing this, she must consult with Hartford and other interested municipalities.

Under the bill, the study must evaluate various park redevelopment options, including public and public-private partnerships. It must consider each parcel of Batterson Park owned by Hartford in New Britain and Farmington and assess the following:

1. recreational uses, including passive and active uses;

2. Batterson Park Pond's water quality;

3. on- and off-site measures needed to support swimming in the

pond;

4. existing and new infrastructure and capital investments needed to accommodate public recreation and park access;

5. ongoing park operation and maintenance costs;

6. public safety concerns;

7. funding needs for each redevelopment option; and

8. other matters the commissioner considers necessary for a detailed feasibility assessment of each option.

The bill requires the commissioner to hold at least one meeting to take public comments on the redevelopment of the park in each affected municipality (i.e., Hartford, New Britain, and Farmington). Within 14 days before each meeting, there must be a notice of the meeting's time and place posted on DEEP's and the host municipality's websites.

The commissioner must report to the Environment Committee on the study by January 15, 2024.

EFFECTIVE DATE: Upon passage

§§ 144-149 — HARTFORD SEWERAGE SYSTEM REPAIR AND IMPROVEMENT

Requires DEEP to use available funds, including certain Clean Water Act funds, for a program providing financial assistance to MDC for sewerage system upgrades and repairs in Hartford; creates a fund to be used for a financial assistance program for Hartford residents impacted by certain flooding; requires the MDC and Hartford to report to DEEP and the legislature

- Requires the Department of Energy and Environmental Protection (DEEP) to use available funding, including certain Clean Water Act funds, to operate a program that gives financial assistance to the Metropolitan District Commission (MDC) for repairs and improvements to Hartford's sewerage systems, especially projects that will protect residential dwellings from property damage

- Requires the comptroller to establish the Hartford Sewerage

System Repair and Improvement Fund, which may contain public or private funds, and requires the fund to be used to administer and operate a grant program for people impacted by certain flooding in Hartford

- Requires Hartford and MDC to jointly submit a report by January 1, 2024, to DEEP and the Environment and Planning and Development committees on (1) the status of any planned or underway long-term projects in Hartford that are intended to improve the city's sewerage or stormwater infrastructure and (2) their plan to mitigate or prevent future flooding issues, including by investing in green infrastructure

- EFFECTIVE DATE: Upon passage

DEEP's Assistance to the MDC

Requires:

- DEEP's grant program to help MDC pay for costs associated with repairs and improvements to Hartford's sewerage systems, including repairing components on private property

- Funding to come from Clean Water Act funds, but it cannot be the funding for capital costs associated with complying with certain consent agreements involving the federal Environmental Protection Agency and Connecticut

- DEEP and MDC to jointly identify projects to undertake and prioritize those that will mitigate or prevent flooding and sewerage backups within residential dwellings

- By February 1, 2024, and then generally monthly, MDC to submit a report to DEEP and the Environment and Planning and Development committees with (1) a description of any repairs and improvements begun or completed in the previous month under this program, (2) an itemized accounting of expenditures, and (3) a list of projects the district started but has been unable to complete due to permitting issues

- MDC's first report to also include a detailed description of the scope of all projects it anticipates, with the estimated schedule

Grant Program for Hartford Residents

By January 1, 2024, requires the comptroller to:

- Set up a grant program to provide financial (1) assistance to eligible owners of real property in Hartford to pay for repairs required by flood damage caused on or after January 1, 2021, and (2) reimbursement to residents for costs associated with damage to personal property due to flooding occurring on or after that date

- Requires the grant program to be administered by a gubernatorially appointed administrator who is a Hartford resident with experience in environmental justice issues and insurance policy claims determinations and who will be paid the per diem rate for a senior judge

- Specifies how the grant program must operate, including the general application review process and requirements for eligible applicants to have their real property inspected by an MDC or another approved inspector before a claim is paid

- Requires the comptroller, for FY 24, to give a $75,000 grant to the Blue Hills Civic Association using funds from the Hartford Sewerage System Repair and Improvement Fund; the grant must be used for a community outreach effort to inform residents about the available assistance

- Requires MDC to designate an employee to serve as a community outreach liaison, responsible for answering questions about the grant program, helping individuals apply for assistance, and promoting community awareness about the assistance program

§ 150 — LGBTQ JUSTICE AND OPPORTUNITY NETWORK

Modifies the membership, name, and scope of the LGBTQ Health and Human Services Network

The bill renames the Lesbian, Gay, Bisexual, Transgender, and Queer (LGBTQ) Health and Human Services Network as the LGBTQ Justice and Opportunity Network, and modifies its scope. It tasks the network with making recommendations to the state legislative, executive, and judicial branches about access and opportunity services to LGBTQ people in the state, instead of about the delivery of health and human services for these individuals.

The bill also requires the network to build a more just environment for LGBTQ people, in addition to its duties under existing law of building a safer and healthier environment.

By law, the network must report to the Public Health, Human Services, Appropriations, and other necessary committees. The bill adds the Judiciary Committee to this list.

Additionally, existing law requires the Commission on Women, Children, Seniors, Equity and Opportunity to provide administrative support to the network. The bill specifies that this support must be provided within available appropriations.

The bill also modifies the composition of the network by removing two current members and adding five new ones. It removes the True Colors, Inc. executive director and an LGBT Veteran Care coordinator. It adds (1) the executive directors of A Place to Nourish Your Health, Kamora's Cultural Corner, Apex Community Care, and Queer Youth Program of Connecticut and (2) an LGBTQ licensed mental health provider. Additionally, the bill replaces the AIDS Connecticut executive director with the executive director of Advancing CT Together.

By law, all appointments must be made within 60 days after the bill's effective date.

Unchanged by the bill, the House speaker, in consultation with the Senate president pro tempore, fills any vacancies, and either may appoint additional members.

EFFECTIVE DATE: July 1, 2023

§§ 151-155 & 416 — USE OF CONNECTICUT TEACHERS' RETIREMENT FUND BONDS SCRF FOR CONNECTICUT BABY BOND TRUST PROGRAM

Authorizes the Connecticut Teachers' Retirement Fund Bonds Special Capital Reserve Fund to contain any financial guaranty the state treasurer obtains for the fund; sets conditions under which the money in the SCRF and any amount available under the guaranty may be deposited in the Connecticut Baby Bond Trust; eliminates the current $600 million GO bond authorization for the baby bonds program

- Authorizes the Connecticut Teachers' Retirement Fund Bonds Special Capital Reserve Fund (SCRF) to contain any financial guaranty or guaranties the state treasurer obtains for the fund (e.g., a letter of credit, surety bond, insurance policy, guaranty, or similar instrument issued by a bond or qualifying insurance company the treasurer determines is the state's best interest); makes related conforming changes

- Gives the treasurer specified powers related to this financial guaranty, including the authority to (1) enter into related agreements on the state's behalf and (2) pledge the state's full faith and credit under any such agreement

- Allows the Hartford Superior Court to enter a judgment against the state based on any agreement entered into under the bill, including any claim, set-off, or demand the state has against any plaintiff

- After the treasurer obtains the financial guaranty, allows the money deposited in this fund and any amount available under the guaranty, to be deposited in the Connecticut Baby Bond Trust if the treasurer certifies that the total amount in the fund exceeds the required minimum capital reserve

- Requires any amount in the SCRF that exceeds the required minimum capital reserve to be deposited in the Connecticut Baby Bond Trust, rather than the General Fund

- Requires any amount remaining in the SCRF when it terminates, after paying any obligations under the agreement referenced above, to be transferred to the Baby Bond Trust, rather than the

Budget Reserve Fund as current law requires; requires the treasurer to direct the SCRF's trustee to enter into a contract with the Baby Bond Trust's trustee, as he finds necessary, to provide for this transfer in a way that protects the Baby Bond Trust's beneficiaries, subject to the requirement that money in the SCRF be used to pay off the bonds it secures

- Eliminates the current $600 million general obligation (GO) bond authorization for the program ($50 million per year from FYs 25-36) and related provisions on the treasurer's powers in connection with the bond sale and certain legal actions related to the bonds; makes conforming changes

- EFFECTIVE DATE: Upon passage

Background — Connecticut Baby Bond Trust Program

- Administered by the state treasurer, the program is designed to give designated beneficiaries (i.e., babies born on or after July 1, 2023, whose births were covered under HUSKY) up to $3,200 in a state trust

- Once they reach age 18, designated beneficiaries that meet the program's eligibility requirements may receive the funds, including any investment earnings, to be used for an eligible expenditure (e.g., education, buying a home or investing in a business in Connecticut, or personal financial investments)

§ 156 — COMPENSATION OF INCARCERATED INDIVIDUALS

Requires a $5-$10 per week pay range for DOC inmates performing services on the state's behalf

The bill sets a pay range for the compensation paid to inmates of a Department of Correction (DOC) facility or department for services they perform on the state's behalf. By law, the DOC commissioner, after consulting with the administrative services commissioner and the Office of Policy and Management secretary, must set the compensation schedule for this work to recognize degrees of merit, diligence, and skill, and encourage inmate incentive and industry. The bill requires the compensation schedule to also set a pay range of at least $5 per week,

but no more than $10 per week.

EFFECTIVE DATE: October 1, 2023

§§ 157-161 — FOOD AND NUTRITION POLICY ANALYST AND INCENTIVES FOR GROCERY STORES

Requires CWCSEO to hire a food and nutrition policy analyst to help reduce food insecurity and food deserts; authorizes municipalities to provide real property tax abatements for the next two assessment years to new grocery stores established in food deserts if certain requirements are met

This bill directs the Commission on Women, Children, Seniors, Equity and Opportunity (CWCSEO) director, with the Joint Committee on Legislative Management's approval, to hire a food and nutrition policy analyst to coordinate state efforts to reduce food insecurity and food deserts, promote food as medicine, and provide data on access to nutritionally adequate food. The food and nutrition policy analyst must be qualified by training and experience to perform the office's duties.

The bill also authorizes municipalities to provide real property tax abatements by ordinance for the next two assessment years to new grocery stores established in a food desert if certain conditions are met. These conditions include requiring stores that are larger than 20,000 square feet to enter into a labor peace agreement with a bona fide labor organization. In return, the state may, within available appropriations, give financial assistance to the municipality up to the amount of taxes it has abated.

EFFECTIVE DATE: July 1, 2023, except the provisions regarding tax incentives take effect on October 1, 2023.

Food and Nutrition Policy Analyst (§ 158)

Under the bill, the analyst's duties include the following:

1. creating a program that lets individuals search by home address for places to buy food or receive food assistance (i.e., local food recovery organizations, food insecurity programs, farmers markets, and supermarkets) and includes information on available government programs such as supplemental nutrition assistance (SNAP) and the supplemental nutrition program for

women, infants, and children (WIC);

2. creating an interactive map program to monitor and compare city-, town-, and census tract-level food insecurity data, including data on the average distance to, and cost of, nutritionally adequate food, and the number and location of food deserts;

3. creating and updating at least biennially a database listing food recovery organizations, food insecurity programs, supermarket locations, and agricultural producers who sell directly to the public;

4. producing an annual report on food insecurity in the state and submitting it to the CWCSEO director;

5. administering a community-focused work group to develop food security best practices and initiatives, which must be composed of an equal number of representatives from local food recovery organizations, local food insecurity programs, local supermarket owners, agricultural food producers, and representatives of other working groups appointed by the General Assembly or executive branch;

6. promoting public awareness about access to nutritionally adequate food and food as medicine; and

7. working with state agencies and the CWCSEO director to promote equitable access to nutritionally adequate food.

The bill requires the person serving as the food and nutrition analyst to have at least a bachelor's degree in public health or public administration or equivalent experience in food and health policy (e.g., a demonstrated knowledge of food insecurity issues, the public health impact of the availability of nutritionally adequate food, and Medicaid coverage of food as medicine).

The bill requires that any programs, data, and reports that the analyst produces as part of the duties listed above be posted on the CWCSEO

website. Starting by January 15, 2024, the analyst must annually compile this data into a report, and the CWCSEO director must submit the report and recommendations to reduce food insecurity to the Aging, Environment, Human Services, Planning and Development, and Public Health committees.

Property Tax Abatement for Grocery Stores in Food Deserts (§§ 159 & 160)

The bill authorizes municipalities to partially or fully abate real property taxes by ordinance on any new grocery store established in a food desert for the assessment years beginning on October 1, 2023, and October 1, 2024. It requires the ordinance to include any additional requirements and an application process. Also, any grocery store larger than 20,000 square feet must enter into a labor peace agreement with a bona fide labor organization (i.e., a labor union that is representing or seeking to represent grocery store workers; see below) to qualify for an abatement under the bill.

The bill allows the state, at the Department of Economic and Community Development (DECD) commissioner's discretion and within available appropriations, and a municipality to enter into a contract providing a state grant for taxes that the municipality abated for qualifying grocery stores in these assessment years. The grant's amount may be up to the amount of taxes the municipality abated.

Labor Peace Agreements

The bill requires the grocery store's business owner or operator to do the following under a labor peace agreement:

1. agree to maintain a neutral position on the labor organization's efforts to represent store employees,

2. permit the labor organization to have access to store employees, and

3. guarantee the labor organization the right to get recognition as the exclusive collective bargaining representative of the store's employees by showing that a majority of store workers have

signed authorization cards indicating their preference for representation.

In return, the bona fide labor organization must agree that its members will refrain from picketing, work stoppages, boycotts, or other economic interference against the business.

The following factors are indicative, but not determinative, of a finding that a labor organization is a bona fide labor organization under the bill. The organization:

1. represents employees in the state over wages, hours, and working conditions;

2. has officers elected by a secret ballot or other manner consistent with federal law;

3. is free of domination or interference by an employer and has received no improper assistance or support from an employer;

4. has been recognized or certified as the bargaining representative for grocery store employees in the state;

5. has executed a current collective bargaining agreement or agreements with grocery store employers in the state;

6. has spent resources as part of a current and active attempt to organize and represent grocery store workers in the state;

7. has, for the three years immediately before any labor peace agreement with a grocery store seeking a tax abatement, (a) filed its annual financial report with the U.S. Secretary of Labor as required by federal law, (b) audited financial reports, and (c) written bylaws or a constitution; and

8. is affiliated with a regional or national association of unions, including central labor councils.

Under the bill, a "grocery store" is a retail facility (1) at which at least 90% of its square footage is used to display and sell food products, of

which at least 20% is used to display and sell fresh produce, dairy, and meat products, and (2) that is constructed, rehabilitated, remodeled, or refurbished following the applicable prevailing wage laws.

Strategic Plan on Food Deserts (§ 161)

The bill also requires the DECD commissioner, in consultation with the agriculture commissioner, to develop a strategic plan to (1) provide incentives for grocery store construction in a food desert and (2) expand opportunities for residents of food deserts to gain access to nutritionally adequate food. By January 1, 2024, the DECD commissioner must file a report on the strategic plan with the Commerce; Environment; Finance, Revenue and Bonding; Human Services; and Planning and Development committees.

§§ 162-165 — FIREFIGHTERS CANCER RELIEF BENEFITS

Generally requires that firefighters who have certain cancers and meet other specified criteria receive workers' compensation-like benefits and disability retirement benefits that are paid by a municipality and then reimbursed from a state account; creates the Firefighter Cancer Relief Fund Advisory Committee to annually evaluate the account; and requires the treasurer to annually report on the status of the account and the existing Firefighters Cancer Relief Program

The bill generally requires that firefighters who have certain cancers and meet other specified criteria receive workers' compensation-like benefits and disability retirement benefits. The benefits must be paid by the municipalities where the firefighter is employed and then reimbursed to the municipality from the state's firefighters cancer relief account. Under existing law, unchanged by the bill, firefighters who meet substantially similar criteria may also qualify for wage replacement benefits from the Firefighters Cancer Relief Program, which is funded by the same account and administered by the Connecticut State Firefighters Association's Firefighters Cancer Relief Subcommittee.

The bill also (1) creates the Firefighters Cancer Relief Fund Advisory Committee to annually evaluate the firefighters cancer relief account's financial solvency, (2) requires the state treasurer to annually submit a report to the advisory committee on the status of the account and the existing Firefighters Cancer Relief Program, and (3) makes a conforming

change to allow the account to fund the bill's new cancer relief benefits.

EFFECTIVE DATE: October 1, 2023, except the provisions on the advisory committee and treasurer's report are effective upon passage.

Cancer Relief Compensation and Benefits

Regardless of the state's workers' compensation laws, the bill requires firefighters who meet certain criteria related to having cancer (or their dependents) to receive compensation and benefits from the firefighters cancer relief account in the same amount and in the same way that they would be provided under the workers' compensation law if the firefighter's death or disability qualified for workers' compensation benefits. More specifically, the compensation and benefits must be as if their death or disability was caused by a personal injury that arose out of and in the course of the firefighter's employment and was suffered in the line of duty and within the scope of his or her employment.

Under the bill a "firefighter" includes any (1) uniformed member of a paid municipal, state, or volunteer fire department and (2) local fire marshal, deputy fire marshal, fire investigator, fire inspector, and other classes of inspectors and investigators for whom the State Fire Marshal and the Codes and Standards Committee have jointly adopted minimum qualification standards. "Compensation" is benefits or payments required under the workers' compensation law (e.g., indemnity, medical costs, disability payments, death benefits, and funeral expenses).

The bill also requires that the eligible firefighters receive (1) the same retirement or survivor benefits from the municipal or state retirement system that covers them or (2) disability benefits available from the Connecticut State Firefighters Association, that would have been paid if the firefighter's death or disability was caused by a personal injury that arose out of and in the course of their employment and was suffered in the line of duty and within the firefighter's scope of employment. (To the extent that this requirement conflicts with the provisions of collectively bargained retirement systems, it could be subject to claims

that it violates the Contracts Clause of the U.S. Constitution, which generally bars states from passing any law that impairs the obligation of contracts.)

Qualifying Criteria. To qualify for the compensation and benefits a firefighter must meet the following criteria:

1. be diagnosed with any condition of cancer affecting the brain or the skeletal, digestive, endocrine, respiratory, lymphatic, reproductive, urinary, or hematological systems that results in death or temporary or permanent total or partial disability;

2. had a physical examination after entering the service that failed to reveal any evidence of or a propensity for the cancer;

3. not used cigarettes during the 15 years before the diagnosis;

4. worked for at least five years as (a) an interior structural firefighter at a paid municipal, state, or volunteer fire department or (2) a local fire marshal, deputy fire marshal, fire investigator, fire inspector, or another class of inspectors or investigators for whom the state fire marshal and Codes and Standards Committee have jointly adopted minimum qualification standards; and

5. submitted to annual medical health screenings as recommended by the firefighter's medical provider.

Under the bill, an "interior structural firefighter" is someone who performs fire suppression, fire rescue, or both, either inside buildings or in closed structures that are involved in a fire station beyond the incident stage.

Applications and Reimbursements. To apply for compensation or benefits under the bill, a firefighter must notify the Workers' Compensation Commission and the municipality where he or she is employed in the same way required for workers' compensation claims. Former firefighters who would otherwise be eligible for benefits may also apply within five years since they last served as a firefighter.

If an employer required a physical exam as a condition for employment when the firefighter was hired, or annually for continued employment, the bill exempts the firefighter from having to show proof of the exam to maintain a claim for benefits.

The municipality where the firefighter is employed must administer these claims in the same way as required under the workers' compensation law. (Because the bill requires the municipality where the firefighter is employed to administer the claim like a workers' compensation claim, it is unclear how volunteer or state-employed firefighters, or these former firefighters, would receive benefits under the bill since they are not employed by the administering municipality.)

The municipality must (1) pay the firefighter the compensation or benefits he or she is entitled to and then (2) apply for reimbursement from the firefighters cancer relief account in a form and way set by the state treasurer. Reimbursement payments must be processed within 45 days after the application was received. The bill also makes a conforming change to allow the treasurer to spend money from the account to reimburse the municipalities for paying the required compensation and benefits.

Under the bill, if the account becomes insolvent, the municipality has no obligation to continue providing the workers' compensation-like compensation and benefits funded by it (it is unclear how the disability retirement benefits required by the bill would be affected in these circumstances, as it appears that the bill also requires municipalities to be reimbursed for these benefits).

Under the bill, any costs associated with the firefighter's cancer treatment that are not covered by the firefighter's personal or group health insurance must also be reimbursed by the account. (The bill does not specify a process for firefighters to apply or qualify for this reimbursement, or what happens if the account becomes insolvent.) Presumably, a firefighter seeking this reimbursement would need to meet the same criteria required for the bill's other cancer relief compensation and benefits.

The bill allows a firefighter to request that a municipality's denial of compensation or benefits be reconsidered in the same way as for workers' compensation claims (it is unclear if this would require a workers' compensation administrative law judge to adjudicate the claim, but neither current law nor the bill gives them jurisdiction over these claims).

The bill authorizes the state treasurer to audit reimbursements from the account.

Benefit Offset. The bill requires that any benefits provided under it be offset by any other benefits a firefighter (or his or her dependents) may be entitled to receive from the firefighter's municipal employer under the workers' compensation law, or the municipal or state retirement system that covers them, due to any health condition or impairment caused by occupational cancer resulting in the firefighter's death or permanent total or partial disability.

Related Workers' Compensation Claims. The bill prohibits any firefighter that receives compensation under its provisions from filing a workers' compensation claim for a cancer diagnosis unless the firefighters cancer relief account becomes insolvent. If that occurs, a firefighter who was receiving compensation may file a workers' compensation claim for continuation of compensation within one year after receiving notice about the insolvency from the municipality.

In addition, the bill allows any survivors of a firefighter who was receiving compensation under its provisions and died from cancer to file a workers' compensation claim within one year after the firefighter's death. Until the claim is approved, the survivors must continue receiving benefits from the firefighters cancer relief account. If they do not file a workers' compensation claim before the one-year deadline they may continue to receive benefits from the account.

Under the bill, no compensation payment made under the bill may be used as evidence to support any future workers' compensation claim.

Firefighters Cancer Relief Fund Advisory Committee

The bill creates the Firefighters Cancer Relief Fund Advisory Committee to annually evaluate the firefighters cancer relief account's financial solvency. The evaluation must at least (1) analyze the fund balance, claims data, and quarterly report from the state treasurer (see below); (2) identify the need for a new funding mechanism for the account; and (3) determine the need to buy insurance to help maintain the account's solvency.

Under the bill, the committee consists of (1) two Connecticut Conference of Municipalities representatives, (2) a Uniformed Professional Fire Fighters Association of Connecticut representative, (3) a Connecticut State Firefighters Association representative, (4) the state treasurer or his designee, (5) the state comptroller or his designee, and (6) a representative from the governor's office. The committee also has six appointed members (who may be state legislators) as shown in the table below.

Table: Appointed Members of the Firefighters Cancer Relief Fund Advisory Committee

Appointing Authority	*Appointee's Required Qualifications*
House speaker	Experience in investment fund management
Senate president pro tempore	Expertise in the state's workers' compensation program
House majority leader	Expertise in maintaining solvency
Senate majority leader	Expertise in making investments
House minority leader	None specified
Senate minority leader	None specified

The bill requires all initial appointments to the committee to be made within 30 days after the bill passes, and the appointing authority must fill any vacancy. The House speaker and Senate president pro tempore must select the committee's chairpersons from among its members, and the chairpersons must schedule and hold the committee's first meeting within 60 days after the bill passes. The Labor and Public Employees Committee's administrative staff must serve as the advisory committee's administrative staff.

The bill requires the advisory committee, starting by January 1, 2024, to annually submit a report on its findings and recommendations to the

Labor and Public Employees Committee.

Treasurer's Report on Firefighters Cancer Relief Program and Account

The bill requires the state treasurer, starting by July 1, 2023, to annually submit a report to the Firefighters Cancer Relief Fund Advisory Committee. The report, which must be prepared in consultation with the Connecticut State Firefighters Association, must be on the status of the firefighters cancer relief account and the existing Firefighters Cancer Relief Program. It must include (1) the account's balance; (2) the program's projected and actual participation; and (3) demographic information of each firefighter who receives program benefits, including gender, age, town of residence, and income level.

Under the bill, if the treasurer determines that the account is approaching insolvency, he must notify (1) all municipalities currently providing cancer relief compensation and benefits (see above), (2) the Office of the Governor, (3) the Workers' Compensation Commission, and (4) the Labor and Public Employees Committee.

§§ 166-171 — STATE VOTING RIGHTS ACT

Prohibits election methods that impair a protected class member's right to vote; authorizes SOTS and others to file a court action and authorizes the court to impose tailored remedies for violations; prohibits intimidation, deception, or obstruction related to voting and allows aggrieved parties to seek remedies in court

The bill prohibits applying or enacting any municipal elector qualifications; voting prerequisites; other election administration ordinances, regulations, or laws; or standards, practices, procedures, or policies that result in impairing a protected class member's right to vote. "Vote" or "voting" under the bill is any action needed to cast a ballot and make the ballot effective in an election or primary. A "protected class" is a class of citizens who are members of a race, color, or language minority group as referenced in the federal Voting Rights Act (VRA).

The bill also authorizes the secretary of the state (SOTS) and certain parties aggrieved due to an alleged violation to file a civil action in the Superior Court for the judicial district the municipality is in or where the violation took place in.

Generally, the bill prohibits engaging in intimidating, deceptive, or obstructive acts that affect the right to vote.

It also specifies that any voting statute, regulation, special act, home rule ordinance, or other state or municipal enactment must be construed liberally in favor of (1) protecting the right to vote and having the vote be valid and counted, (2) ensuring qualified individuals may register to vote, (3) providing voting access to qualified individuals, and (4) ensuring equal access for protected class members.

Additionally, nothing in the bill may be construed to limit the (1) Commission on Human Rights and Opportunities' powers or (2) State Elections Enforcement Commission's (SEEC's) attempts to secure voluntary compliance in remedying election-related violations.

Lastly, the bill authorizes the court to award reasonable attorney's fees and litigation costs to a prevailing party, except the state or a municipality, that filed an action to enforce the bill's provisions. The filing is considered to have prevailed if, because of the litigation, the other party yielded much or all the relief sought in the action. A prevailing party that did not file the action cannot receive any costs unless the court finds the action is frivolous, unreasonable, or without foundation.

In general, under existing law, SOTS administers, interprets, and implements election laws and ensures fair and impartial elections (see *Background – SOTS)*, and SEEC has broad authority to enforce election laws (see *Background – SEEC*).

EFFECTIVE DATE: July 1, 2023

Prohibition on Denying or Abridging Protected Class Members' Voting Rights

The bill prohibits municipalities from applying or enacting any of the following in a way that impairs a protected class member's right to vote: (1) municipal eligibility qualifications; (2) ordinances, regulations, or other laws on election administration; or (3) related standards, practices, procedures, or policies. More specifically, the bill makes it a violation if

it:

1. results, or will result, in a disparity between protected class members' and the general electorates' electoral or political participation or voting access or

2. impairs their ability to participate in the political process, elect their chosen candidates, or otherwise influence an election's outcome, based on the totality of the circumstances (i.e., a legal standard that considers all relevant facts and circumstances rather than specific factors).

Prohibited Election Methods

Additionally, the bill prohibits implementing any election method that has the effect, or is motivated in part, to dilute protected class members' votes and impair their ability or opportunity to participate in the political process, elect their chosen candidates, or otherwise influence the elections' outcome.

More specifically, it makes it a violation if a municipality has:

1. an at-large, a district-based, or an alternative election method (e.g., ranked-choice voting, cumulative voting, and limited voting) in which protected class electors' preferred candidates or electoral choices would usually be defeated and

2. (a) divergent voting patterns by protected class members (i.e., their preferred candidate or electoral choice differs from that of non-protected class members electors) and the election method results in a dilutive effect on the vote of protected class members or (b) based on the totality of the circumstances, these electors' ability to participate in the political process, elect their chosen candidates, or otherwise influence election outcomes is impaired.

Under the bill, an "at-large method of election" is a way of electing candidates to the municipal legislative body in which all municipal electors vote upon the candidates. A "district-based method of election" is a way of electing candidates to a municipal legislative body in which,

for municipalities divided into districts, a candidate for any district must reside in the district and candidates representing or seeking to represent the district are voted upon by only the electors of that district.

An "alternative method of election" is a way of electing candidates to a municipal legislative body other than an at-large method of election or a district-based method of election. It includes proportional ranked-choice voting, cumulative voting, and limited voting. (It is unclear whether existing law allows a municipality to adopt an alternative method of election, as, for example, CGS § 9-173 provides that, "Unless otherwise provided by law, in all municipal elections a plurality of the votes cast shall be sufficient to elect.")

Under the bill, a "municipality" or "municipal" is any town, city, or borough, whether consolidated or unconsolidated; any local or regional school district; fire district; water district; sewer district; fire and sewer district; lighting district; village, beach, or improvement association; other district wholly within a town that can make appropriations or tax; or any other district authorized under the general statutes. The "legislative body" is a municipality's board of aldermen, council, board of burgesses, representative town meeting, board of education, district committee, association committee, or other similar body, as applicable.

Initiating Court Action

The bill authorizes SOTS, an aggrieved person, or an organization whose membership includes or likely includes aggrieved persons to file actions for violations under the bill with the Superior Court for the judicial district where the violation occurred. Members of two or more protected classes may jointly file if they are politically cohesive in the municipality.

Notification Letter Before Filing Action

Before filing a court action against a municipality for an alleged violation, the bill requires an aggrieved party to send a notification letter asserting a violation to the municipality's clerk by certified mail, return receipt requested. The bill prohibits the party from filing an action earlier than 50 days after sending this letter.

Municipal Response to Notice of Violation

Before receiving a notification letter, or within 50 days after a notification letter is sent to a municipality, the municipality's legislative body may pass a resolution to (1) affirm the municipality's intent to enact and implement a remedy for a potential violation, (2) provide specific measures the municipality will take to obtain approval of and implement the remedy, and (3) provide a schedule for enacting and implementing the remedy.

The bill further prohibits an aggrieved party from filing a court action within 90 days after the resolution's passage. Thus, if the municipality does not pass a resolution within 50 days after receiving a notification letter, the aggrieved party may file an action at that time. If the municipality passes a resolution before the 50-day deadline, the aggrieved party must wait until 90 days after the resolution passes to file a court action.

Agreement Between Municipality and Aggrieved Party

The bill allows a municipality that passed a resolution to enter into an agreement with an aggrieved party who sent a notification letter, so long as the (1) party will not file an action within 90 days after entering into the agreement and (2) municipality will either (a) enact and implement a remedy that complies with the bill's provisions or (b) pass a resolution as described above and submit it to SOTS. If the party declines to enter into an agreement, it may file an action at any time, subject to the timelines described above.

Cost Reimbursement

Under the bill, if a municipality enacts or implements a remedy, then an aggrieved party who sent a notification letter related to the implemented remedy may submit a municipal reimbursement claim for the costs associated with producing and sending a letter. The party must (1) submit this claim in writing within 30 days after the remedy's enactment or implementation and (2) substantiate it with financial documentation, including a detailed invoice for any demography services or analysis of municipal voting patterns.

Upon receiving a claim, the municipality may ask for additional financial documentation if the provided information is insufficient to substantiate the costs. The bill requires the municipality to reimburse the party for reasonable costs claimed or for an amount to which the party and municipality agree, but it caps the total reimbursement amount to all involved parties (other than SOTS) at $50,000 adjusted to any change in the consumer price index for all urban consumers. If a party and municipality fail to agree to a reimbursement amount, either one may file an action for a declaratory ruling in the superior court for the judicial district where the municipality is located.

Superior Court Determination

The bill requires the court to consider certain factors as more probative (i.e., tending to prove or disprove a point in issue) than others when determining whether (1) divergent voting patterns occur or (2) an election method results in a dilutive effect on protected class members' votes. Specifically, the court must consider:

1. elections held before the action's filing as more probative than elections conducted afterward,

2. evidence about elections for municipal office as more probative than evidence about elections for other offices, and

3. statistical evidence as more probative than nonstatistical evidence.

The bill prohibits the court from requiring evidence of the (1) electors', elected officials', or municipality's intent to discriminate against protected class electors and (2) causes or reasons for divergent voting patterns.

Under the bill, if two or more protected classes bring claims, the court must combine the classes if they are politically cohesive in the municipality. The court cannot require evidence that each class is separately divergent from other electors.

The bill allows the court to consider the following when determining,

based on the totality of the circumstances, whether an impairment of protected class members' voting rights, ability to elect their chosen candidates, or otherwise influence elections' outcomes has occurred:

1. the municipality's or state's history of discrimination;

2. the extent to which protected class members were elected to municipal office;

3. the municipality's use of any (a) elector qualification or other voting prerequisite; (b) statute, ordinance, regulation, or other law on election administration; or (c) related standard, practice, procedure, or policy, that may enhance dilutive effects of its election method;

4. any history of unequal access of protected class members or candidates to election administration or campaign finance processes that determine which candidates will receive ballot access or financial or other support for municipal office;

5. the extent to which protected class members in the municipality or state historically make campaign expenditures at lower rates than other individuals in the municipality or state;

6. the extent to which protected class members in the municipality or state vote at lower rates than other individuals in the municipality or state, as applicable;

7. the extent to which protected class members in the municipality are disadvantaged, or otherwise bear the effects of discrimination in education, employment, health, criminal justice, housing, transportation, land use, environmental protection, or other areas that may hinder their ability to participate effectively in the political process;

8. the use of overt or subtle racial appeals in political campaigns in the municipality, or surrounding the adoption or maintenance of challenged practices;

9. the extent of hostility or barriers faced by protected class members while campaigning;

10. a significant or recurring lack of responsiveness of elected municipal officials to protected class members' needs (responsiveness does not include compliance with a court order); and

11. whether a valid state interest exists for a particular (a) election method; (b) ordinance, regulation, or other law on election administration; or (c) related standard, practice, procedure, or policy.

No combination or number of factors is required for a determination of impairment.

Court Remedies

Under the bill, the court must order appropriately tailored remedies when it finds a municipal violation of the above-prohibited acts, regardless of the state's election laws or any special act, charter, or home rule ordinance, and even if otherwise normally precluded by municipal law or special acts relating to the conduct of elections. The remedy must (1) not contravene the state constitution or court ruling on a contested election, (2) ensure protected class members can equitably participate in the political process, (3) not impair protected class members' ability to elect their candidates of choice or otherwise influence the election outcome, (4) be implemented in a way that will not disrupt an imminent or ongoing election, and (5) take into account the ability of election administration officials in the municipality to implement the remedy in an orderly and fiscally sound manner.

These remedies may include the following:

1. a district-based or an alternative election method;

2. new or revised districting or redistricting plans;

3. eliminating staggered elections so that legislative body members

are simultaneously elected;

4. a reasonable increase in the legislative body's size;

5. additional voting days, voting hours, or polling locations;

6. additional means of voting or opportunities to return ballots;

7. holding special elections;

8. expanded elector admission opportunities;

9. additional elector education; or

10. restoring or adding people to registry lists.

The court may also retain jurisdiction and place a moratorium on implementing any different eligibility qualifications or prerequisites, voting standards, practices, or procedures. The moratorium must remain in place until the court determines whether the qualification, prerequisite, standard, practice, or procedure does not have the purpose, and will not have the effect, of impairing the right to vote based on protected class membership or violating the bill's provisions. The finding cannot preclude a future cause of action preventing enforcement.

The bill requires the court to consider remedies proposed by any involved party and other interested persons, but it prohibits giving deference or priority to a municipality's proposed remedy.

Proposals After Letter or Court Filing

Under the bill, after receiving a notification letter or the filing of a court action alleging a violation of the bill or federal VRA, a municipality must have its legislative body take certain actions on any proposal to enact and implement a new (1) election method to replace an at-large method or (2) districting or redistricting plan.

Before drawing a draft districting or redistricting plan, or transitioning to a proposed district-based or alternative election

method, the bill requires the municipality to hold at least one public hearing to receive input on the draft or proposal. Notice of the hearing must be published at least three weeks before the hearing. The bill also requires the municipality to do public outreach before the hearing, including to language minority groups, to explain the districting or redistricting process and encourage input.

The bill requires the municipality to publish and make available for public dissemination the draft districting or redistricting plans after they are drawn, but at least three weeks before a public hearing. The information must include the potential election sequence if the municipality's legislative body members will be elected to staggered terms under the plan.

The bill requires the municipality to hold at least one public hearing to discuss the draft or proposal. It must also publish and make available for public dissemination any plan or plans revised at or after the hearings at least two weeks before adopting them.

Preliminary Election Relief

Under the bill, an aggrieved party may seek preliminary relief from the court for an upcoming regular election held in a municipality by filing an action during the 120 days before the election. To do so, the party must also send a notification letter to the municipality before they file. The bill requires the court to grant relief if it determines that the (1) aggrieved party has shown a substantial likelihood of success on the merits and (2) remedy would resolve the alleged violation before the election and not unduly disrupt it.

If the action is withdrawn or dismissed as moot due to the municipality enacting or implementing a remedy or SOTS approving a proposed remedy, then the party may only submit a reimbursement claim for costs associated with the notification letter (see above).

Acts of Intimidation, Deception, or Obstruction

The bill prohibits anyone, whether acting in an official governmental capacity or otherwise, from engaging in intimidating, deceptive, or

obstructive acts that affect the right to vote.

Under the bill, these prohibited acts are:

1. using or threatening to use force, violence, restraint, abduction, or duress; inflicting or threatening to inflict injury, damage, harm, or loss; or any other type of intimidation;

2. knowingly using a deceptive or fraudulent device, contrivance, or communication that causes interference; or

3. obstructing, impeding, or otherwise interfering with (a) access to a polling place, absentee ballot drop box, or election official's office or place of business or (b) an elector or election official.

Court Action

The bill allows (1) SEEC, (2) the attorney general, (3) the state's attorney, (4) an aggrieved individual, or (5) an organization whose membership includes or likely includes aggrieved individuals to bring an action to the Superior Court for the judicial district the violation occurred in. Any complainant must certify they have copied SEEC on the complaint through first-class mail or delivery or will copy SEEC not later than the following business day.

When finding a violation of these provisions, the bill requires the court, regardless of state election laws or any special act, charter, or home rule ordinance, to order appropriately tailored remedies to address the violation, including additional time to vote at an election, primary, or referendum. It makes violators of these provisions, and anyone who helps commit violations, liable for court-awarded damages, including nominal damages and compensatory or punitive damages for willful violations.

The bill's prohibition applies regardless of certain state election law provisions that establish prohibited acts and associated criminal penalties. For example, under these existing laws, influencing or attempting to influence an elector to stay away from an election by force or threat, bribery, or corrupt, fraudulent, or deliberately deceitful means

is a class D felony, punishable by a fine of up to $5,000, up to five years in prison, or both (CGS § 9-364).

Background — Municipal Election Authority

Under longstanding Connecticut Supreme Court precedent, municipalities have no inherent powers (see *Windham Taxpayers Association, et al.* v. *Board of Selectmen, the Town of Windham, et al.* 234 Conn. 513 (1995)). Thus, for elections, municipalities may exercise only the specific powers granted to them by the state constitution's Home Rule provision (Article Tenth) and state law (see CGS §§ 7-148 & 7-187 to 7-194). Included in the statutorily enumerated powers are those implied by the law's express powers and those essential to accomplish the municipality's purpose, but neither give municipalities jurisdiction over conducting elections.

Additionally, the law generally requires municipal elections to be held and conducted like state elections (CGS § 9-228). However, some state laws do give municipalities election-related authority. For example, municipalities can determine whether to elect their officials at-large or by districts, where to have polling places, and whether to change the number of voting precincts (see CGS §§ 9-168 & 9-169).

Background — SOTS

As the state's commissioner of elections, SOTS is charged with administering, interpreting, and implementing election laws and ensuring fair and impartial elections. Under the National Voter Registration Act of 1993, the secretary has the same responsibility for federal elections. The Connecticut Constitution and general statutes also designate her as the official keeper of many public records and documents, including the state's online voter registration system.

Background — SEEC

SEEC has broad authority to, among other things, investigate possible violations of election laws; refer evidence of violations to the chief state's attorney or the attorney general; levy civil penalties for elections violations; issue advisory opinions; and make recommendations to the General Assembly about revisions to the state's

election laws (CGS §§ 9-7a to 9-7c).

Background — Federal VRA

The federal VRA of 1965 (52 U.S.C. § 10301 et seq.) generally prohibits discrimination in voting to enforce rights guaranteed to racial or language minorities by the 14th and 15th Amendments to the U.S. Constitution.

§ 172 — APPRENTICESHIP REPORTING DATA

Requires apprenticeship program sponsors to annually give DOL certain information about the extent to which apprentices are successfully completing their program

The bill requires each person sponsoring a Department of Labor (DOL)-registered apprenticeship program as of, or on or after July 1, 2024, to annually submit certain information about their program to DOL. Specifically, the bill requires each sponsor to give DOL the following information when it submits its annual registration fee:

1. the current minimum completion rate of its apprentices;

2. the number of registered apprentices currently participating in its program, and the number of those who have advanced a year since the sponsor's previous registration date, or year to date for new sponsors;

3. the number of licensed journeypersons the sponsor currently employs;

4. the number of apprentices who separated from its program since the sponsor's previous registration date, or year to date for new sponsors;

5. the number of apprentices who completed its program since the previous registration, or year to date for new sponsors; and

6. the number of apprentices who completed its program, received a Department of Consumer Protection occupational license, and are currently employed by the sponsor.

The bill requires that all information be submitted in a form and way

set by the labor commissioner, and disaggregated by gender identity, race, and ethnicity.

Under the bill, the provided information is considered a public record and is publicly available for inspection and copying under the Freedom of Information Act (FOIA).

EFFECTIVE DATE: January 1, 2024

Background — Document Inspection Under FOIA

Under FOIA, any person applying in writing must receive, promptly upon request, a plain, facsimile, electronic, or certified copy of any public record. The type of copy provided is within the public agency's discretion, although the agency (1) must provide a certified copy when requested and (2) cannot send an electronic or fax copy if the applicant does not have access to a computer or fax machine. The law also limits the fees a public agency can charge and requires them to be waived in certain situations (CGS § 1-212).

§ 173 — LUNG CANCER EARLY DETECTION AND TREATMENT REFERRAL PROGRAM

Establishes, within available appropriations, a Department of Public Health Lung Cancer Early Detection and Treatment Referral Program to (1) promote screening, detection, and treatment to people ages 50 to 80, prioritizing high-risk populations and (2) provide public education, counseling, and treatment referrals

The bill establishes, within available appropriations, a Department of Public Health (DPH) Lung Cancer Early Detection and Treatment Referral Program to do the following:

1. promote lung cancer screening, detection, and treatment for people ages 50 to 80, prioritizing populations who have higher lung cancer rates than the general population;

2. educate the public on lung cancer and the benefits of early detection; and

3. provide counseling and referrals for treatment.

Under the bill, the program must at least include:

1. a public education and outreach initiative to publicize (a) early detection services and the extent health insurance covers them, (b) the benefits of early detection and the recommended frequency of screening services, and (c) Medicaid and other public and private programs that may help with the cost of screenings and referral services;

2. development of professional education programs, including the benefits of early detection and the recommended frequency of screenings;

3. a system to track and follow up on all people the program screens for lung cancer, including follow-up on abnormal screening tests and treatment referrals and tracking of people to be screened at recommended intervals; and

4. assurance that participating providers of screening and referral services comply with national and state quality assurance legislative mandates.

The bill also requires DPH, within existing appropriations and through contracts with health care providers, to provide lung cancer screening and referral services to people ages 50 to 80, giving priority to populations who exhibit higher lung cancer rates than the general population.

EFFECTIVE DATE: October 1, 2023

§§ 174 & 420 — PROGRAM OF ALL-INCLUSIVE CARE FOR ELDERLY

Allows the DSS commissioner to submit a Medicaid state plan amendment to cover Program of All-Inclusive Care for Elderly services under Medicaid, within available appropriations

The bill allows the Department of Social Services (DSS) commissioner to submit a Medicaid state plan amendment to the federal Centers for Medicaid Services (CMS) to cover Program of All-Inclusive Care for Elderly (PACE) services under Medicaid, within available appropriations.

Generally, PACE programs deliver medical and social services through providers that service eligible individuals in a defined service area. Under federal law and the bill, PACE programs are operated by PACE providers that deliver comprehensive health care services to eligible individuals in keeping with federal regulations and a PACE program agreement (i.e., an agreement between a provider and the federal Department of Health and Human Services or the state administering agency to operate a PACE program). For-profit and nonprofit providers may operate a PACE program.

The bill cites federal law to define "eligible individuals" as people who:

1. are age 55 or older,
2. require a nursing home level of care,
3. live in a PACE program's service area, and
4. meet any other eligibility requirements included in the PACE program agreement (42 U.S.C. § 1395eee).

The bill requires DSS to be the state administering agency responsible for administering PACE program agreement services. If CMS approves the Medicaid state plan amendment, the bill requires DSS to establish participation criteria for eligible individuals and PACE providers and make payments for PACE program services from funds appropriated to the Medicaid account.

By law, for certain programs including Medicaid, DSS may implement policies and procedures while in the process of adopting them as regulations (CGS § 17b-10(b)). The bill explicitly allows the DSS commissioner to implement policies and procedures this way under the bill and requires her to post notice of her intent to adopt regulations on the eRegulations System within 20 days of implementing the policies and procedures, which are valid until final regulations are adopted.

Lastly, the bill makes a technical change by repealing an obsolete provision authorizing the DSS commissioner to seek a federal waiver

for a PACE pilot program.

Background — PACE Services and Centers

PACE organizations provide services primarily in an adult day health center ("PACE center"). Each PACE organization must operate at least one PACE center in, or contiguous to, its designated service area with enough capacity to allow routine attendance by participants. The PACE center must provide at least primary care, social services, restorative therapies (physical and occupational therapies), personal care and supportive services, nutritional counseling, recreational therapy, and meals (42 C.F.R. § 460.98).

§ 175 — PRIVATE EDUCATION LENDER & CREDITOR DISCLOSURES

Requires private education lenders and creditors to register with DOB and provide it with certain information about their loans and borrowers; requires DOB to publish a summary of the information it receives; allows DOB to bar certain violators for up to 10 years

The bill requires private education lenders and creditors to register with the Department of Banking (DOB) and annually submit certain loan information, beginning with when they register. The information the lenders and creditors must provide includes things such as the schools their borrowers attend, amount of loans provided, and default rates. The DOB commissioner must publish on a public website a summary of the information he receives, registrant contact information, and copies of lender model loan documents.

The bill authorizes the DOB commissioner to (1) enforce its requirements under his existing authority for banking law violations and (2) bar someone from acting as a private education lender or a private education loan creditor for up to 10 years if they violate the bill's provisions and cause a consumer financial harm because of it.

EFFECTIVE DATE: October 1, 2023

Registration

The bill generally requires "private education lenders" and "private education creditors" to register with the DOB commissioner and pay a fee, in a way he prescribes, before making or purchasing or assuming,

as applicable, private education loans owed by Connecticut residents. These lenders and creditors must annually renew their registration. The bill allows (1) for registration and payment through the National Multistate Licensing System and Registry and (2) the commissioner to require nonprofit postsecondary educational institutions to register through an alternate registration process and fee structure he sets.

The bill applies to any person (1) engaged in the business of making or extending private education loans (a "private education lender") or (2) to whom a private education loan is sold or assigned or who otherwise acquires one (a "private education loan creditor"). Under the bill, lenders do not include banks or out-of-state banks; Connecticut, federal, or out-of-state credit unions; the banks' or credit unions' wholly owned subsidiaries; operating subsidiaries with an owner that is wholly owned by the same bank or credit union; or the Connecticut Higher Education Supplemental Loan Authority. Banks and these credit unions are similarly exempt as creditors, as are consumer collection agencies; private student loan servicers; and local, state, or federal departments or agencies.

Under the bill, a "private education loan" is credit (1) extended expressly, in whole or part, for a borrower's postsecondary educational expenses, regardless of whether it is provided by the postsecondary educational institution a student attends, and (2) not made, insured, or guaranteed under certain federal laws (i.e., not a federally issued education loan). It excludes loans secured by real property.

Submitted Information

The bill requires each registrant to annually give the commissioner certain documents and information, starting when it registers, and upon the commissioner's request. The information must be in a form and manner the commissioner sets.

Under the bill, both lenders and creditors must provide their name and address and the name and address of each of their officers, directors, partners, and owners of a controlling interest.

The other private education loan information that each lender must provide under the bill includes the following:

1. a list of all the schools their borrowers attend and, for each school, the number and dollar amount of all loans made to them during the prior year and all outstanding loans;

2. the number and dollar amount of (a) all outstanding loans made to borrowers and (b) the loans made during the prior year;

3. the number of loans made with a cosigner during the prior year;

4. the interest rates spread for loans made during the prior year and the percentage of borrowers that received each rate within the spread;

5. the default rate for borrowers, including the default rate for each school attended by borrowers;

6. the number of borrowers the lender brought legal action against in the prior year to collect a loan debt and the amount sought in each action; and

7. a copy of each model promissory note, agreement, contract, or other instrument the lender used the previous year to substantiate debt (i.e., confirm that a loan was extended or that the borrower owes a debt to the lender).

Similarly, the bill requires the creditors to provide the following:

1. a list of all the schools that have borrowers with outstanding loans the creditor assumed or acquired and, for each school, the number and dollar amount of all loans assumed or acquired during the previous year and all outstanding loans owed to the creditor;

2. the number and dollar amount of all (a) outstanding loans owed by borrowers to the creditor and (b) loans the creditor assumed or acquired during the prior year;

3. the number of loans with a cosigner the creditor assumed or acquired during the prior year;

4. the default rate for borrowers whose loans the creditor assumed or acquired, including the default rate for each school attended by borrowers; and

5. the number of borrowers the creditor brought legal action against in the prior year to collect a loan debt and the amount sought in each action.

Public Online Resource

The bill requires the DOB commissioner to create and periodically update a publicly available website that includes the following information:

1. each registered lender's and creditor's name, address, telephone number, and website;

2. a summary of the information creditors and lenders must annually provide to the commissioner (e.g., list of schools borrowers attend; number of loans made or owed to, as applicable; interest rates spread, as described above); and

3. copies of the model promissory notes, agreements, contracts, and other proof-of-debt documents registered lenders provide to the commissioner.

Enforcement and Penalties

The bill authorizes the DOB commissioner to enforce its requirements under his existing authority for banking law violations (CGS § 36a-50). By law, the commissioner may, after an investigation finding that a person committed a violation; (1) conduct an administrative hearing proceeding on the violation; (2) impose a fine of up to $100,000 per violation; and (3) order restitution or disgorgement. He may also take court action if it appears to him that the person violated, is violating, or is about to commit a violation. He may seek an injunction or direct compliance, a court order imposing a penalty of up to $100,000 per

violation, or an order of restitution.

The bill also allows the commissioner to bar someone from acting as a private education lender or a private education loan creditor or as a stockholder, officer, director, partner, or other owner or employee of a lender or creditor for up to 10 years if they violate the bill's provisions and cause a consumer financial harm because of it.

§ 176 — OFFICE OF THE STUDENT LOAN OMBUDSMAN

Establishes an Office of the Student Loan Ombudsman and requires the DOB commissioner to appoint a student loan ombudsman to head the office

The bill establishes an Office of the Student Loan Ombudsman and requires the DOB commissioner to appoint a student loan ombudsman to head the office who must have expertise and experience in a student loan-related field. Under current law, the commissioner must appoint an ombudsman within the department, but only within available appropriations, and consequently, this has not occurred. The bill puts the office within DOB for administrative purposes only.

The bill generally assigns to the office the responsibilities currently set in law for the student loan ombudsman. Current law requires the student loan ombudsman to provide timely assistance to student loan borrowers and meet its responsibilities in consultation with the DOB commissioner. The bill assigns solely to the new office the responsibilities, which include, among other things, (1) reviewing and attempting to resolve student loan borrower complaints; (2) helping student loan borrowers understand their rights and responsibilities; (3) compiling and analyzing student loan borrower complaint data; and (4) providing information to the public, agencies, legislators, and others about these borrowers' problems and concerns.

The bill also (1) requires the office to begin maintaining DOB's existing student loan borrower education course on October 1, 2024, and (2) on January 1, 2024, requires the ombudsman to begin annually submitting a report to the Banking and Higher Education committees on the implementation and effectiveness of the office and the added steps DOB must take to get regulatory control over student loan servicer

licensing and enforcement (DOB must report to these committees through January 1, 2023, on these same topics, but with respect to the ombudsman position).

EFFECTIVE DATE: October 1, 2023

§§ 177 & 178 — FEDERAL STUDENT LOAN SUBSERVICER REGISTRATION

Extends existing law's registration requirement for federal student loan servicers to also cover subservicers of these loans

The bill extends existing law's registration requirement for federal student loan servicers to also cover subservicers of these loans. It does so by eliminating the definitional requirement that a "federal student loan servicer" be the entity awarded a contract by the U.S. Department of Education (ED). Instead, under the bill, these loan servicers include those who service an ED loan on behalf of another. The bill also requires subservicers to notify the DOB commissioner in writing when a contract awarded by ED expires or is revoked or terminated, which is currently only required of servicers.

EFFECTIVE DATE: October 1, 2023

§ 179 — LOCAL VOLUNTARY PUBLIC SAFETY REGISTRATION SYSTEM FOR PEOPLE WITH IDD

Amends a provision in sHB 5001 of the current session that creates a local voluntary public safety registration system for people with IDD, limiting the registration system to children with IDD and setting up a notification and opt-in procedure municipal police departments must follow when registrants turn 18

- sHB 5001 of the current session (as amended by House "A" and "B") creates a local voluntary public safety registration system that municipal police departments may implement for children and adults with intellectual or other developmental disabilities (IDD) to collect specified information that can help emergency services personnel interact with these children and adults

- Amends this provision in sHB 5001 to limit the registration system to children with IDD and makes numerous conforming changes

- Requires the form used to collect specified information for the registration system to include the child's date of birth

- Establishes a notification and opt-in procedure municipal police departments must follow when registrants turn 18; requires departments to remove a person's information from the database when he or she turns 18 unless they opt to keep their information there, according to the procedure outlined in the bill

- Makes technical changes and corrections

- EFFECTIVE DATE: Upon passage

§ 180 — COMPENSATION FOR FAMILY CAREGIVERS

Requires DSS to amend current Medicaid waivers, rather than applying for new ones, to authorize compensation for family caregivers in DDS-administered waiver programs

HB 5001, as amended by House amendments "A" and "B," requires the Department of Social Services (DSS) commissioner to apply for a Medicaid waiver by November 1, 2023, to authorize compensation for family caregivers who provide care to DDS-administered Medicaid waiver participants.

This bill instead requires her to amend the current Medicaid waivers for these programs to authorize the compensation. Under the bill, the waiver amendment must be implemented when the federal Centers for Medicare and Medicaid Services approves it.

EFFECTIVE DATE: Upon passage

§ 181 — COMMUNITY RESIDENCES EXEMPTED FROM A PROXIMITY AND DISPERSION REQUIREMENT

Amends a provision in sHB 5001 of the current session to narrow the community residences that are exempted from a public health law's proximity and dispersion limitation, aligning the exemption with the definition of "community residences"

This bill narrows the types of community residences that are exempted from a public health law's proximity and dispersion restriction under HB 5001 (as amended by House amendments "A" and "B").

In narrowing this exemption, the bill aligns the remaining exemption with the definition of "community residence" that applies to the public health law's proximity and dispersion restriction under HB 5001, as amended. Under that bill, a "community residence" is, broadly, a Department of Public Health (DPH)-licensed facility for eight or fewer adults with mental health disorders who were discharged from a state-operated or licensed facility or referred by a psychologist or psychiatrist. The exemption this bill retains is for community residences for people receiving Department of Mental Health and Addiction Services (DMHAS) services.

Under current law and the bills, the public health law's proximity and dispersion limitation prohibits (1) a community residence from locating within 1,000 feet of an existing community residence or (2) the cumulative capacity of multiple community residences from exceeding 0.1% of the municipality's population.

EFFECTIVE DATE: Upon passage

Background — Related Bills

sHB 6559 (File 212), favorably reported by the Planning and Development Committee, repeals the proximity and density restrictions, standardizes the use of "community residence" as it applies to zoning provisions, and repeals provisions in existing law allowing residents to, with their municipality's approval, petition agencies to revoke the licenses of certain community and child-care residences, among other things.

§ 182 — SITING WAREHOUSES AND DISTRIBUTION FACILITIES

For certain smaller towns, prohibits allowing a warehouse or distribution facility on a parcel of land that meets specified conditions

The bill prohibits any municipality with fewer than 8,000 people, or any of its land use boards or commissions, from approving the siting, construction, permitting, operation, or use of a warehouse or distribution facility on certain parcels. The prohibition applies to warehouses or facilities that exceed 100,000 square feet and (1) are located on a parcel or parcels that are less than 150 acres total, (2) contain

more than five acres of wetlands in total, and (3) are located within two miles of a public school.

This prohibition applies regardless of conflicting municipal charters, ordinances, regulations, or resolutions; special acts; or municipal zoning statutes (i.e., Title 8).

EFFECTIVE DATE: Upon passage

§§ 183 & 184 — STUDENT LOAN REIMBURSEMENT PILOT PROGRAM

Requires OHE, within available appropriations, to establish a pilot program to reimburse eligible people for up to $5,000 a year (for a total of up to $20,000) for their student loan payments; makes payments deductible from a person's state adjusted gross income

This bill requires the Office of Higher Education (OHE) executive director to establish a pilot program to annually reimburse eligible people for up to $5,000 of their student loan payments, within available appropriations. He must do so by January 1, 2024. Under the bill, payments made to an individual through the pilot program are deductible from their Connecticut adjusted gross income to the extent the payments are included in their federal gross income for income tax purposes.

Eligible individuals may be reimbursed for up to four years (i.e., up to $20,000 total). For each year they participate in the program, the bill requires individuals to volunteer for nonprofit for at least 50 unpaid hours. These volunteer hours may include military service or serving on a nonprofit's board of directors.

EFFECTIVE DATE: July 1, 2023, except the tax deduction provisions are effective January 1, 2024, and for applicable tax years starting on or after that date.

Eligibility

OHE may allow anyone to participate in the program who has a student loan and who:

1. (a) attended, graduated with a bachelor's degree from, or left in good standing an in-state college or university or (b) holds a

Connecticut occupational or professional license or certification issued by the Public Health or Consumer Protection commissioner (i.e., licenses or certifications issued under Title 20 of the General Statutes);

2. is a Connecticut resident for the purposes of the state income tax, and has been for the previous five years; and

3. has a state adjusted gross income of $125,000 or less (for taxpayers filing as unmarried or married filing separately) or $175,000 or less (for those who are married filing jointly, head of household, or surviving spouses).

Eligible individuals may apply to OHE in a time and manner the executive director sets. The executive director must award grants to eligible applicants on a first come, first served basis.

Participating individuals must annually submit their student loan receipts and proof of volunteer hours to OHE in a way the executive director prescribes.

OHE may annually retain up to 2.5% of funds appropriated to the pilot program for program administration, promotion, and recruitment.

Reporting

The bill requires the OHE executive director to report to the Higher Education and Appropriations committees each January and July, beginning July 1, 2025, on the program's operation and effectiveness, including any recommendations on whether to expand it.

§§ 185-192 — EARLY VOTING IMPLEMENTATION

Moves implementation of early voting from January 1, 2024, to April 1, 2024, and modifies several effective dates

The bill changes several implementation and effective dates for PA 23-5, which enacts early voting (see Table below).

Primarily, the bill authorizes early voting for elections on or after April 1, 2024, instead of January 1, 2024. Additionally, the bill makes technical changes to provisions of the act regarding judicial orders to

remove a candidate improperly on the ballot by reverting the provision back to prior law and reimplementing it effective January 1, 2024.

Additionally, the bill delays to January 1, 2024 implementation of many of the act's provisions, including provisions related to early voting hours, emergency contingency plans, and ballot designation and certification. The bill also modifies from July 1, 2023 to December 1, 2023 the effective date of provisions regarding the creation of the early voting framework and extending SEEC's authority to impose civil penalties for certain violations of the act's provisions.

EFFECTIVE DATE: Upon passage, except December 1, 2023, for the early voting framework provisions and civil penalties; August 1, 2023, to revert the provision regarding judicial orders; and January 1, 2024, for provisions related to early voting periods, emergency contingency plans, ballot designation and certification, and judicial orders to remove a candidate.

Table: Effective Date Changes for Early Voting Provisions

PA 23-5 §	*PA 23-5 Effective Date*	*Bill's Effective Date*
1	July 1, 2023	December 1, 2023
2	July 1, 2023	January 1, 2024
3	July 1, 2023	January 1, 2024
4	July 1, 2023	January 1, 2024
5	July 1, 2023	January 1, 2024
6	July 1, 2023	January 1, 2024
7	July 1, 2023	January 1, 2024
8	July 1, 2023	January 1, 2024
9	July 1, 2023	January 1, 2024
10	January 1, 2024	January 1, 2024
11	Upon Passage (Repealed effective 1-Aug-23 under the bill)	January 1, 2024 (reimplemented)
12	July 1, 2023	January 1, 2024
13	January 1, 2024	January 1, 2024
14	January 1, 2024	January 1, 2024
15	January 1, 2024	January 1, 2024
16	January 1, 2024	January 1, 2024
17	January 1, 2024	January 1, 2024

PA 23-5 §	PA 23-5 Effective Date	Bill's Effective Date
18	July 1, 2023	January 1, 2024
19	Upon Passage	Upon Passage
20	July 1, 2023	January 1, 2024
21	July 1, 2023	January 1, 2024
22	July 1, 2023	January 1, 2024
23	July 1, 2023	January 1, 2024
24	July 1, 2023	January 1, 2024
25	July 1, 2023	January 1, 2024
26	July 1, 2023	January 1, 2024
27	July 1, 2023	July 1, 2023
28	July 1, 2023	January 1, 2024
29	July 1, 2023	January 1, 2024
30	July 1, 2023	January 1, 2024
31	July 1, 2023	January 1, 2024
32	July 1, 2023	December 1, 2023
33	July 1, 2023	July 1, 2023

§ 193 — USE OF OPIOID SETTLEMENT FUNDS TO EQUIP POLICE WITH OPIOID ANTAGONISTS

Expands the purposes for which the Opioid Settlement Fund may be used to include providing funds to municipal police departments to equip officers with opioid antagonists

The bill expands the purposes for which the Opioid Settlement Fund may be used to include providing funds to municipal police departments to equip officers with opioid antagonists. Under the bill, priority for these funds must be given to departments that do not currently have a supply of them.

EFFECTIVE DATE: July 1, 2023

Background — Opioid Settlement Fund

The Opioid Settlement Fund is a separate, non-lapsing fund established to contain moneys the state receives from certain opioid-related judgments, consent decrees, or settlements that are intended to address opioid use, related disorders, or the impact of the opioid crisis. It is administered by a 37-member advisory committee, with assistance from the Department of Mental Health and Addiction Services, which must ensure (1) that the funds are allocated and spent on specified substance use disorder abatement purposes and (2) robust public

involvement, accountability, and transparency in allocating the funds.

By law, the funds may be used only in accordance with the controlling judgment, consent decree, or settlement, as confirmed by the attorney general and after the committee's and the Office of Policy and Management secretary's approval. Government and nonprofit entities are eligible to receive funding for specified purposes. Generally, the funds may only be allocated to municipalities with an agreement to participate in the settlement and follow its terms. However, it does not preclude or limit an allocation or disbursement to benefit residents within a municipality that does not execute an agreement or adhere to an agreement's terms.

§ 194 — CLASS I RUN-OF-THE-RIVER HYDROPOWER

Undoes a change in the definition of Class I renewable energy sources made by SB 7, as amended by Senate Amendment "A"

SB 7, as amended by Senate Amendment "A," makes several changes to the definition of Class I run-of-the river hydropower. This bill reverses one of those changes.

Current law classifies a run-of-the-river hydropower facility as a Class I renewable energy source if it meets certain requirements and (1) began operating after July 1, 2003, and has a generating capacity of no more than 30 megawatts (MW) or (2) received a new license after January 1, 2018, under the Federal Energy Regulatory Commission's (FERC) rules for the takeover and relicensing of licensed water power projects (18 C.F.R. § 16).

For this second option, SB 7, as amended by Senate Amendment "A," instead classifies a run-of-the-river hydropower facility as Class I if it received a new license under the same FERC rules after the bill's passage, rather than after January 1, 2018.

This bill reverts this second option to how it is under current law: a run-of-the-river hydropower facility that received a new license after January 1, 2018, under FERC's rules for the takeover and relicensing of licensed water power projects.

As under current law and SB 7, these facilities must also (1) not be based on a new dam or a dam identified by the DEEP commissioner as a candidate for removal and (2) meet applicable state and federal requirements, including applicable site-specific standards for water quality and fish passage.

EFFECTIVE DATE: Upon passage

§ 195 — RPS CAP ON CLASS I RUN-OF-THE-RIVER HYDROPOWER

Increases the RPS cap on certain Class I run-of-the-river hydropower from 1 to 2.5 percentage points of the Class I requirement

The state's RPS law generally requires electric distribution companies and retail electric suppliers to obtain specific percentages of their power from Class I energy resources (e.g., wind and solar). They generally meet their obligations by buying renewable energy credits (RECs) on the regional market, which can be sold separately from the power generated by these resources.

Current law prohibits the suppliers and companies from meeting more than one percentage point of their RPS requirement with energy or RECs generated by run-of-the-river hydropower facilities that received a new license after January 1, 2018, under certain FERC rules (see previous section). The bill increases this cap from 1 to 2.5 percentage points.

EFFECTIVE DATE: October 1, 2023

§ 196 — LICENSING EXEMPTION FOR CHILD CARE SERVICES

Exempts the Police Athletic League of Stamford, Inc., from the OEC licensure requirements for child care service providers

Existing law exempts certain child care service providers from the Office of Early Childhood (OEC) licensure requirements, including public school systems, municipalities, and a number of organizations or arrangements specified in statute. The bill adds the Police Athletic League of Stamford, Inc., a Stamford-based nonprofit youth activities organization, to the list of exempted service providers.

By law, all license-exempt entities and organizations must notify

participating children's parents or guardians that they are not licensed by OEC to provide child care services (CGS § 19a-77(c)).

EFFECTIVE DATE: Upon passage

§§ 197-199 — COMMISSION ON RACIAL EQUITY IN PUBLIC HEALTH

Redesignates the Commission on Racial Equity in Public Health's membership as an advisory body to the commission and reduces its membership from 28 to 15

Current law established, within the Legislative Department, a 28-member Commission on Racial Equity in Public Health to document and make recommendations to decrease racism's effect on public health.

The bill redesignates the commission's membership as an advisory body to the commission and reduces its membership from 28 to 15. It removes as members the Public Health Committee chairpersons and the following officials or their designees:

1. the commissioners of public health, children and families, early childhood, social services, economic and community development, education, housing, energy and environmental protection, and correction;

2. the Connecticut Health Insurance Exchange chief executive officer;

3. the Commission on Women, Children, Seniors, Equity and Opportunity (CWCSEO) executive director;

4. the Office of Health Strategy (OHS) executive director; and

5. the Office of Policy and Management (OPM) secretary.

It also adds four members, one appointed by each of four top legislative leaders, and modifies the qualifications of certain existing appointees as shown in the table below.

Table: Commission on Racial Equity in Public Health, Appointed Members

Appointing Authority	***Appointee Qualifications***	
	Under Current Law	***Under the Bill***
House speaker	• Representative of a nonprofit organization that focuses on racial equity • Health Equity Solutions representative	• Representative of a nonprofit organization that focuses on health policy and racial equity • Representative of a nonprofit that focuses on racial equity and community engagement • Expert in immigration policy and law
Senate president pro tempore	• Representative of a violence intervention program using a health-based approach to examine individuals post-incarceration and policies for integration • Connecticut Health Foundation representative	• Representative of a violence intervention program using a health-based approach to examine individuals post-incarceration and policies for integration • Expert in health disparities affiliated with an academic research institution • Representative of a philanthropic entity that focuses on racial equity
House majority leader	• Representative of the Katal Center for Equity, Health, and Justice	• Biostatistician or epidemiologist with knowledge of the effects of social-structural factors on health • Representative of a nonpartisan criminal justice policy and research entity
Senate majority leader	• Representative of the Connecticut Children's Office for Community Child Health	• Representative of a nonprofit that focuses on equitable housing policy • Medical professional with expertise in diversity, equity, and inclusion policy
House minority leader	• UConn-associated physician educator with experience and expertise in infant and maternal care and who has worked on diversity and inclusion policy • Partnership for Strong Communities representative	• Expert in environmental impacts on human health affiliated with an academic institution • Representative of a nonprofit that focuses on economic research and policy
Senate minority leader	• Medical professional with expertise in mental health	• Public health educator or researcher affiliated with an

Appointing Authority	*Appointee Qualifications*	
	Under Current Law	*Under the Bill*
	• Open Communities Alliance representative	academic institution • Current or former educator, school counselor, or school nurse with public policy experience
Black and Puerto Rican Caucus chairperson	• Two members of the Black and Puerto Rican Caucus	• An education policy researcher affiliated with an academic research institution
Governor	• Representative of the Connecticut Bar Association's Diversity, Equity, and Inclusion Committee	• No appointee

As under current law, any legislative appointees may be legislators. Appointed members (1) serve terms that coincide with the terms of their appointing authority and (2) may serve for multiple terms.

Under current law, the OPM secretary, or his designee, and the Health Equity Solutions representative (appointed by the House speaker) serve as the commission's chairpersons. The bill instead requires the following members to serve as the advisory body's chairpersons:

1. the representative of a nonprofit organization focusing on health policy and racial equity, appointed by the House speaker and

2. the expert in health disparities affiliated with an academic research institution, appointed by the Senate president pro tempore.

They must schedule the advisory body's first meeting, to be within 60 days after the bill's passage.

Additionally, the bill eliminates current law's requirement that the commission, by majority vote, hire an executive director to serve as its administrative staff. It instead requires the advisory body, by majority vote, to confirm the executive director's hire. It also eliminates the

provisions in current law that the executive director (1) must serve at the pleasure of the commission and (2) may hire up to two executive assistants to help in carrying out the commission's duties.

The bill also makes minor, technical, and conforming changes (e.g., delaying certain reporting due dates to January 1, 2024).

EFFECTIVE DATE: Upon passage

§§ 200 & 201 — NEWBORN SCREENING FOR CYTOMEGALOVIRUS

Starting July 1, 2025, requires all newborns to be tested for the cytomegalovirus, instead of only those who fail a newborn hearing screening; requires the public health commissioner to convene a CMV working group and report to the Public Health Committee by January 1, 2025

Current law requires all health care institutions caring for newborn infants to test each newborn who fails a newborn hearing screening for cytomegalovirus (CMV). Starting July 1, 2025, the bill instead requires CMV testing as part of the existing newborn screening program, thereby requiring all newborns to be tested for the condition.

Under existing law, the newborn screening program generally requires health care institutions, licensed nurse-midwives, and midwives to perform newborn screenings using blood spot specimens between 24 and 48 hours after the infant's birth.

Additionally, the bill requires the public health commissioner to convene a CMV working group to study the condition, including (1) screening in other states; (2) treatment for newborns with positive, asymptomatic screening results; (3) best practices for universal screening; (4) planning for implementing universal screening; and (5) education for health care providers and vulnerable populations.

Under the bill, the commissioner or her designee must serve as the working group's chairperson. The commissioner must report the working group's findings to the Public Health Committee by January 1, 2025.

The bill also makes technical changes.

EFFECTIVE DATE: Upon passage

Background — Cytomegalovirus

CMV is a type of herpesvirus, which places it in a group with chickenpox, shingles, and mononucleosis. Although usually harmless in healthy adults and children, CMV in newborns can lead to hearing loss or developmental disabilities. Transmission from mother to fetus occurs during pregnancy.

§ 202 — CWCSEO TWO-GENERATIONAL STRATEGIC PLAN

Requires CWCSEO to (1) review the two-generational initiative's membership; (2) develop an advisory strategic plan, present it to the Two-Generational Advisory Board, and submit it to specified legislative committees by September 1, 2024; and (3) develop a dashboard to track two-generational outcomes of families in the state

Existing law requires the two-generational initiative ("the initiative") to collaborate across public and private sectors to support early childhood care and education, health and workforce readiness, and economic self-sufficiency across two generations in the same household. The law established the Two-Generational Advisory Board ("the advisory board") as part of the initiative to advise the state on these topics.

The bill requires the Commission on Women, Children, Seniors, Equity and Opportunity (CWCSEO), in collaboration with the advisory board, to review and make recommendations on the initiative's participating and appointed membership, including specific recommendations on family engagement strategies and advisory board composition.

The bill also requires CWCSEO, in collaboration with the advisory board, to develop a two-generational advisory strategic plan that outlines the board's role in identifying short-, medium-, and long-term strategies to maximize state investments in family-driven multigenerational success. The bill requires the plan to include recommendations on:

1. aligning the initiative with regional and national initiatives that use private sector collaboration, national research, and data from

other states;

2. a short-, medium-, and long-term resourcing strategy with recommendations to leverage existing public, private, and philanthropic resources form state and local partners;

3. expanding the initiative's focus to more robustly support family well-being, economic engagement, and mobility through expanded partnerships, targeted investment, and leveraging new and existing resources;

4. increasing public understanding of, and engagement with, the initiative;

5. tracking two-generational outcomes for families in the state, including parents involved with the initiative as advisory board members; and

6. developing a constituency for the initiative across all public and private sectors of the state.

The bill also requires CWCSEO, within available appropriations, to develop a data-driven, two-generational policy and outcomes dashboard that tracks (1) two-generational outcomes of families in the state, as required in the strategic plan described above and in accordance with existing interagency data sharing protocol and (2) other data related to the initiative.

The bill requires the CWCSEO executive director to present the strategic plan to the advisory board and submit it to the Appropriations, Children, Housing, Human Services, and Labor committees by September 1, 2024.

EFFECTIVE DATE: Upon passage

§§ 203-207 — CONNECTICUT MUNICIPAL REDEVELOPMENT AUTHORITY (MRDA) AND AFFORDABLE HOUSING DEVELOPMENT

Requires municipalities that opt to collaborate with MRDA to adopt a housing growth zone near existing infrastructure; adds three members to MRDA's board; changes requirements for member municipalities

The bill increases the number of members on MRDA's board and changes requirements for municipalities that work with MRDA by (1) making collaboration with MRDA optional and (2) requiring those that work with MRDA to adopt zoning regulations that facilitate housing development in "development districts," which under existing law are areas encompassing transit stations or downtowns.

In 2019, the legislature created MRDA as a quasi-public agency authorized to stimulate economic development and transit-oriented development in development districts by, among other things, developing property and managing facilities (see *Background*). Currently, fiscally distressed municipalities must collaborate with MRDA as "member municipalities" to create a development district. The bill eliminates the provision in current law creating mandatory member municipalities and limiting membership to larger municipalities. In doing so, the bill allows any municipality outside the Capital Region Development Authority's (CRDA) jurisdiction to become a member.

The bill requires municipalities that opt to collaborate with MRDA to adopt a "housing growth zone" (HGZ) before moving forward with a development district's creation. An HGZ is the area of a development district (or a larger area) in which local zoning regulations facilitate substantial new housing development. MRDA is responsible for approving proposed HGZ regulations and the bill specifies factors that must be considered. Municipalities cannot receive financial assistance from MRDA for a development district project until they enact the approved HGZ regulations. The bill also makes a conforming change to specify that one of MRDA's purposes is to provide financial support and technical assistance to municipalities to develop HGZs.

EFFECTIVE DATE: July 1, 2023, for the revised definitions and HGZ provisions and October 1, 2023, for the other changes.

MRDA's Board

Currently, MRDA's 13-member board consists of eight appointed directors and five ex officio, voting directors: the Office of Policy and Management (OPM) secretary and the economic and community development, labor, housing, and transportation commissioners, or their designees. The bill adds the energy and environmental protection and public health commissioners, or their designees, to the board in this same capacity. It also changes the qualifications of legislative appointees, gives each of the six legislative leaders an appointment rather than requiring certain joint appointments, and increases the number of gubernatorial appointments by one, as shown in the below table, which lists the appointed directors under current law and the bill and their appointing authority. These new appointments must be made within sixty days after October 1, 2023.

Table: Appointed Board Directors

Appointing Authority	***Appointments Under Current Law***	***Appointments Under the Bill***
Governor	Two	Three
House speaker and Senate president pro tempore (jointly)	Two, one of whom is the chief executive officer of a member municipality in New Haven County	None
House and Senate majority leader (jointly)	Two, one of whom is the chief executive officer of a member municipality in Hartford County	None
House and Senate minority leader (jointly)	Two, one of whom is the chief executive officer of a member municipality in Fairfield County	None
House speaker	N/A	One with expertise in housing development
Senate president pro tempore	N/A	One with expertise in planning and zoning
House majority leader	N/A	One who is a certified planner
Senate majority leader	N/A	One with expertise in transit-oriented development
House minority leader	N/A	One with expertise in regional planning

Appointing Authority	*Appointments Under Current Law*	*Appointments Under the Bill*
Senate minority leader	N/A	One with expertise in economic development

Member Municipalities

The bill eliminates current law's requirement that certain municipalities be deemed member municipalities and work with MRDA to create a development district. Specifically, the bill eliminates the requirement that municipalities classified by OPM as a designated Tier III or IV municipality (i.e., fiscally distressed municipalities subject to the Municipal Accountability Review Board's oversight) automatically be deemed member municipalities.

Currently, optional membership is limited to the following municipalities outside CRDA's jurisdiction:

1. municipalities with a population of at least 70,000 (as of the last decennial census), if their legislative bodies opt to become members, and

2. two or more municipalities with a combined population of at least 70,000 (as of the last decennial census), if their legislative bodies opt to jointly become members ("joint members").

The bill eliminates the population thresholds for membership.

As under existing law, municipalities in the CRDA "capital region" are not eligible to become member municipalities (i.e., Bloomfield, East Hartford, Hartford, Newington, South Windsor, Wethersfield, West Hartford, and Windsor).

Submission of Proposed HGZ

By law, member municipalities must enter into a memorandum of agreement (MOA) with MRDA to establish and delineate at least one development district near a central business district (downtown) or passenger transit station (railroad or bus rapid transit station). Under existing law, before entering into an MOA to establish a development

district, MRDA must review and approve the member's economic development master plan. The bill additionally requires the member's chief executive officer (or a joint member's chief executive officers) to make an HGZ proposal, including proposed zoning regulations, and submit it for MRDA's approval. The member municipality must also enact the approved HGZ regulations before MRDA can give it financial assistance for development projects.

The HGZ must encompass the development district but may extend beyond it. (The bill requires members to submit the HGZ proposal to MRDA before it enters into an MOA delineating the development district's boundaries. Presumably, the HGZ proposal and draft regulations must state that they apply to any development district boundaries later delineated.) The HGZ must be designed to facilitate substantial development of new dwelling units.

(The bill specifies that HGZs are areas designated in local zoning regulations adopted by municipalities exercising zoning powers under the Zoning Enabling Act (CGS § 8-2). It is unclear if the bill's HGZ requirements apply to municipalities that zone under authority granted by a special act.)

MRDA's Review of HGZ Proposal

Under the bill, MRDA must approve an HGZ proposal if it determines the proposal will likely substantially increase the production of dwellings that meet regional housing demand. MRDA must consider several factors when reviewing HGZ proposals to determine if they will increase housing stock, including whether proposals:

1. allow new dwelling units to be developed without correspondingly requiring new off-street parking spaces;

2. generally promote residential diversity; and

3. for applications that will create a net increase of at least 10 dwelling units, require 10% of new units be sold or rented at, or below, prices preserving the units as affordable housing for

households whose income is less than or equal to 80% of the median income.

If a proposal includes the following components, MRDA must presume it will substantially increase dwelling unit production:

1. permits middle housing (i.e., duplexes, triplexes, quadplexes, cottage clusters and townhouses) as of right (i.e., subject only to an administrative review) and

2. generally requires only approval by the zoning board of appeals (ZBA), planning commission, zoning commission, or combined planning and zoning commission for applicable permits to engage in an activity creating a net increase in dwelling units other than middle housing units.

The bill further requires that for the latter criterion on board or commissions' approval authority, the board or commission must:

1. have the same power to issue a permit or approval as any other municipal body or official that would otherwise act on the application;

2. hold one public hearing within 30 days after receiving an application; and

3. decide whether to approve or deny the application, by majority vote, within 30 days after the hearing.

Additionally, if the board or commission recommends it, the sewer commission, water commission, wetlands commission, conservation commission or board, or historic preservation commission must engage in a joint review of the application and provide concurrent approval within 30 days after receiving the application. The board or commission with overall approval authority must share the application with the board or commission engaging in a concurrent review.

Background — MRDA's Role in Development Districts

By law, member municipalities must enter into an MOA with MRDA

to establish at least one development district near existing infrastructure. MRDA can engage in development and redevelopment activities, including designing and constructing transit-oriented development; rehabilitating structures to create housing; and demolishing vacant buildings ("development projects"). To do so, it can acquire, finance, operate, and market facilities, as well as borrow money and issue bonds. MRDA must coordinate all state, municipal, and quasi-public agency planning and financial resources that are allocated for a development district project in which it is involved (CGS §§ 8-169hh to 8-169ss).

§ 208 — MUNICIPAL REPORTS TO DECD ON HOUSING STOCK CHANGES

Requires municipalities to annually report statistics on housing permits issued and dwellings demolished

The bill requires every municipality to report to the Department of Economic and Community Development (DECD) in a manner it specifies on the annual number of (1) new dwellings permitted, including whether they are in single family, two-to-four family, or larger multifamily properties, and (2) dwelling units demolished. The first report, covering 2018-2022, is due December 31, 2023, with annual reports subsequently due by March 31 each year (covering the prior year), beginning in 2024. DECD must publish the reports on its website. (In practice, DECD already collects and publishes similar data.)

If a municipality misses an annual filing deadline, DECD must notify it in writing that it has 60 days to submit the required information or it will be deemed ineligible for discretionary state funding that DECD administers until the next filing deadline. The DECD commissioner may waive this penalty if she finds good cause for failing to file.

EFFECTIVE DATE: October 1, 2023

§ 209 — STUDY OF STATE PROPERTY THAT COULD BE DEVELOPED AS HOUSING

Requires OPM to study whether any state-owned real property is available and suitable to develop as housing

The bill requires the OPM secretary, in consultation with the

administrative services and transportation commissioners, to study whether any state-owned real property (excluding conserved lands) is available and suitable for developing as housing. The study must focus on property that is suited to transit-oriented and affordable housing development. The OPM secretary must report on the study to the governor and Housing and Planning and Development committees by January 1, 2024.

EFFECTIVE DATE: October 1, 2023

§ 210 — REMOVAL OF CERTAIN EVICTION RECORDS FROM THE JUDICIAL DEPARTMENT WEBSITE

Requires the Judicial Department to remove from its website records or identifying information related to eviction proceedings within specified time periods based on an action's disposition; prohibits the department from selling or transferring these removed records for commercial purposes, such as consumer reporting or tenant screening

The bill requires the Judicial Department to remove from its website any records or identifying information ("records") related to a summary process action (i.e., eviction proceeding) that is withdrawn, dismissed or nonsuited, or decided in the defendant's (i.e., tenant's) favor. The department must do so within 30 days after the action's disposition. If an action is decided in favor of the plaintiff (i.e., landlord), the Judicial Department must remove the records within two years after judgment is entered unless directed to do so sooner by court order.

The bill prohibits the Judicial Department from including removed records in any sale or transfer of bulk case records to a person or entity purchasing the records for commercial purposes (e.g., selling the records, providing consumer reporting- and prospective tenant screening-related services, or using the records for any other financial gain). It also expressly prohibits these commercial purchasers from disclosing a removed record. However, the bill exempts from this prohibition the use of the records for governmental, scholarly, educational, journalistic, or other noncommercial purposes.

The bill requires the Judicial Department to restore a case to its website, including any associated records that were previously removed, if there is any activity in the case. Similarly, the department

must retain records on its website beyond their removal date if there is an ongoing appeal. Under the bill, restored or retained records remain on the Judicial Department website until the later of (1) 30 days after the associated case's disposition or (2) the applicable time period from the original disposition.

Finally, the bill specifies that its requirements do not prevent the Judicial Department or a case reporting service from publishing any formal written judicial opinions.

EFFECTIVE DATE: July 1, 2024, and applicable to any summary process action disposed of either before or after this date.

§ 211 — ACCESS TO PUBLIC DEFENDER SERVICE

Requires the Public Defender Services Commission to (1) annually establish guidelines that the Division of Public Defender Service must use to determine a person's eligibility for free representation and (2) publish the guidelines on the division's website

The bill requires the Public Defender Services Commission to annually establish guidelines that public defenders, assistant public defenders, and deputy assistant public defenders must use when determining whether a person (1) has the financial ability to secure competent legal representation and meet other necessary related expenses or (2) qualifies for representation as an indigent defendant.

Under the bill, the guidelines may allow a person to be eligible if their income is 250% or less of the federal poverty level (currently at or below $36,450 for an individual) when calculated on the guidelines.

The bill requires the commission to publish the guidelines on the Division of Public Defender Service's website. (It does not establish a deadline by which the commission must do so.)

The bill also makes conforming changes.

EFFECTIVE DATE: January 1, 2025

Background — Indigent Defendant

By law, for public defender services, an "indigent defendant" is any of the following persons who, at the time of his or her request for

representation, does not have the financial ability to secure competent legal representation and meet other necessary related expenses:

1. a person formally charged with a crime punishable by imprisonment,

2. a child at the beginning of any proceeding regarding an alleged delinquency, or

3. a child in a proceeding on a juvenile matter.

§ 212 — ATTORNEY GENERAL QUALIFICATIONS

Modifies the qualifications to serve as attorney general

The bill modifies the qualifications to serve as attorney general by requiring the member to be in good standing with the state bar and have engaged in the practice of law in the state for at least 10 years, whether consecutively or nonconsecutively. According to the Connecticut Practice Book, the practice of law is tending "to the legal needs of another person and applying legal principles and judgment to the circumstances or objectives of that person" including:

1. representing oneself as an attorney that is qualified, capable, or engaged in the practice of law;

2. giving advice or counsel on (a) legal rights or responsibilities; (b) matters applying legal principles to rights, duties, obligations, or liabilities; or (c) transactions involving property interests;

3. drafting legal documents or agreements;

4. representing any person in court, formal administrative adjudicative proceedings, formal dispute resolution processes, or certain other administrative adjudicative proceedings; and

5. engaging in other acts considered the practice of law as established by case law, statute, ruling, or other authority (Connecticut Practice Book, § 2-44A).

Under current law, in order to be eligible to be attorney general a

person must be an attorney with at least 10 years of "active practice at the bar of this state." Under case law, this requires the person to have some litigation experience and regularly engage in the practice of law as a primary means of earning a livelihood for at least 10 years (see *Background — Related Case*). By law and unchanged by the bill, the attorney general must also be an elector.

EFFECTIVE DATE: Upon passage

Background — Related Case

In *Bysiewicz* v. *DiNardo*, the Connecticut Supreme Court ruled that the statutory requirement that the attorney general be "an attorney at law of at least ten years' active practice at the bar of this state" means that the attorney general must have some litigation experience and have regularly engaged in the practice of law as a primary means of earning his or her livelihood for at least 10 years. The court found that representing clients is an essential element of the active practice at the bar of this state. The court also ruled that the statutory qualifications are constitutional even though they are stricter than the state constitution's general qualifications for state office (*Bysiewicz* v. *DiNardo*, 298 Conn. 748 (2010)).

§§ 213-216 — HEALTH INSURANCE COVERAGE FOR PARAEDUCATORS

Establishes two subsidy programs for paraeducators' health insurance costs; requires the Office of Health Strategy to help paraeducators enroll in certain health insurance programs; establishes a paraeducator healthcare working group

The bill requires the comptroller to establish two programs providing subsidies to paraeducators for certain health insurance and health care related costs. The first program provides a subsidy reimbursement for costs paraeducators spend to initially fund a health savings account (HSA), which is a tax advantaged account available to people with high deductible health plans. The second provides a subsidy to purchase qualified health insurance to paraeducators who work for a board of education that does not provide a health insurance plan that meets the federal Affordable Care Act minimum actuarial value standards.

The bill requires the Office of Health Strategy (OHS) to help local and

regional boards of educations enroll paraeducators in (1) health insurance plans that are eligible for the bill's second subsidy program; (2) the Covered Connecticut program, which provides eligible individuals with health insurance for no out-of-pocket cost; or (3) Medicaid.

The bill also establishes a paraeducator healthcare working group to study health care access, equity, and affordability for paraeducators working at local or regional boards of education.

HSA Subsidies

The bill requires the comptroller to establish a program for FY 24 to provide a subsidy to paraeducators who (1) open an HSA, (2) are employed by a local or regional board of education, and (3) apply to the comptroller in a way he prescribes. The subsidy is available within available appropriations and is a certain percentage of the initial investment the paraeducator made to open the account. The comptroller determines the amount, and no paraeducator may receive more than one subsidy.

Health Insurance Subsidies for Certain Paraeducators

The bill requires the comptroller, for each fiscal year beginning with FY 25, to provide stipends to eligible paraeducators who buy silver-level health insurance plans through Access Health CT. The stipends are available to paraeducators employed by a local or regional board of education that only offers the paraeducators a health benefit plan with an AV less than 60%.

No paraeducator can receive more than the cost of their purchased plan, after any federal or state tax credits are applied. The comptroller must prescribe forms and procedures for paraeducators to apply for the stipends.

Paraeducator Health Care Working Group

The working group consists of at least one representative each from Access Health CT (i.e., the Connecticut Health Insurance Exchange) and OHS and at least one member appointed by the two organizations

representing Connecticut paraeducators The study must at least:

1. analyze the cost to boards to offer health benefit plans with an actuarial value (AV) of at least 75% (AV represents the total average costs for benefits that plan covers);

2. consider any fees or taxes assessed on boards for not providing health insurance plans that meet the federal minimum essential benefits coverage requirements;

3. compare the costs to offer health benefit plans (by AV) and the costs of a qualified silver-level plan;

4. examine the feasibility of expanding the Covered Connecticut program, or any other premium subsidy program available through Access Health CT, to provide affordable coverage for paraeducators and other similarly situated occupations; and

5. assess the average out-of-pocket costs for paraeducators under existing cost-sharing subsidy programs.

Access Health CT's representative must convene the group's first meeting, which must be held by October 1, 2023.

The bill requires Access Health CT to report to the Appropriations, Education, Insurance and Real Estate, and Labor and Public Employees committees on its findings, including any legislative recommendations, by July 1, 2024.

EFFECTIVE DATE: July 1, 2023

§§ 217-218 & 414 — DELAYED EFFECTIVE DATE FOR CONSUMER HEALTH DATA PRIVACY PROVISIONS

Delays by three months the effective date of sSB 3's provisions on consumer health data privacy and consumer health data controllers; makes corresponding changes to provisions on the attorney general's enforcement authority

sSB 3, as amended by Senate Amendment "A" and passed by both chambers ("sSB 3"), sets standards on accessing and sharing consumer health data by certain private entities that do business in Connecticut. Among other things, it (1) places various specific limitations on

"consumer health data controllers," (2) incorporates various provisions on these controllers into the existing law (which takes effect this July) on consumer data privacy and online monitoring, and (3) makes minor changes to the existing data privacy law (sSB 3, §§ 1-5).

This bill delays the effective date of these provisions from July 1, 2023, to October 1, 2023.

sSB 3 also extends the existing data privacy law's enforcement provisions to its new provisions on consumer health data controllers. This bill replaces these enforcement provisions, to correspond to the new effective date for the other sections described above, and makes conforming changes. Under these provisions, among other things, (1) the attorney general has exclusive authority to enforce violations and (2) there is a grace period through December 31, 2024, during which the attorney general must give violators an opportunity to cure any violations.

EFFECTIVE DATE: Upon passage, except October 1, 2023, for the replacement provisions on the attorney general's enforcement authority.

§§ 219-229 — DELAYING CHANGES TO MOTOR VEHICLE ASSESSMENT LAW

Delays, by one year, provisions in a 2022 law that made various changes to motor vehicle taxation and assessment procedures

The bill delays, by one year, provisions in a 2022 law that made various changes to motor vehicle taxation and assessment procedures (PA 22-118, §§ 497-509). Under current law, these changes take effect for assessment years beginning on and after October 1, 2023. The bill delays their effective date by one year, to assessment years beginning on and after October 1, 2024. Primarily, they do the following:

1. exempt from property tax snowmobiles, all-terrain vehicles, and utility trailers used exclusively for personal purposes;

2. require municipalities to value motor vehicles based on their manufacturer's suggested retail price (MSRP) and a 20-year

depreciation schedule, rather than the schedule of values annually recommended by the Office of Policy and Management (OPM);

3. move up (from December 1 to November 1) the date by which the Department of Motor Vehicles (DMV) must give municipalities annual reports on motor vehicles registered in the municipality and increase the frequency with which DMV must give them supplemental reports updating this information;

4. modify the timeline for supplemental property taxes due on motor vehicles registered after each assessment year starts and extend the supplemental tax bill requirement to vehicles registered in August and September of each assessment year;

5. extend the period during which taxpayers may claim a property tax credit for motor vehicles that were stolen, sold, totaled, or moved out of state;

6. require taxpayers to include on personal property declarations motor vehicles that are included in a schedule of motor vehicle plate classes established by OPM;

7. prohibit DMV from issuing a vehicle registration or renewal to anyone who owes property taxes on any taxable motor vehicle, rather than only registered vehicles; and

8. eliminate a requirement that municipalities issue a validation sticker showing property taxes have been paid on certain commercial motor vehicles used for construction, paving, or other similar purpose.

EFFECTIVE DATE: July 1, 2023, and applicable to assessment years starting on or after October 1, 2024.

§§ 230 & 231 — PROHIBITION ON REVIEWS OF RECURRING PRESCRIPTION DRUGS TO TREAT AUTOIMMUNE DISORDERS, MULTIPLE SCLEROSIS, OR CANCER

Prohibits health carriers (e.g., insurers and HMOs) from requiring a prospective or concurrent review of a recurring prescription drug used to directly treat an autoimmune disorder, multiple sclerosis, or cancer that they already approved through utilization review

The bill prohibits health carriers from requiring a prospective or concurrent review of a recurring prescription drug used to directly treat any autoimmune disorder, multiple sclerosis, or cancer, after they have certified it through utilization review. The bill specifies that it does not require a health carrier to cover a:

1. prescription drug to treat these conditions if the policy's coverage terms completely exclude the drug from its covered benefits,

2. brand name drug if an equivalent generic is available, or

3. prescription drug that was certified through prospective or concurrent review by an individual's previous health carrier or under a previous employer's fully insured health plan administered by a third party administrator.

EFFECTIVE DATE: January 1, 2025, except technical changes are effective October 1, 2023.

§ 232 — UTILIZATION REVIEW REQUEST TIME FRAMES

Shortens the maximum timeframes for health carriers to notify an insured or his or her authorized representative of certain utilization reviews

Existing law establishes a structure and timeframe for health carriers, and any designee or utilization review company that performs utilization reviews on their behalf, to conduct benefit reviews and notify a covered individual whether a specific medical service is reimbursable by his or her health insurance plan.

The bill shortens several of the maximum timeframes these entities can take, after receiving all the required information, to notify an insured or the insured's authorized representative of decisions. Specifically, the bill shortens the maximum response time for decisions about the following requests:

1. a non-urgent prospective or concurrent review request, from 15

to 7 calendar days after the date the health carrier receives the request, but the bill allows the health carrier to extend this once for up to 15 days as long as the insured's provider notifies the carrier that the service will not be performed for at least three months from the date the request was received;

2. a one-time extension of non-urgent prospective or concurrent review request due to circumstances beyond the carrier's control and following proper notice, from 15 to 5 calendar days (for retrospective reviews, the bill maintains current law's one-time extension of 15 calendar days); and

3. urgent care requests, from 48 hours (or 72 hours if the request or response time falls on a weekend) to 24 hours after the health carrier receives the request.

By law, urgent review requests must be done as soon as possible, taking into account the insured's medical condition.

Procedural Failures

The bill also changes how a health carrier must process review requests that fail to meet the carrier's filing procedures. Under current law, a health carrier must notify an insured and his or her authorized representative, if applicable, within five calendar days of receiving the request for a non-urgent request or within 24 hours for an urgent care request. Under the bill, for non-urgent prospective and concurrent review requests, a carrier must instead acknowledge receipt of these requests as soon as practicable but within 24 hours after receiving it, unless federal law requires a faster response.

Current law allows health carriers to notify patients orally if it provides written confirmation within five calendar days after providing the oral notice. The bill shortens this time period to three calendar days.

Additionally, the bill prohibits health carriers from requiring that health care professionals or hospitals submit additional information with a prospective or concurrent review that is not reasonably available to the provider or hospital at the time the request is submitted.

EFFECTIVE DATE: January 1, 2024

§§ 233 & 234 — NEWBORN HEALTH INSURANCE COVERAGE

Extends, from 61 days to 91 days after birth, the time period within which an insured person must (1) notify the health carrier about a newborn's birth and (2) pay any required premium or subscription fee to continue the newborn's coverage beyond that period

By law, certain health insurance policies that cover family members must cover newborns from birth. The coverage must include injury and sickness benefits, including the care and treatment of congenital defects and birth abnormalities.

The bill extends, from 61 days after birth to 91 days after the birth, the time period within which the insured person must (1) notify the health carrier about the birth and (2) pay any required premium or subscription fee to continue the newborn's coverage beyond that period. As under current law, if notification and payment is not provided within the specified period, claims originating during that period are not prejudiced.

Under current law, these provisions apply to individual health insurance policies that cover limited benefits and individual and group health insurance policies delivered, issued, renewed, amended, or continued in Connecticut that cover (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; (4) accidents; or (5) hospital or medical services, including those provided under an HMO plan. The bill excludes individual and group accident only policies from these provisions. (In practice, these policies are unlikely to cover birth related services.)

Because of the federal Employee Retirement Income Security Act, state insurance benefit mandates do not apply to self-insured benefit plans.

EFFECTIVE DATE: January 1, 2024

§§ 235 & 236 — STEP THERAPY PROHIBITIONS

Reduces how long an insurer can require an insured to use step therapy for prescription drugs from 60 to 30 days and prohibits step therapy from January 1, 2024, to January 1, 2027, for drugs used to treat schizophrenia, major depressive disorder, or bipolar disorder

Step therapy is a protocol for establishing the sequence for prescribing drugs for specific medical conditions that generally requires patients to try less expensive drugs before higher cost drugs. The bill lowers, from 60 to 30 days, the maximum amount of time an insurer can require an insured to use step therapy. (However, it does not make a conforming change to a provision on requesting an authorization to override any step therapy regimen.)

For the three-year period beginning January 1, 2024, the bill prohibits step therapy for drugs used to treat schizophrenia, major depressive disorder, or bipolar disorder, as defined in the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders" most recent edition. Additionally, the bill allows a health care provider treating an insured with these conditions to deem step therapy clinically ineffective. (Presumably, this applies following the three year prohibition). At that point, the insurer must authorize dispensation of and coverage for the drug prescribed by the provider, if it is covered under the insurance policy or contract. If the provider does not consider the step therapy regimen to be ineffective or does not request an override as the law allows, the drug regimen may be continued.

Existing law, unchanged by the bill, prohibits step therapy use for drugs used to treat stage IV metastatic cancer, as long as the drugs comply with approved federal Food and Drug Administration indications.

EFFECTIVE DATE: January 1, 2024

§ 237 — STEP THERAPY TASK FORCE

Establishes a 23-member task force to study step therapy data collection

The bill creates a 23-member task to study step therapy data collection, including step therapy edits, rejections, and appeals for behavioral health drugs, and the best ways to collect data. Under the bill, the task force includes the following members:

1. two health care providers with mental health expertise, one each appointed by the House speaker and the Senate president pro

tempore;

2. one licensed pharmacist, appointed by the House minority leader;

3. one pharmaceutical manufacturing industry representative, appointed by the Senate minority leader;

4. the chairpersons and ranking members of the Insurance and Real Estate and Public Health committees, or their designees;

5. the Office of Health Strategy executive director, or her designee;

6. the insurance and consumer protection commissioners, or their designees;

7. two insurance industry representatives, one each appointed by the Insurance and Real Estate Committee chairpersons;

8. two pharmaceutical industry representatives, one each appointed by the Insurance and Real Estate Committee's ranking members;

9. two mental health care providers, one each appointed by the Public Health Committee's chairpersons; and

10. two mental health advocacy group representatives, who must be impacted individuals, appointed by the Public Health Committee's ranking members.

Appointing authorities must make their appointments within 30 days after the bill's passage and fill any vacancies. The House speaker and Senate president pro tempore must select the task force's chairpersons from among its members. The chairpersons must schedule the first meeting, which must be held within 60 days after the bill's passage. The Public Health Committee's administrative staff serve as the task force's staff.

The task force must report its findings and recommendations to the Insurance and Real Estate and Public Health committees by February 1,

2024. The task force terminates when it submits its report or on February 1, 2024, whichever is earlier.

EFFECTIVE DATE: Upon passage

§§ 238 & 239 — MANAGED CARE ORGANIZATIONS REPORTS AND CONSUMER REPORT CARD

Requires managed care organizations (MCOs) to annually report certain prior authorization and utilization review data, actuarial analyses, and estimated premium savings to the insurance commissioner; requires the commissioner to include some of this information in his annual consumer report card

MCO Reports

Existing law requires managed care organizations (MCOs) to submit an annual quality assurance plan to the insurance commissioner by May 1. The bill specifies that the statistical information included in the report must be in a format the commissioner prescribes and include, in a manner that allows the commissioner to compare plans (1) a list of health care services that required prior authorization in the previous calendar year and (2) the percent of services that required prior authorization in the previous calendar year compared to the total overall number of covered services. By law, the statistical information must also include several other comparable criteria, such as the number of utilization review determinations and the percent of employers that renew their MCO contracts.

By law, the commissioner can accept these annual quality assurance plans and other MCO reports electronically. The bill allows him to revise the filing requirements to implement the statistical reporting provisions described above.

Annually, also by May 1, the bill requires MCOs to submit to the commissioner a report that summarizes (1) the actuarial analysis used in setting standards for any procedures subject to prior authorization in the previous calendar year and (2) any estimated premium savings resulting from prior authorization and other utilization review protocols. The commissioner must prescribe the report's format.

Consumer Report Card

By law, the consumer report card is an annual report issued by the insurance commissioner that contains certain comparative information on health care centers (i.e., HMOs) and the 15 largest health insurers that use provider networks in the state. The report card includes, for MCOs, which include HMOs and insurers, a report on claims denials. Under the bill, the report card must also include the actuarial analysis and estimated premium savings information described above.

EFFECTIVE DATE: October 1, 2023

§ 240 — ELECTRONIC UTILIZATION REVIEW PROCESSING

Requires health care providers participating in a health carrier's network to use a carrier's secure electronic system to process utilization reviews

The bill requires participating providers (i.e., health care providers who contract with a health carrier to provide services) to use a carrier's secure electronic program to process utilization review requests. However, a participating provider's failure to use the program must not contribute to an adverse determination (e.g., a benefit denial).

EFFECTIVE DATE: January 1, 2024

§§ 241-257, 418, 424 & 425 — BOARDS AND COMMISSIONS REPEAL

Repeals more than 20 boards, commissions, working groups, panels, and task forces

Repealed Boards and Commissions

The bill repeals more than 20 boards, commissions, working groups, panels, and task forces. The table below lists and briefly describes most of the entities the bill repeals. The remaining entities (generally those for which the bill makes other changes besides repealing the entity) are described below the table.

Additionally, the bill repeals obsolete language, including provisions concerning the Department of Housing's establishment in 2013 (CGS § 8-37sss).

Table: Repealed Boards and Commissions

§ in Bill CGS (or PA/SA) Citation	*Entity*	*Purpose*
241 CGS § 4-67f	Innovations Review Panel	Review and evaluate requests for funding for projects and awards to reduce state agencies' costs and increase their efficiencies
418 CGS §§ 2-85 to -88	Connecticut Law Revision Commission	Receive and evaluate changes to the General Statutes recommended by specified entities (e.g., the National Conference of Commissioners on Uniform State Laws)
242, 257 & 418 CGS § 2-111	Results First Policy Oversight Committee	Submit an annual report recommending measures to implement the Pew-MacArthur Results First cost-benefit analysis model (the bill also repeals a related obsolete reporting requirement for the Office of Policy and Management (OPM) secretary)
418 CGS § 2-123	Connecticut Competitiveness Council	Advise the executive and legislative branches and businesses about Connecticut's economic performance, including how it compares with that of other jurisdictions
418 CGS §§ 2-124 & 32-39p	Commission on Economic Competitiveness	Assess how the state's tax policies affect business and industry and develop policies to promote economic growth (The bill also repeals the Connecticut 500 Project, which the commission must administer with a goal of creating 500,000 net new private sector jobs over a 25-year period and achieving other economic development goals)
418 CGS § 2-124a	Connecticut Health Data Collaborative Working Group	Make recommendations relating to health data access, privacy, and security, among other things (group is appointed by the chairpersons of the Commission on Economic Competitiveness, see above)
254-256 & 418 CGS § 4a-62	Minority Business Enterprise Review Committee	Conduct an ongoing study of contract awards, loans, or bonds to determine compliance with state law's requirements concerning minority business enterprises, including the state set-aside program
243 & 418 CGS § 4e-9	Vendor and Citizen Advisory Panel	Make recommendations to the State Contracting Standards Board regarding best practices in state procurement processes and project management
243, 244 & 418 CGS § 8-37zz	State-Assisted Housing Sustainability Advisory Committee	Advise the housing commissioner and Connecticut Housing Finance Authority on the administration, management, procedures, and objectives of the financial assistance provided from the State-Assisted Housing Sustainability Fund
246 & 418 CGS § 12-	Business Tax Credit and Tax Policy Review	Study and evaluate all the existing credits against the corporation business tax, evaluate changes or modifications to it, and consider further changes in

§ in Bill CGS (or PA/SA) Citation	*Entity*	*Purpose*
217z	Committee	policy regarding the taxation of businesses
418 CGS §§ 25-138 to -142	Bi-State Long Island Sound Committee	Recommend legislation to avoid, minimize, and mitigate the impact of the proposed industrialization and private use of the Sound's public trust resources
418 CGS § 25-154	Long Island Sound advisory councils (Eastern, Central, and Western)	Each council must prepare reports on the use and preservation of the Sound within its respective boundaries
249 & 418 CGS § 25-155	Long Island Sound Assembly	Review the advisory councils' reports (see above) for compatibility with the other councils' reports and for coordination with federal and state law and the Bi-State Long Island Sound Committee's activities
250 & 418 CGS § 29-251b	Building Code Training Council	Advise the state building inspector and Codes and Standards Committee on certification training programs, continuing education programs for building officials, and other training programs
418 CGS §§ 32-180 to -182	Connecticut-Israel Exchange Commission	Promote and expand economic, scientific, educational, technological, commercial, industrial, and cultural cooperation and exchange between Connecticut and Israel
418 CGS § 33-2001	Commission on Connecticut's Leadership in Corporation and Business Law	Develop and submit to the legislature a 10-year plan of action to establish Connecticut's leadership in corporation and business organizations law
424 & 425 PA 14-205 (§ 3), as amended by SA 15-19	Task force on municipal animal shelters	Study (1) the humane treatment of animals in municipal and regional shelters and (2) other matters concerning these shelters; report to the Environment and Planning and Development committees by February 1, 2016
424 PA 18-81 (§ 58)	Panel to study Teachers' Retirement System (TRS) reforms	Study TRS reforms proposed by the Commission on Fiscal Stability and Economic Growth; report study results and any recommendations to the Appropriations Committee by January 1, 2019

State Employee Campaign for Charitable Giving (§ 418)

The bill repeals the State Employee Campaign for Charitable Giving (CSEC), which is overseen by the State Employee Campaign Committee (which the bill also repeals) and state comptroller. Under current law,

the CSEC collects contributions through state employee payroll deductions and is administered by a principal combined fundraising organization that the committee must select annually (CGS § 5-262).

Fuel Oil Conservation Board (§§ 247 & 418)

The bill repeals the Fuel Oil Conservation Board, which under current law must work with the Department of Energy and Environmental Protection (DEEP) commissioner to administer the energy efficiency fuel oil furnace and boiler replacement, upgrade and repair program (CGS § 16a-22n). It instead generally makes the DEEP commissioner solely responsible for administering the program. Relatedly, it requires the Connecticut Energy Conservation Management Board alone, rather than in conjunction with the Fuel Oil Conservation Board, to make certain determinations regarding specified boilers, furnaces, and tanks.

Connecticut Umbilical Cord Blood Collection Board (§§ 248 & 418)

The bill repeals the Connecticut Umbilical Cord Blood Collection Board, which under current law must establish and administer a state umbilical cord blood collection program to facilitate and promote collecting units of umbilical cord blood from genetically diverse donors for public use (CGS §§ 19a-32o to -32v). In repealing the board, the bill likewise repeals the program, as it does not transfer the board's powers or duties to a different entity.

Regenerative Medicine Research Advisory Committee (§§ 251-253)

The bill repeals the Regenerative Medicine Research Advisory Committee and generally transfers its power and duties to Connecticut Innovations, Inc. (CI). These include (1) developing a donated funds program to encourage the development of funds other than state appropriations for regenerative medicine research in the state and (2) administering a financial assistance program for regenerative medicine research. (Under existing law, CI administers the Regenerative Medicine Research Fund.)

EFFECTIVE DATE: July 1, 2023

§§ 258-261 — FY 23 BUDGET ADJUSTMENTS

Makes deficiency appropriations and corresponding reductions for FY 23 in the General Fund and Special Transportation Fund

The bill (1) appropriates a total of $71,732,000 from the General Fund and $5,100,000 from the Special Transportation Fund to cover deficiencies in various state agencies and programs for FY 23 and (2) reduces appropriations to other agencies and programs for FY 23 by the same amount. Please refer to the fiscal note for details.

EFFECTIVE DATE: Upon passage

§§ 262-270 — PARTICIPATION BY PHARMACISTS AND INTERNS IN HAVEN'S ASSISTANCE PROGRAM

Makes pharmacists and pharmacy interns eligible for the professional assistance program for health professionals

The bill makes pharmacists and pharmacy interns (hereinafter, "pharmacists and interns") eligible for the professional assistance program for health professionals (currently, the Health Assistance InterVention Education Network (HAVEN); see *Background*). By law, the program is an alternative, voluntary, and confidential rehabilitation program that provides various services to health professionals with a chemical dependency, emotional or behavioral disorder, or physical or mental illness.

In doing so, the bill makes a number of minor and conforming changes to reflect the fact that the Department of Consumer Protection (DCP) regulates pharmacists and interns; currently, the professionals eligible for the program are regulated by the Department of Public Health (DPH). These corresponding changes include establishing separate but substantially similar provisions specifically for pharmacists and interns and giving DCP oversight of these professionals' participation in the program (see below). But under the bill, DPH remains the lead agency responsible for the program (e.g., overseeing the program's annual audit and oversight committee).

The bill also correspondingly requires the assistance program to submit certain information on participating pharmacists and interns to the General Law Committee, like it currently submits to the Public

Health Committee for other health professionals.

The bill also raises the renewal credentialing fees for pharmacist and intern licensees by $5, to $105 and $65, respectively. It requires the DCP commissioner to transfer $5 from each renewal fee to the pharmacy professional assistance program account, which the bill creates as a separate, nonlapsing account. He must do so by the last day of January, April, July, and October, each year. The funds must be used by DCP for the assistance program (§§ 4 & 8-10).

EFFECTIVE DATE: October 1, 2023, except the provisions on renewal fees are effective July 1, 2025.

Access on Similar Terms

As is the case for the health professionals already eligible to participate in the assistance program, among other things, the bill:

1. requires the assistance program to include a medical review committee that meets the bill's requirements, which are substantially similar to existing law's requirements for medical review committees (e.g., the committee must determine whether the professional is an appropriate candidate, set the terms for his or her participation, and refer specified individuals to DCP);

2. makes professionals who have engaged in certain conduct ineligible to participate (e.g., conduct that has been subject to disciplinary action, actions that constitute a felony, or alleged to have harmed a patient);

3. generally requires the program to keep information related to an intervention, rehabilitation, referral, or support services confidential; and

4. specifies that if pharmacists or interns fail to comply with the program, it must notify DCP and transfer related records to the department.

DCP's Authority and Oversight

To reflect DCP's credentialing role for pharmacists and interns, the bill, among other things:

1. gives DCP oversight of pharmacists' and interns' participation in the assistance program, including making DCP the agency that hospitals, health care practitioners, and the public notify if they believe a pharmacist or intern is unable to practice with reasonable skill or safety;

2. requires the program to notify DCP if it determines a pharmacist or intern has engaged in conduct that makes him or her ineligible to participate or is engaging in conduct that violates the terms of his or her participation or endangers others;

3. requires the program to annually report to DCP, if there is no other credentialing board or commission, data related to pharmacists' and interns' participation; and

4. requires DPH to notify DCP in writing, if it waives the assistance program's annual audit requirement and, regardless of this waiver, allows DCP to require an audit of the program, to be submitted to the department and the General Law Committee, to examine whether it is appropriately serving pharmacists and interns.

Background — Health Professional Assistance Program

By law, before a health professional can enter the program, a medical review committee must (1) determine if he or she is an appropriate candidate for rehabilitation and participation and (2) set terms and conditions for participation. The program must include mandatory periodic evaluations of each participant's ability to practice with skill and safety and without posing a threat to the health and safety of any person or patient (CGS § 19a-12a).

§§ 271-274 — MANDATORY SPECIALIZED VEHICLE IDENTIFICATION NUMBER (VIN) MARKING ON VEHICLE PARTS PRIOR TO THE SALE OF ANY NEW VEHICLE

Principally, (1) requires dealers to specially mark a vehicle's VIN on its component parts before selling it and for purchasers to pay for this; (2) further requires dealers to provide

warranties that provide purchasers money and credits if their vehicles are stolen; (3) restricts the replacement, refurbishment, and painting of marked component parts to licensed repairers; and (4) requires the insurance commissioner to adopt regulations to establish premium rate reductions to vehicle owners with marked component parts

The bill makes several changes in the state's vehicle VIN marking law. Generally, it:

1. requires licensed new car dealers to specially mark a new car, motorcycle, or other motor vehicle's VIN on its component parts before selling it, rather than offering the service as under current law;

2. requires vehicle purchasers to pay for this marking based on rates set by dealers that must be filed with the Department of Motor Vehicles (DMV);

3. requires dealers to (a) give purchasers three to five-year warranties under which dealers must pay purchasers $2,500 and credit them with $2,500 towards a vehicle purchase within 60 days after receiving certain proof that the vehicle was stolen and (b) obtain an insurance policy or maintain reserves to adequately cover warranty claims;

4. requires dealers and others performing the marking services to maintain a database on what they mark for at least 10 years and make it accessible to DMV and any law enforcement agency without requiring a search warrant;

5. restricts the replacement, refurbishment, and painting of marked component parts to licensed repairers and requires them to mark replacement component parts;

6. imposes specific fines for anyone who violates a provision of the state's VIN marking law other than making a false statement; and

7. requires the DMV and insurance commissioners to adopt regulations to, respectively, implement the bill and create premium rate reductions for the owner or lessee of a motor vehicle with marked component parts.

The bill also makes conforming and technical changes, including removing an obsolete provision.

EFFECTIVE DATE: October 1, 2023

Component Parts Marking

Under current law, new and used car dealers (1) may offer purchasers of most vehicles the service of marking the vehicle's VIN on its component parts and (2) must offer to do so when selling a motorcycle. The bill instead requires new car dealers ("dealers"), before selling any new vehicle (including motorcycles), to mark the vehicle's VIN on its component parts. Under the bill, this marking must do the following:

1. permanently mark the complete VIN on the component part in a secure manner using a covert application;

2. remain visible after one or more layers of paint have been applied to the area in which the VIN has been marked;

3. include the marking company's name and telephone number or website;

4. be identified by a vinyl stencil that is highly resistant to counterfeiting, cannot be removed in one piece, and leaves a permanent mark on the component part if removed, and

5. be performed using chemicals that will not damage the paint on the component part or vehicle itself.

By law, unchanged by the bill, this marking is further subject to regulations and standards adopted by the DMV commissioner (see below).

Under the bill, a "component part" includes a motor vehicle's hood, trunk, wheels and door or a motorcycle's frame or steering column. A "covert application" is a latent brushed chemical that embeds the marking over a vinyl stencil so that when the stencil is removed, the marking is only visible with the assistance of an ultraviolet light. (The bill generally restores these definitions for "component part" and

"covert application," which had been codified by PA 21-175, § 53, but removed by PA 22-44, § 14.)

By law, unchanged by the bill, dealers must (1) specify their VIN marking of component parts service charges separately on vehicles' sale orders, (2) charge reasonable rates for the service, and (3) file a schedule of these rates with DMV. The law prohibits them from charging rates greater than those on file with DMV but allows them to file amended rate schedules from time to time. Anyone who violates these provisions is subject to the statutory penalty of false statement, which is a class A misdemeanor punishable by up to 364 days in prison, a fine of up to $2,000, or both.

Marking Database and Requirements on Replacing, Refurbishing, and Painting Parts

The bill requires new and used car dealers, lessors, and companies performing component parts marking services to maintain a secure database of the motor vehicles, including motorcycles, and component parts that they mark, and keep the information in the database for at least 10 years. Under the bill, their databases must be accessible by the DMV and any law enforcement agency without requiring a search warrant. (Presumably, the bill refers to the statutory definition of "law enforcement unit," which is any state or municipal agency or department (or tribal agency or department created and governed under a memorandum of agreement) whose primary functions include enforcing criminal or traffic laws; preserving public order; protecting life and property; or preventing, detecting, or investigating crime.)

The bill prohibits anyone from replacing, refurbishing, or painting a marked component part unless he or she (1) is a licensed repairer and (2) gives the dealer or company that marked the component part enough information to identify the customer, motor vehicle, and part to be replaced, refurbished, or painted. The bill requires dealers and companies that receive this information to input it into their databases. It also prohibits repairers from replacing marked component parts unless the replacement component part is marked by the repairer. (Presumably, markings by repairers must conform to the requirements

above on dealers.)

Warranties and Insurance

The bill requires dealers that perform the bill's required VIN marking component part services to give vehicle purchasers a written warranty. This warranty must:

4. identify the serviced vehicle's VIN and the date the service was performed;

5. be valid for a three-year period for motorcycles and for five years for other motor vehicles; and

6. require the dealer, within 60 days after receiving sufficient proof that the warrantied vehicle was stolen, to give the vehicle's purchaser a $2,500 payment and $2,500 credit that may be applied toward the purchase, from the dealer, of a vehicle that is of equal or greater value to the warrantied one.

Under the bill, "sufficient proof" is (1) a police report indicating that the vehicle was stolen and (2) proof of total loss of the vehicle due to theft from the primary insurance company that insures it.

The bill also requires these dealers to obtain an insurance policy or maintain reserves to adequately cover warranty claims. Each dealer must give the insurance commissioner a copy of the (1) insurance policy or certification from a certified public accountant attesting to the adequacy of the reserves to satisfy warranty claims, as reported on the dealer's financial statements or in a trust account, and (2) warranty form used by the dealer.

Regulations

Under current law, the DMV commissioner must adopt regulations to implement the state's VIN marking law, which may provide certain standards. The bill instead requires that the regulations at least provide standards for:

1. marking component parts in a secure manner,

2. telephone or online access to the secure databases that must be created under the bill, and

3. marking parts that repairers use to replace previously marked parts.

Separate Penalty

The bill subjects anyone who violates a provision of the state's VIN marking law other than making a false statement (see above) to fines of up to $100 for a first violation and up to $300 for any subsequent violation.

Under the bill, violations are processed through the Centralized Infractions Bureau (CIB). By law, individuals charged with a motor vehicle violation may, generally, pay the fine through the CIB without appearing in court. Payment is considered a plea of nolo contendere (no contest) and is not admissible in any civil or criminal proceeding. If an individual pleads not guilty, the CIB must send the plea and request for trial to the clerk of the geographical area court where the trial is to take place. The practice, procedure, rules of evidence, and burden of proof applicable in criminal proceedings apply in such a trial.

§ 275 — MUNICIPAL APPROVAL OF CAA AIRPORT PURCHASE

Expands a provision in sSB 904 of the current session that subjects any CAA purchase of a municipally owned airport to approval by the municipality in which the airport is located

The bill expands a provision in sSB 904 (File 437, as amended by Senate "A") that subjects any CAA purchase of a municipally owned airport to approval by the legislative body of the municipality in which the airport is located. Under the bill, any CAA purchase or lease of a municipally owned or controlled airport, or one owned or controlled by a municipality's political subdivision, is subject to the approval by the legislative bodies of the municipality (1) that owns or controls the airport and (2) in which the airport is located.

The bill specifies that this provision does not displace or supersede an existing agreement regarding an airport between (1) a municipality or its political subdivision that owns or controls an airport and (2) the

municipality in which the airport is located.

EFFECTIVE DATE: July 1, 2023

§§ 276-278, 293-296 & 417 — AUTISM SPECTRUM DISORDER (ASD) AND OPM

Makes OPM, rather than DSS, the lead agency to coordinate ASD services and transfers many of DSS's ASD-related duties to OPM; requires the ASDAC to report to OPM, rather than DSS

Under current law, the Department of Social Services (DSS) serves as the lead agency to coordinate the functions of several state agencies responsible for providing services to people diagnosed with ASD. The bill instead makes the Office of Policy and Management (OPM) the lead agency to coordinate these functions. It requires OPM, rather than DSS, to serve as the lead state agency for (1) the federal Combating Autism Act and (2) applying for and receiving funds, and performing related responsibilities, concerning ASD as state or federal law authorizes. The bill correspondingly transfers many of DSS's ASD-related duties to OPM. Under the bill, however, DSS remains the state agency for administering Medicaid state plan services and the Medicaid waiver program for people with ASD.

Current law allows DSS's Division of Autism Spectrum Disorder Services to research, design, and deliver appropriate and necessary services and programs for all state residents with ASD. The bill instead allows OPM to examine and make recommendations on these services and programs. Under the bill, the services and programs may include the following:

1. autism-spectrum early intervention services for any child under age three diagnosed with ASD;

2. education, recreation, habilitation, vocational, and transitional services for people ages three to 21 diagnosed with ASD;

3. services for adults over age 21 diagnosed with ASD;

4. housing assistance for people diagnosed with ASD;

5. services that address the way autism and the criminal justice system intersect;

6. commercial insurance coverage of autism services;

7. ASD-specific workforce training; and

8. related ASD services the OPM secretary deems necessary.

The bill requires OPM to research and locate possible funding streams to continually develop and implement services for people diagnosed with ASD.

The bill allows OPM, rather than DSS, to make recommendations to the governor and the Human Services Committee on legislation and funding required to provide necessary services to people diagnosed with ASD. It also allows OPM to report this information to the Appropriations and Public Health committees.

DSS's Division of Autism Spectrum Disorder Services

The bill retains DSS's Division of Autism Spectrum Disorder Services but narrows its purpose to overseeing Medicaid state plan services and the Medicaid waiver program for ASD services. The bill eliminates requirements that the division do the following:

1. research and locate possible funding streams to continually develop and implement services for people diagnosed with ASD, but not diagnosed with an intellectual disability;

2. design and implement a training initiative and develop an ASD-specific curriculum; and

3. annually report to the Human Services Committee on the status of a federal Medicaid waiver or state plan amendment to provide home- and community-based services to people with ASD who do not have an intellectual disability, and the establishment and implementation of the program.

The bill retains a separate requirement that DSS report annually on

the division's and the ASD Advisory Council's (ASDAC) (see below) activities to the Human Services Committee.

Existing law, unchanged by the bill, requires DSS, in consultation with the ASDAC, to designate services and interventions that demonstrate empirical effectiveness in treating ASD and to update the designations periodically.

ASD Advisory Council (ASDAC)

The bill puts the ASDAC within OPM for administrative services only. It requires the council to advise OPM, rather than DSS, and eliminates requirements that it advise on (1) services provided by DSS's Division of Autism Spectrum Services and (2) implementing recommendations from an autism feasibility study. The bill requires the council to advise on recommendations to improve coordination of and address gaps in autism services.

It also makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2023, except provisions eliminating (1) DSS's designation as the lead agency for ASD and (2) the current Autism Spectrum Disorder Advisory Council are effective upon passage.

§§ 279-285 — TEMPORARY FAMILY ASSISTANCE (TFA) ELIGIBILITY AND BENEFITS

Modifies TFA requirements, including (1) extending the program's time limit from 21 to 36 months, (2) modifying the criteria for time limit extensions, (3) statutorily raising the asset limit, and (4) disregarding income for certain households

The bill makes several changes to Temporary Family Assistance (TFA), the state's cash assistance program for low-income families administered by DSS. Principally, it (1) extends the program's time limit from 21 to 36 months; (2) modifies the criteria for time limit extensions; (3) statutorily raises the program's asset limit from $3,000 to $6,000; and (4) disregards income for certain households.

The bill also makes related technical and conforming changes.

EFFECTIVE DATE: Upon passage

Time Limit

The federal Temporary Assistance for Needy Families (TANF) block grant partially funds TFA. Federal law generally imposes a 60-month lifetime limit for receiving TANF-funded cash assistance, though states may establish shorter time limits. Connecticut generally applies a 21-month limit on receiving TFA benefits; however, families are exempt from these time limits under specified circumstances (e.g., a minor parent finishing high school). Families that are not exempt may apply for up to two six-month time-limit extensions if they meet certain criteria. The bill:

1. extends the program time limit from 21 months to 36 months;

2. changes one criterion for receiving an extension under current law by requiring families to have an income below 100% of the federal poverty level (FPL), instead of at a level below the TFA payment standard (this varies by region); and

3. eliminates one criterion for receiving a second extension under current law: that the adult is working at least 35 hours per week, is earning at least the minimum wage, and continues to earn less than the family's TFA payment.

Asset Limit

The bill increases the TFA asset limit from $3,000 to $6,000 beginning October 1, 2023. In practice, DSS sets the asset limit in the federally approved TANF state plan. The bill sets the $6,000 limit in statute.

Income Disregard

By law, when calculating the TFA benefit amount for eligible families, DSS must disregard earned income up to 100% of FPL. Under the bill, DSS must also disregard up to 230% of FPL in gross earnings when determining TFA eligibility. Under the bill, beginning January 1, 2024, this disregard applies in the first month a family's total gross earnings exceed FPL and continues for up to six consecutive months (generally allowing a household to remain eligible for TFA longer than they would under current law when the earnings increase). For families with total

gross earnings between 171% and 230% of FPL, the bill requires DSS to reduce the household's benefit amount by 20% in months when the household's income is in that range. The current TFA payment standard (i.e., maximum benefit amount) is $771 per month for a family of three. The benefit amount is typically calculated by deducting certain income from the payment standard.

§ 286 — STATE ADMINISTERED GENERAL ASSISTANCE (SAGA) ASSET LIMIT INCREASE

Expands SAGA eligibility by raising asset limits from $250 to $500 for individuals and $500 to $1000 for married couples

The bill raises the asset limits for SAGA from $250 to $500 for individuals and $500 to $1,000 for married couples. SAGA generally provides cash assistance to single or married childless individuals who have very low incomes, do not qualify for other cash assistance programs, and are considered "transitional" or "unemployable."

EFFECTIVE DATE: October 1, 2023

§ 287 — STATE SUPPLEMENT PROGRAM (SSP) BENEFIT START DATE

Aligns the start date for SSP eligibility for a residential care home or rated housing facility resident with the date the person begins residing in the home or a facility, subject to a 90-day limit based on when DSS received the application

By law, SSP gives cash assistance to people who are age 65 and older, living with a permanent disability, or blind and (1) receive federal Supplemental Security Income (SSI) benefits or (2) would be eligible for SSI, but for excess income. For people living in residential care homes or rated housing facilities, DSS must pay SSP benefits to the home or facility at a per diem or monthly rate, minus any applied resident income.

The bill aligns the start date for these SSP applicants with the date they became a resident in the home or facility and met all SSP eligibility criteria. It also limits the start date to no earlier than 90 days before DSS received the SSP application.

By law, rated housing facilities are a (1) boarding facility or home, excluding community companion homes, licensed by the

developmental services, mental health and addiction services, or the children and families departments or (2) facility established by New Horizons, Inc. and approved by DSS to receive SSP payments (CGS § 17b-82).

EFFECTIVE DATE: October 1, 2023

§ 288 — DSS PAYMENTS TO NON-ICF-ID BOARDING HOMES

Generally caps FYs 24 rates at FY 23 levels for room and board at private residential facilities and similar facilities; allows DSS to provide fair rent increases at the department's discretion for FY 24 and subsequent fiscal years

The bill generally caps rates for room and board at private residential facilities and similar facilities operated by regional educational services centers that are licensed to provide residential care for people with certain disabilities but not certified as intermediate care facilities for people with intellectual disabilities (ICF-ID).

The bill generally caps FYs 24 rates at FY 23 levels but allows for higher rates, within available appropriations, for facilities that make a capital improvement for resident health or safety approved by the Department of Developmental Services (DDS), in consultation with DSS, during FY 24.

Beginning for FY 24, the bill allows the DSS commissioner to provide pro rata fair rent increases to facilities with documented fair rent additions placed in service during the corresponding cost report year that are not otherwise included in the issued rates. She may do so in her discretion and within available appropriations.

Under current law and the bill, the DSS and DDS commissioners must adopt regulations to implement these provisions.

EFFECTIVE DATE: July 1, 2023

§ 289 — DSS PAYMENTS TO ICF-IDS

For ICF-IDs, establishes a methodology for inflationary adjustments, but prohibits inflationary increases, for FYs 24 to 26; generally requires rates for FYs 24 to 26 to be based on corresponding cost reports; maintains per diem, per bed rates at $501 for FYs 24 and 25, but eliminates the minimum rate for FY 26; allows DSS to provide discretionary fair rent increases and determine when to rebase rates based on change in ownership

Inflationary Adjustments

For ICF-IDs, the bill prohibits DSS from increasing rates based on inflation or any inflationary factors for FYs 22 and 23, conforming to current law that generally caps rates for those years with certain exceptions.

The bill establishes a methodology for calculating inflationary increases after FY 23. Specifically, it requires any increase to allowable operating costs, excluding fair rent, to be inflated by the gross domestic product (GDP) deflator when funding is specifically appropriated in the enacted budget for this purpose. Under the bill, DSS must compute the inflation rate by comparing the most recent rate year to the average GDP deflator for the previous four fiscal quarters ending April 30. DSS must apply any inflation-based rate increase before applying any other budget adjustment factors that may impact rates.

Rate Methodology for FYs 24 to 26

For FY 24, the bill requires DSS to determine rates based on 2022 cost report filings, adjusted to reflect any rate increase provided after the 2022 cost report year, plus a two percent adjustment factor. The bill prohibits any facility's payment rate from being lower than the FY 23 rate.

For FY 25, the bill requires DSS to determine rates based on 2023 cost report filings, adjusted to reflect any rate increase provided after the 2023 cost report year. The bill allows facilities to receive a rate less than the FY 24 rate, but not less than the minimum per diem, per bed rate (see below).

For FYs 24 and 25, the bill allows facilities to receive a rate increase for capital improvements DDS approves, in consultation with DSS, for resident health or safety, within available appropriations. For these years, the bill extends a provision allowing DSS to provide fair rent increases to facilities with a DSS-approved certificate of need that have undergone a material change in circumstances related to fair rent.

For FY 26, the bill requires DSS to determine facility rates based on

2024 cost report filings, adjusted to reflect any rate increases provided after the 2024 cost report year.

For all three fiscal years (24 to 26), the bill prohibits rate increases based on any inflationary factor.

Per Diem, Per Bed Rates

The bill keeps the minimum per diem, per bed rate at $501 for FYs 24 and 25 and eliminates the minimum per diem, per bed rate for FY 26.

Discretionary Fair Rent Increases

Beginning for FY 24, the bill allows the DSS commissioner to provide pro rata fair rent increases to facilities with documented fair rent additions placed in service during the corresponding cost report years that are not otherwise included in issued rates. She may do so at her discretion and within available appropriations.

Rebasing Rates for Ownership Changes

The bill requires the DSS commissioner to determine whether and to what extent a facility's change in ownership requires DSS to rebase the facility's costs for calculating rates. The bill prohibits inflation adjustments to rates for a facility during a year when DSS rebases its rates.

EFFECTIVE DATE: July 1, 2023

§§ 290 & 307 — NURSING HOME MEDICAID RATES

Requires DSS to issue individualized quality metrics reports to nursing homes and submit recommendations on rate withholds for legislative approval; requires DSS to phase in approved rate withholds; makes conforming changes to transition to an acuity-based reimbursement methodology; establishes a methodology for determining inflationary adjustments and prohibits inflationary adjustments for FYs 23 and 24

Existing law requires DSS to implement an acuity-based Medicaid reimbursement rate for nursing homes effective July 1, 2022. Acuity-based rates generally reimburse nursing homes based on the level of care needed for patients. In practice, DSS is transitioning from a cost-based system to the acuity-based system over a period of years.

Individualized Quality Metrics Report and Related Payments

As part of this acuity-based system, existing law requires DSS to phase in rate adjustments based on each facility's performance on quality metrics, beginning July 1, 2022, with a period of only reporting. Starting July 1, 2023, the bill requires DSS to issue individualized reports annually to each nursing home facility to show the quality metrics program's impact on the home's Medicaid rate. Nursing homes may use the report to evaluate this rate impact.

Rate Withholds

The bill requires DSS to report to the Appropriations and Human Services committees by June 30, 2025, on the quality metrics program, including information on the individualized quality metrics reports and the anticipated impact on nursing homes if the state were to implement a rate withhold on nursing homes that fail to meet certain quality metrics. (Presumably, "rate withholds" refers to some portion of a nursing home's Medicaid payment that DSS keeps or otherwise declines to pay a nursing home based on its performance under the quality metrics program.)

Conforming Changes

The bill specifies that several provisions applicable under the cost-based methodology are also applicable under the acuity-based methodology, generally conforming to current practice. These include provisions:

1. allowing certain costs to exceed maximum amounts for beds restricted to patients with AIDS or traumatic brain injury or needing other specialized services;

2. requiring DSS to reimburse a facility as though its allowable fair rent equaled the 25th percentile of the statewide allowable fair rent if the facility's actual allowable fair rent is below that level;

3. requiring DSS to revise to 11% the allowance for a facility's rate of return on property other than land if the facility's rate of return exceeds 11%;

4. requiring facilities to receive cost efficiency adjustments for

indirect costs and administrative and general costs if the facility's costs are below the statewide median costs;

5. authorizing the commissioner to allow minimum fair rent as the basis upon which reimbursement associated with improvements to real property is added;

6. requiring the commissioner to determine whether and to what extent a facility's change in ownership requires DSS to rebase the facility's costs;

7. requiring facilities or their related realty affiliates that finance or refinance debt through bonds issued by the Connecticut Health and Education Facilities Authority (CHEFA) to report to DSS;

8. allowing the DSS commissioner to revise the facility's fair rent to reflect any financial benefit the facility or its related realty affiliate received as a result; and

9. requiring the state and the facility to share the financial benefit from CHEFA bonds to an extent determined by the DSS commissioner on a case-by-case basis, reflected as an adjustment to the facility's allowable fair rent.

Existing law requires DSS to determine rates for new facilities using the cost-based methodology until June 30, 2022. The bill requires the commissioner to determine rates for new facilities using the acuity-based methodology.

The bill also makes other technical and conforming changes.

Inflationary Adjustments

For FYs 24 and 25, regardless of department regulations on nursing home reimbursement, the bill prohibits any inflationary increases to the rates beyond those already factored into the model DSS is using to transition to the acuity-based methodology.

For subsequent years, the bill establishes a methodology for calculating inflationary increases. Specifically, it requires any increase

to allowable operating costs, excluding fair rent, to be inflated by the GDP deflator when funding is specifically appropriated in the enacted budget for this purpose. Under the bill, DSS must compute the inflation rate by comparing the most recent rate year to the average GDP deflator for the previous four fiscal quarters ending April 30. DSS must apply any inflation-based rate increase before applying any other budget adjustment factors that may impact rates. The bill supersedes any other state laws on long-term care to implement these provisions.

Schedule to Rebase Rates

Beginning July 1, 2025, the bill requires DSS to rebase facility costs every two to four years (as existing law requires under the cost-based methodology). The bill prohibits inflation adjustments in any year in which a facility's rates are rebased.

Discretionary Fair Rent Increases

For FY 22, current law allows the DSS commissioner to give pro rata fair rent increases, in her discretion and within available appropriations, to facilities with documented fair rent additions in the 2020 cost year that are not otherwise included in the issued rates. The bill extends this provision to future fiscal years beginning with FY 22, based on documented fair rent additions in the most recently filed cost report.

The bill also allows the DSS commissioner to provide pro rata fair rent increases, within available appropriations, which may include, at her discretion, increases for facilities that have undergone a material change in circumstance related to fair rent additions in the most recently filed cost report.

Interim Rates

The bill allows the DSS commissioner to authorize an interim rate for a facility demonstrating circumstances particular to that facility that impact costs or finances not reflected in its underlying rates.

EFFECTIVE DATE: Upon passage

§ 291 — FLAT RATE FOR RESIDENTIAL SERVICES

Freezes FY 24 rates at FY 16 levels for residential care homes, community living arrangements, and community companion homes that receive a flat rate rather than a cost-based rate

The bill requires, regardless of contrary rate-setting and long-term care laws or regulations, the FY 16 state payment rates for residential care homes, community living arrangements, and community companion homes that receive the flat rate for residential services to remain in effect through FY 24. State regulations allow these facilities to have their rates determined on a flat rate basis rather than based on submitted cost reports (Conn. Agencies Regs., § 17-311-54).

EFFECTIVE DATE: July 1, 2023

§ 292 — RESIDENTIAL CARE HOME RATES

Requires DSS to determine FY 24 rates based on 2022 cost report filings; allows rate increases, within available appropriations, for FYs 24 and 25 for certain costs, but prohibits rate increases based on any inflation factor for FY 24; establishes a method for calculating inflationary rate increases in subsequent years; and requires DSS to determine when a change in ownership requires a rebasing of rates

FYs 24 and 25 Rates

For FY 24, the bill requires DSS to determine rates for residential care homes based on their 2022 cost report filings, adjusted to reflect any rate increases provided after the 2022 cost report year.

For FYs 24 and 25, the bill allows DSS to give a facility a rate increase for a DSS-approved capital improvement for its residents' health or safety to the extent these rate increases are within available appropriations. The bill also allows the DSS commissioner, in her discretion and within available appropriations, to give pro rata fair rent increases to facilities for (1) FY 24, for documented fair rent additions placed in service in the 2022 cost report year and (2) FY 25, for documented fair rent additions placed in service in the 2023 cost report year. For both years, these rate increases are for fair rent additions not otherwise included in issued rates.

Inflationary Adjustments and Changes in Ownership

For FY 24, the bill prohibits rate increases based on any inflationary factor. For subsequent years, and regardless of any other long-term care law, the bill establishes a methodology for calculating inflationary

increases after FY 24. Specifically, it requires any subsequent increase to allowable operating costs, excluding fair rent, to be inflated by the GDP deflator when funding is specifically appropriated in the enacted budget for this purpose. Under the bill, DSS must compute the inflation rate by comparing the most recent rate year to the average GDP deflator for the previous four fiscal quarters ending April 30. DSS must apply any inflation-based rate increase before applying any other budget adjustment factors that may impact rates.

The bill requires the commissioner to determine whether and to what extent a change in a facility's ownership requires DSS to rebase the facility's costs. The bill prohibits inflation adjustments for any year when DSS rebases rates.

EFFECTIVE DATE: July 1, 2023

§ 297 — RATES FOR COMPLEX CARE NURSING SERVICES

Requires DSS to raise adult rates for at-home complex care nursing services to equal the pediatric rate and prohibits age-based rate differentials for these services

Starting January 1, 2024, the bill requires the DSS commissioner to increase the rates for certain "complex care nursing services" provided by home health care agencies or home health aide agencies. In practice, pediatric complex care nursing services currently receive a higher rate than adult complex care nursing services. The bill (1) requires DSS to raise the adult rate to equal the pediatric rate and (2) prohibits age-based rate differentials for these services.

The bill conforms to practice by requiring DSS to post required notices of its intent to adopt regulations on the eRegulations system rather than in the Connecticut Law Journal.

Under the bill, complex care nursing services are intensive, specialized nursing services given to a patient with complex care needs who requires skilled nursing care at home.

EFFECTIVE DATE: January 1, 2024

§§ 298-300 — EXPANSION OF HUSKY HEALTH BENEFITS TO CHILDREN INELIGIBLE DUE TO IMMIGRATION STATUS

Extends HUSKY health benefits to children ages 15 and under, rather than ages 12 and under, who meet program income limits but are ineligible due to immigration status; requires DSS to study extending coverage to anyone ages 25 and younger under similar conditions; applies third party state subrogation rights to medical assistance provided under these provisions

Current law requires the DSS commissioner to provide state-funded medical assistance, within available appropriations, to certain children regardless of their immigration status. DSS must give the assistance to children who are ineligible for HUSKY A (Medicaid), HUSKY B (the Children's Health Insurance Program (CHIP)), or affordable employer-sponsored insurance, and have household incomes of (1) up to 201% of FPL without an asset limit (aligning with HUSKY A limits) or (2) over 201% and up to 323% FPL (generally aligning with HUSKY B limits).

The bill expands eligibility for this assistance by requiring DSS to provide it to children ages 15 and under, rather than ages 12 and under as current law requires, beginning July 1, 2024. The bill also applies third party state subrogation rights to medical assistance provided under these provisions. This generally authorizes the state to recover claims from an insurer or other legally liable third party when the state pays for a health care service for which the third party is legally responsible.

As under current law, children eligible for assistance must continue to receive it until they are 19 years old, so long as they continue to meet the income requirements and remain ineligible for HUSKY A, HUSKY B, or affordable employer-sponsored insurance.

The bill also requires the commissioner to study the costs and benefits of extending coverage to anyone ages 25 and younger who (1) would qualify for HUSKY A, B, C, or D if not for their immigration status and (2) does not otherwise qualify for HUSKY B or affordable, employer sponsored insurance. By January 1, 2025, she must report to the Appropriations and Human Services committees on the study and a plan to implement the extended coverage.

Lastly, the bill makes technical and conforming changes.

EFFECTIVE DATE: Upon passage

§§ 301 & 302 — FUNERAL ASSISTANCE FOR PEOPLE WITH LIMITED INCOME

Increases, from $1,350 to $1,800, the maximum amount DSS must pay towards funeral and burial or cremation costs for people with limited income

By law, when an individual dies in Connecticut and does not leave a sufficient estate or have a legally liable relative able to cover funeral and burial or cremation costs, DSS must make a payment toward them. DSS must also make this payment for recipients of certain state benefit programs (i.e., SAGA, SSP, and TFA). The bill increases the maximum amount of this payment from $1,350 to $1,800.

Under existing law, the payment must be reduced dollar-for-dollar by the following funds from other sources:

1. the amount in a revocable or irrevocable funeral fund or a prepaid funeral contract;

2. the face value of the decedent's life insurance policy, if any, if the policy names a funeral home, cemetery, or crematory as a beneficiary;

3. the net value of all liquid assets in the decedent's estate; and

4. contributions over $3,400 towards the funeral and burial costs from all other sources, including friends, relatives, other persons, organizations, agencies, veteran's programs, and other benefit programs.

EFFECTIVE DATE: July 1, 2024

§ 303 — STATE-CONTRACTED PROVIDERS FOR IDD SERVICES

Authorizes state-contracted providers who received rate increases in FYs 22-23 for wage and benefit increases for employees providing services to people with IDD to use these funds in FY 23 for wage increases for certain intermediate care facility employees

Existing law requires OPM, for the FY 22-23 biennium, to allocate available funds to increase rates to state-contracted providers. These providers must in turn use the rate increase to increase wages and benefits for employees serving people with intellectual or other developmental disabilities (IDD) who receive supports and services

through DDS. Under current law, providers that receive a rate increase but do not increase employee wages by July 31, 2021, and July 31, 2022, may be subject to a rate decrease equal to the adjustment by the DDS commissioner.

The bill allows providers who received these funds to use them for FY 23 to increase wages and benefits for employees working in intermediate care facilities serving people with IDD who receive supports and services through DSS. Under the bill, providers who do so are not subject to the rate decrease described above. Also for FY 23, the bill requires DSS to use up to $5.6 million from funds appropriated for Medicaid in the 2022 budget act for these wage enhancements and related benefits.

EFFECTIVE DATE: Upon passage

§ 304 — DMHAS GRANT PROGRAM FOR MENTAL HEALTH SERVICES

Allows DMHAS grant funds awarded to hospitals, municipalities, and nonprofit organizations for psychiatric and mental health services to be used for building construction or renovation

By law, the Department of Mental Health and Addiction Services (DMHAS), in collaboration with regional behavioral action organizations, administers a grant program for hospitals, municipalities, and nonprofit organizations to expand or maintain their psychiatric or mental health services. The bill allows grant funds to be used for building construction or renovation, which current law prohibits.

EFFECTIVE DATE: Upon passage

§ 305 — CONNECTICUT PARTNERSHIP FOR LONG-TERM CARE PROGRAM ADMINISTRATION

Moves the Connecticut Partnership for Long-Term Care from ADS to OPM

Under current law, the Department of Aging and Disability Services (ADS) administers the Connecticut Partnership for Long-Term Care, an outreach program to educate consumers about long-term care. It also provides public information to help individuals choose long-term care

insurance coverage. The bill moves the program and the responsibility for informing the public about long-term care insurance from ADS to OPM.

EFFECTIVE DATE: October 1, 2023

§ 306 — PERSONAL CARE ATTENDANTS ARBITRATION PROCESS

Adds to the factors an arbitrator must consider in rendering an arbitration decision in PCA contract negotiations

Existing law establishes a contract negotiation and arbitration process for personal care attendants (PCAs), under which parties have 150 days to negotiate a contract. If they fail to do so within this timeframe, they must jointly select an arbitrator that meets specified qualifications. The arbitrator must then hold a hearing to allow the parties to provide evidence and arguments and issue an award generally within 45 days after the hearing.

The bill adds the following factors the arbitrator must consider in coming to a decision:

1. the prevailing wages, fringe benefits, and working conditions in the job market for workers covered by the collective bargaining unit;

2. the overall compensation paid to the employees involved in the arbitration, including direct wages, paid time off, holiday pay, other forms of assistance, and all other benefits they receive;

3. the ability of the state Medicaid program to pay; and

4. the sustainability of the state-funded programs that provide PCA services to consumers (e.g., the Medicaid Acquired Brain Injury Waiver Program, Medicaid PCA Waiver Program for adults with disabilities, and Connecticut Homecare Program for Elders).

Existing law, unchanged by the bill, also requires the arbitrator to consider the following:

1. the nature and needs of the particular program and the needs and welfare of the parents, children, or consumers served by the program;

2. the history of negotiations between the parties;

3. the existing employment conditions of similar groups of workers;

4. cost of living changes; and

5. the interests and welfare of the covered family child care providers or PCAs.

Background — PCAs

PCAs provide in-home and community-based personal care assistance to the elderly and people with disabilities (consumers). They often are paid through Medicaid waiver programs, which offer an alternative to Medicaid-funded institutional care. By law, "personal care assistance" is supportive home care, direct support services, personal care, or another nonprofessional service provided to a person with a disability or an elderly person who needs assistance to (1) meet daily living needs, (2) ensure that he or she can adequately function at home, or (3) provide safe access to the community.

EFFECTIVE DATE: Upon passage

§§ 308 & 309 — THIRD-PARTY LIABILITY FOR MEDICAID PAYMENTS

Codifies two new requirements on parties with third-party liability under federal law for the state's Medicaid program

Under federal law, Medicaid is generally the "payer of last resort," which means that health insurers and other third parties legally liable for health care services received by Medicaid beneficiaries must pay for them. Federal law also requires states to have laws enhancing the states' ability to identify and get payment for Medicaid claims from legally liable third-party sources.

Under existing Connecticut law, claims for recovery or indemnification submitted by DSS, or its designee, cannot be denied

solely on the lack of prior authorization, among other reasons, if (1) the claim is submitted within three years and (2) any action by the state to enforce its rights to the claim begins within six years after the claim's submission.

The bill codifies two new requirements under section 202 of the Consolidated Appropriations Act of 2022, Public Law 117-103. First, when claims are submitted to a party with third-party liability (TPL) for recovery or indemnification for a service provided under the state's Medicaid plan or a Medicaid waiver, and the TPL requires prior authorization for that service, it must accept DSS's prior authorization as its own. This requirement does not apply to Medicare, Medicare Advantage, or Medicare Part D plans.

Second, the bill shortens the required response time from TPLs, including health insurers. Under current law, an insurer or TPL, upon receipt of a claim submitted by DSS or the department's designee must respond within 90 days after (1) receiving the claim or (2) the effective date of the law, whichever is later. The bill instead requires an insurer or TPL to respond to a DSS inquiry about a claim for reimbursement within 60 days after receiving the claim.

Under existing law, failure to pay the claim, issue a written reason for denying it, or request information needed to determine its legal obligation to pay it within 120 days after receiving the claim creates an uncontestable obligation to pay it.

The bill also makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2023

§§ 310, 313 & 417 — REPEALED HUMAN SERVICES PROVISIONS

Repeals a limitation on state funds for emergency housing for TFA and SAGA recipients, conforming to practice; repeals an effectively obsolete program (ConnMAP) and a requirement that DSS establish a child health quality improvement program

The bill expands the situations in which DSS may use state funds to pay for certain emergency housing, conforming with current practice. Current law limits the use of state funds to pay for emergency housing

for recipients of TFA and SAGA in hotels or motels to only during natural or man-made disasters or other catastrophic events (CGS § 17b-807). The bill repeals this limitation.

The bill eliminates the Connecticut Medicare Assignment Program (ConnMAP), a state program that limits participating providers to billing Medicare Part B enrollees only up to the 20% co-payment for the service (Medicare pays the remaining 80%) (CGS §§ 17b-550 to 17b-554). This program is effectively obsolete, as federal law requires Medicare-participating providers to accept the Medicare-determined reasonable charge as payment in full for services rendered to Medicare beneficiaries.

The bill eliminates the requirement for DSS, in collaboration with the Department of Children and Families and DPH, to establish a child health quality improvement program to promote the implementation of evidence-based strategies by providers participating in HUSKY to improve delivery and access of children's services and annually report on its efficacy (CGS § 17b-306a).

It also makes conforming changes to eliminate references to these provisions elsewhere in statute.

EFFECTIVE DATE: Upon passage

§ 311 — ENERGY ASSISTANCE VENDOR PAYMENT STANDARDS

Requires DSS to ensure an adequate supply of fuel vendors for LIHEAP by (1) setting pricing standards, (2) reimbursing providers based on the price of fuel on the delivery dates, and (3) allowing vendors to electronically submit their invoices and receive payments; requires payment to a fuel vendor within 10 business days, rather than 30 days as under current law, after receiving an authorized fuel slip or invoice

The bill requires the DSS commissioner to ensure an adequate supply of fuel vendors for the Low-Income Home Energy Assistance Program (LIHEAP) by:

1. setting county and regional pricing standards for deliverable fuel,

2. reimbursing fuel providers based on the price of the fuel on the

delivery date, and

3. allowing a vendor to electronically submit an authorized fuel slip or invoice for payment.

By November 1, 2023, the commissioner must require each community action agency (CAA) administering a fuel assistance program to make payment to a fuel vendor within 10 business days, rather than 30 days as under current law, after receiving an authorized fuel slip or invoice for payment from the vendor. She must also require these CAAs to offer vendors the options of electronic (1) payments and (2) submission of their authorized fuel slips or invoices for payment.

By law, the commissioner must submit the LIHEAP annual plan by August 1 of each year to the Appropriations, Energy and Technology, and Human Services committees. Under current law, the plan must include a payment plan for fuel deliveries that ensures fuel vendors who complete CAA-authorized deliveries are paid by the CAA within 30 days after receiving the vendor's fuel slip or invoice. Under the bill, these payment plans must ensure vendors are paid by the CAA within 10 days after fuel slip or invoice receipt and are given the option to be paid electronically.

EFFECTIVE DATE: July 1, 2023

§ 312 — MEDICAID PAYMENTS FOR MATERNITY SERVICES

Authorizes the DSS commissioner to implement a bundled payment for maternity services and associated alternative payment methods; requires her to do this to the extent federal law allows, within available appropriations, and in consultation with specified stakeholders

The bill authorizes the DSS commissioner, within available appropriations and to the extent federal law allows, to implement a bundled payment for maternity services and associated alternative payment methods she determines will improve health quality, equity, member experience, cost containment, and care coordination.

Under the bill, the bundled payment may include payments to physicians and other qualified licensed practitioners for services provided by doulas and other non-licensed practitioners. The bundled

payments must be designed to reduce unnecessary utilization and avoidable costs, ensure access to necessary services, and improve outcomes and care coordination.

The bill requires the commissioner, when designing the bundled payments and before implementing them, to consult with health care providers, consumer health care advocates, and other stakeholders. She must do this on or after July 1, 2023, and solicit input and advice from these parties on at least the following: (1) quality measures used to assess participating practices' performance, (2) reimbursement and financing methods and amounts, and (3) safeguards designed to ensure access and network adequacy. The consultation must also include at least two live, online meetings that allow for public input. The department must post a notice about the meetings on its website at least 10 days in advance.

Additionally, the bill requires the commissioner to adopt implementing regulations and allows her to adopt policies and procedures while in the process of doing so. She must publish notice of her intent to adopt the regulations on the eRegulations system at least 20 days after implementing the policies and procedures, which are valid until the final regulations are adopted.

EFFECTIVE DATE: July 1, 2023

§ 314 — WORKING GROUP ON SKILLED NURSING FACILITY EXCESS LICENSED BED CAPACITY

Requires DSS to (1) appoint and convene a nine-member working group to review and evaluate excess licensed bed capacity at skilled nursing facilities; (2) report to each individual nursing home the implications of the working group's findings and recommendations on the nursing home's Medicaid rate; and (3) recommend Medicaid rate adjustments to address excess licensed bed capacity

The bill requires DSS to appoint and convene a working group to review and evaluate excess licensed bed capacity at skilled nursing facilities and any space they are presently not using.

Under the bill, the working group's review and evaluation must include the following:

1. a survey that identifies (a) licensed bed capacity, occupancy percentages, and location of beds not currently in use; (b) beds voluntarily taken out of service; (c) spaces formerly used for nursing facility care and services that are not currently in use; and (d) beds made unavailable due to staffing shortages;

2. an evaluation of the effectiveness of Medicaid payment policies that support right-sizing and rebalancing efforts, including (a) minimum occupancy rate-setting requirements and (b) a price-based component for administrative and general reimbursement based on peer group median spending in this area;

3. an evaluation of staffing shortages as an impediment to facility admission and occupancy; and

4. considerations of the physical conditions of existing skilled nursing facilities.

Membership and Appointment

The bill sets the working group's membership as nine members appointed by the DSS commissioner, including representatives from (1) DSS and DPH and (2) organizations representing for-profit and nonprofit long-term care facilities. The working group must hold its first meeting within 60 days after the bill passes.

Reporting Requirements

The bill requires the working group to submit an interim report by December 31, 2023, and a final report by June 30, 2024, to the Human Services Committee detailing the group's findings and recommendations.

Starting by July 1, 2024, DSS must report to each nursing home the impact of the working group's findings and recommendations on their Medicaid rate. A nursing home may use this report to modify its Medicaid reimbursement as necessary.

By December 1, 2024, the DSS commissioner must submit the following to the Human Services Committee:

1. copies of the individualized reports issued to each nursing home, or a link to these reports if they are on the agency's website, and

2. recommendations for rate adjustments related to excess licensed bed capacity at individual nursing homes.

EFFECTIVE DATE: Upon passage

§§ 315-317 — TAX RETURN INFORMATION FOR ACCESS HEALTH OUTREACH

Requires Access Health CT and DRS to enter into a memorandum of understanding to share information so that Access Health CT may do targeted outreach to state residents

The bill requires Access Health CT (i.e., the Connecticut Health Insurance Exchange) and the Department of Revenue Services (DRS) to share tax return information so that Access Health CT may, beginning January 1, 2024, do targeted outreach to state residents. By law, a "return" is any tax or information return, estimated tax declaration, or refund claims, among other things. "Return information" includes a taxpayer's identity; the nature, source, or amount of a taxpayer's income, payments, receipts, deductions, exceptions, credits, assets, liabilities, or net worth; and any other data the DRS commissioner receives on a return (CGS § 12-15(h)).

Under the bill, the DRS commissioner, in consultation with the DSS commissioner, must enter into a memorandum of understanding (MOU) with the exchange stating the specific information to be disclosed and the terms and conditions for disclosure. Under the bill, disclosed information may only be used by the exchange as described in the MOU. The bill prohibits anyone who receives disclosed information from DRS from redisclosing it to a third party without the commissioner's permission.

The bill further requires the DRS commissioner to revise the state's income tax return form to include a space for residents to authorize Access Health CT to contact them about health insurance enrollment through the exchange. It also requires the DRS commissioner and the exchange to write language for the tax return form (presumably related to the authorization space) and include, in the form's instructions, a

description of how the authorization will be relayed to the exchange.

The bill also makes a related conforming change to the DRS commissioner's duties.

EFFECTIVE DATE: January 1, 2024, except the provision directing Access Health CT to conduct targeted outreach beginning January 1, 2024, is effective upon passage.

§ 318 — HUSKY C INCOME LIMIT

Expands eligibility for HUSKY C by raising the income limit to 105% of FPL

The bill increases the HUSKY C income limit from 143% of the TFA cash benefit to 105% of FPL, after any authorized income disregards. Currently, 143% of the TFA monthly cash benefit amount is $700 for an individual and $946 for a two-person family. For 2023, 105% of FPL is $1,276 per month for an individual and $1,725 for a two-person family. HUSKY C provides Medicaid coverage to people who are age 65 or older, blind, or living with a disability (CGS § 17b-290(15)).

EFFECTIVE DATE: October 1, 2024

§ 319 — VITAL RECORDS BIRTH CERTIFICATES

Allows people who submit certain documentation to change birth certificates to reflect changes to a parent's legal name

The bill allows people who submit certain documentation to change a minor child's birth certificate to reflect changes to a parent's legal name. The DPH commissioner must issue a new birth certificate in these instances when she receives a (1) written request from the parent, signed under penalty of law, for a replacement birth certificate with the parent's new legal name and (2) certified copy of a court order changing the parent's name.

The bill also requires the commissioner to issue a new birth certificate to an adult child who wishes to change the name of a parent who has legally changed his or her name when the adult child submits a certified copy of a court order changing the parent's name.

The bill generally extends to these amended birth certificates existing

procedures for amended birth certificates reflecting gender change (e.g., allowing only the DPH commissioner, and not local registrars, to amend the certificate, and providing that the replacement certificate is not marked "amended").

EFFECTIVE DATE: July 1, 2023

§ 320 — PRISONER OR INMATE NAME CHANGES

Requires the DOC commissioner, the chief court administrator, and the Board of Pardons and Paroles chairperson to determine a method for inmate name changes and requires the DOC commissioner to report on it to the Judiciary Committee by July 1, 2024

The bill requires the Department of Corrections (DOC) commissioner, the chief court administrator, and the Board of Pardons and Paroles chairperson to collaborate to determine a method by which inmates or prisoners may change their names within DOC. By law, the superior and probate courts generally have concurrent jurisdiction to grant name changes (CGS § 45a-99). Under the bill, the determined method must apply to inmates or prisoners with court-ordered name changes.

The bill also requires the DOC commissioner to report to the Judiciary Committee on the determined method by July 1, 2024.

EFFECTIVE DATE: Upon passage

§ 321 — INMATES WITH GENDER INCONGRUENCE

Gives certain rights to inmates with a gender incongruence diagnosis, such as (1) having DOC staff address them based on their gender identity and (2) with exceptions, being placed in a correctional institution consistent with their gender identity

By law, DOC must adhere to certain requirements on the treatment and placement of inmates with a diagnosis of gender dysphoria and a gender identity that differs from their assigned sex at birth. For example, (1) correctional staff must address the inmate according to their gender identity and (2) except in limited circumstances, DOC must place an inmate with a documented gender identity change in an institution consistent with their gender identity.

The bill extends these requirements to include inmates with a gender incongruence diagnosis, which is characterized by a marked and

persistent incongruence between someone's experienced gender and the assigned sex, as long as gender variant behavior and preferences alone are not a basis for diagnosis (the most recent revision of the "International Statistical Classification of Diseases and Related Health Problems").

EFFECTIVE DATE: January 1, 2024

§§ 322 & 323 — REPRODUCTIVE AND GENDER-AFFIRMING HEALTH CARE SERVICES AND GENDER INCONGRUENCE

Expands "reproductive and gender-affirming health care services" to include gender incongruence for the purposes of a cause of action for recovery for persons against whom a judgment was entered in another state for their participation in providing or receiving these services that are legal in Connecticut; specifies gender dysphoria treatment is set based on the most recent American Psychiatric Association manual

Existing law generally provides a cause of action for persons (i.e., an individual or certain legal entities) against whom a judgment was entered in another state based on their allegedly providing or receiving help from another person for reproductive or gender-affirming health care services that are legal in Connecticut. It allows the person to recover damages from any party that (1) brought the original action that resulted in the judgment or (2) tried to enforce it. The court must award a person who successfully brings an action the judgment amount entered in the other states and certain costs, expenses, and reasonable attorney's fees.

The bill expands the "reproductive health care services" and "gender-affirming health care services," covered by this provision to include gender incongruence.

Under current law, these services also include all medical care relating to gender dysphoria treatment. The bill specifies that these treatments are set in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders."

EFFECTIVE DATE: July 1, 2023

§ 324 — NAME CHANGE FEE ELIMINATION

Eliminates the $250 probate court filing fee to change a person's name

The bill eliminates the $250 probate court filing fee for changing a person's name. By law, the superior and probate courts generally have concurrent jurisdiction to grant name changes (CGS § 45a-99). With exceptions, the Superior Court fee for a name change is $360, which remains unchanged by the bill (CGS § 52-259).

EFFECTIVE DATE: July 1, 2023

§ 325 — GENDER-AFFIRMING CARE IN HUSKY HEALTH

Requires DSS to (1) consult with those with expertise on gender-affirming care in developing and updating coverage policies for gender-affirming care in the HUSKY Health program and (2) report at least annually on this coverage to the Council on Medical Assistance Program Oversight

The bill requires DSS or its agents to consult with health care providers with expertise in gender-affirming care in developing and updating coverage policies for gender-affirming care in the HUSKY Health program. The commissioner must submit a report at least annually on coverage for this care to the Council on Medical Assistance Program Oversight.

Under the bill, "gender-affirming care" is a medical procedure or treatment to alter the physical characteristics of a person diagnosed with gender dysphoria or gender incongruence in a manner consistent with the person's gender identity.

EFFECTIVE DATE: Upon passage

§ 326 — PRIVATE SCHOOL CURRICULUM ACCREDITATION

Narrows a requirement that SBE allow a private school's supervisory agent to accept accreditation from a specified accreditation agency by applying the requirement only to Waterbury rather than statewide; also requires the early childhood commissioner to recognize the agency for the same Waterbury school

Current law requires the State Board of Education (SBE) to allow a private school's supervisory agent to accept curriculum accreditation from Cognia, a nonprofit accreditation and certification agency, starting July 1, 2023. The bill instead limits this to a private school located in Waterbury, rather than anywhere in the state. It also specifies that the early childhood commissioner, in addition to SBE, must permit the private school's supervisory agency to accept Cognia's curriculum

accreditation.

EFFECTIVE DATE: Upon passage

§§ 327 & 328 — SCHOOL FEEDING PROGRAMS

Extends free lunch eligibility to students with a family income below 200% of the federal poverty level who are otherwise ineligible; makes state payment of federal reimbursement grants to school operators in the federal feeding programs required rather than optional

Existing law allows any local or regional board of education to establish and operate a school lunch program and a school breakfast program for public school children, following federal laws that govern the programs. (The Food and Nutrition Service (FNS) of the U. S. Department of Agriculture (USDA) administers the National School Lunch Program and the School Breakfast Program at the federal level.)

State Payment of Federal Reimbursement Grants

Current law authorizes SBE, within available appropriations, to pay federal reimbursement grants for school lunch programs each fiscal year to boards of education, technical high schools, state charter schools, interdistrict magnet schools, and endowed academies ("school operators") that participate in the federal school lunch program. These grants consist of (1) a matching reimbursement grant under federal law's requirements for school lunch programs and (2) 10 cents per lunch served in the prior school year consistent with federal law. The bill explicitly requires, rather than authorizes, SBE to provide these annual grants within available appropriations. Also, the bill expands the matching state grant's applicability to include school breakfast and other child feeding programs, in addition to school lunch programs under current law.

By law and unchanged by the bill, SBE must direct how boards and operators apply for these grants, determine applicants' eligibility, adopt implementing regulations, and set a procedure for monitoring grant recipients' expenditures.

Payment of Grants to Students in Non-CEP Eligible Schools

The Community Eligibility Provision (CEP), a provision in federal law governing school feeding programs, allows schools to serve free

breakfast and lunch to all students in an entire school without collecting household applications (P.L. 111-296, § 104). Schools that are eligible for CEP and choose to participate in it are reimbursed by the state using federal funds. Reimbursement amounts are determined using a formula that is based on the percentage of students categorically eligible for free meals based on their participation in other specific means-tested programs, such as the Supplemental Nutrition Assistance Program and Temporary Assistance for Needy Families. (Broadly speaking, the formula allows schools or districts with an enrollment of at least 40% of these categorically eligible students to use CEP.)

Under the bill, for FY 24 the State Department of Education (SDE) must give state-funded grants to school operators that allow certain students from low-income households to have free school lunches, school breakfasts, or other child feedings even if (1) their schools do not provide free meals under CEP or (2) their economic needs to not require free school feedings under federal standards. To be eligible for free meals under this grant, a student's family must have an income that is at or below 200% of the federal poverty level.

Existing law and the bill authorize SBE to adopt regulations to implement school feeding program laws.

Pricing and Grants for Feeding Programs

Among other things, current law allows boards of education to (1) fix the charges for lunches, breakfasts, and other feeding programs it provides and (2) accept gifts, donations, or public or private grants to provide these programs. The bill limits this price-fixing and grant acceptance authority to school lunches, school breakfasts, and any other child feeding program boards may offer, implicitly excluding any lunch services for employees that boards also may choose to offer.

Technical and Conforming Changes

The bill also makes various technical and conforming changes in the school feeding program laws.

EFFECTIVE DATE: July 1, 2023

§ 329 — OPEN CHOICE FUNDS GRANT FOR LEGACY FOUNDATION

Requires the education commissioner to expend $500,000 of remaining Open Choice funds for a grant to The Legacy Foundation for student wrap-around services

For FYs 24 and 25, the bill requires the education commissioner to expend $500,000 of any remaining Open Choice funds for a grant to The Legacy Foundation of Hartford, Inc. The funds must be used to provide wrap-around services for students participating in Open Choice, a voluntary interdistrict public school attendance program that allows students from urban school districts to attend suburban school districts, and vice versa, on a space-available basis.

By law, if not all the appropriated Open Choice funds are used for the per student grants to the host school districts, then the remaining funds must be used in certain ways, rather than lapsing back to the General Fund at the end of the year.

By law these remaining funds can be used in three ways. One of these ways is for wrap-around student services, which include academic tutoring, family support, and experiential learning opportunities.

EFFECTIVE DATE: July 1, 2023

Background — Related Bill

sSB1, as amended by Senate "A," caps the Open Choice remaining funds for wrap-around services at $2 million a year.

§§ 330-333 — REQUIREMENT TO PROPORTIONATELY REDUCE SPECIFIED EDUCATION GRANTS

Extends the requirement that certain education grants be proportionately reduced if the amount appropriated for them is insufficient to fully fund them according to their statutory formulas

The bill extends through FY 2025 the requirement that four state education grants to local and regional boards of education and regional education service centers (RESCs) be proportionately reduced if the amount appropriated for the grants is insufficient to fully fund them according to their statutory formulas.

Under the bill, the requirement applies to grants for (1) health

services for private school students (CGS § 10-217a), (2) RESC operations (CGS § 10-66j), (3) school transportation (CGS § 10-266m), and (4) bilingual education (CGS § 10-17g). Under current law, the same requirement applied to the health services, RESC grant programs, and bilingual education grants through FY 23, and the school transportation grant program through FY 19.

EFFECTIVE DATE: July 1, 2023

§ 334 — TRS MEMBERSHIP CRITERIA FOR STATE BOARD OF EDUCATION STAFF

Changes the eligibility criteria for membership in the Teachers' Retirement System for certain professional staff of the State Board of Education

The bill changes the eligibility criteria for membership in the Teachers' Retirement System (TRS) for certain professional staff of the State Board of Education (SBE). Under existing law, the TRS definition of a "teacher" eligible for membership includes professional staff employed by SBE, the Office of Early Childhood, the Board of Regents for Higher Education or any of the constituent units of higher education, and the Connecticut Technical Education and Career System (CTECS).

Under current law, each of these professional staff must be employed in an educational role. For SBE only, the bill removes this requirement and instead defines "teacher" as a member of the professional staff who is currently a TRS member and maintains certification (presumably certification as a teacher).

EFFECTIVE DATE: July 1, 2023

§§ 335-338 — FAFSA COMPLETION REQUIREMENT FOR HIGH SCHOOL STUDENTS

Beginning with the graduating class of 2025, institutes a FAFSA completion high school graduation requirement; allows a waiver of the requirement; requires SDE to create the forms to implement the waiver; and makes various technical and conforming changes

Beginning with the graduating class of 2025, the bill prohibits local or regional boards of education from allowing any student to graduate high school, or granting a diploma to any student, who has not completed a (1) Free Application for Federal Student Aid (FAFSA) or an application for institutional financial aid for students without legal

immigration status, or (2) signed a waiver declining to file the application. SDE must create the waiver form, which may be signed by a minor student's parent or guardian, a student 18 years old or older, or a legally emancipated minor. The bill prohibits the form from requiring its signatory to state any reasons for declining to complete the FAFSA or the application for institutional financial aid for students without legal immigration status.

Anytime on or after March 15 each school year, a principal, school counselor, teacher, or other certified educator may complete the waiver on a student's behalf if they affirm that they have made a good faith effort to contact the student or their parent or legal guardian.

The bill also makes related technical and conforming changes in the laws governing special education rights and academic plans for students receiving challenging curriculum.

EFFECTIVE DATE: July 1, 2023

§§ 339-341 — PRIORITY SCHOOL DISTRICT FUNDING

Ties eligibility for certain population-based supplemental PSD grants to FY 22; adds a fourth fiscal year of PSD phase-out grants in FY 24 for former PSDs that received their third year of phase-out grants in FY 23

By law, priority school districts (PSDs) are districts (1) in the eight towns with the largest population in the state or (2) whose students receive low standardized test scores and have high levels of poverty. The State Board of Education (SBE) must administer a grant program to help these districts improve their educational programs or early reading intervention programs. PSDs receive base grants in the amount of either $1 million (for population-based PSDs) or $500,000 (for achievement- and poverty-based PSDs) per fiscal year (CGS § 10-266p(a)). They also receive various supplemental grants, some of which are modified by the bill. While the bill does not modify all the supplemental grants, certain other grant amounts are calculated using a ratio that takes into consideration the grants the bill changes.

PSD Supplemental Grants Under CGS § 10-266p(c)&(f)

Under current law, towns that are PSDs also receive the following

amounts in supplemental grants:

1. $750,000, earmarked for towns with the three highest populations in the state;

2. $334,000, earmarked for towns that rank fourth to eighth in population statewide; or

3. $180,000, earmarked for all other towns with PSD status based on academic achievement and poverty.

Beginning in FY 24, the bill requires that the towns with population-based PSD status in FY 22 continue to receive these supplemental grants, in the same amounts, in perpetuity. By tying the population-based supplemental grants to FY 22 grantee-status, the bill establishes a fixed set of future grant recipients.

Additionally, current law requires SBE to allocate another supplemental grant in the amount of $2,610,798 to the towns ranked among the three highest in population. Beginning in FY 24, the bill requires that the towns with the three highest populations in FY 22 receive this grant in perpetuity, thereby establishing a fixed set of future grant recipients.

PSD Phase-Out Grants

By law, when a district no longer qualifies as a PSD, it receives a progressively reduced PSD grant over the following three years.

Under the bill, any former PSD that received its final, third-year PSD phase-out grant during FY 23 is eligible to receive a fourth grant in FY 24 in the same amount as its third-year phase-out grant.

EFFECTIVE DATE: July 1, 2023

§§ 342 & 343 — STATE POLICE STING OPERATIONS UNIT REGARDING ONLINE SEXUAL ABUSE OF MINORS

For FYs 24 and 25, requires DESPP to establish an investigative unit within the Internet Crimes Against Children Task Force to conduct sting operations relating to the online sexual abuse of minors; makes related changes to the task force's staffing and duties

The bill requires the Department of Emergency Services and Public

Protection (DESPP) commissioner, for FYs 24 and 25, to establish an investigative unit within the Internet Crimes Against Children Task Force to conduct sting operations relating to the online sexual abuse of minors ("the investigative unit"). The bill also requires the commissioner to assign staff as needed to fulfill the duties of the task force, including its investigative unit. The head of the task force must be ranked sergeant or higher. Among other things, the task force, using the investigative unit, must (1) perform undercover and investigative operations to prevent and detect these criminal, or suspected criminal, activities and (2) compile, monitor, analyze, and share related data.

By November 1, 2023, the bill requires the Police Officer Standards and Training Council (POST), in consultation with the DESPP commissioner, to develop: (1) a standardized form or other reporting system for law enforcement to report to the investigative unit, (2) best practices to investigate online sexual abuse of minors and to facilitate information sharing between the investigative unit and law enforcement units, (3) a model policy for investigating online sexual abuse of minors, and (4) ways to inform the public on how to report these criminal activities.

The bill also requires law enforcement units, after receiving any information on this type of criminal activity, to report it to the Internet Crimes Against Children Task Force and continue to share information with the investigative unit using the tools that POST develops, as described above.

Lastly, the bill requires DESPP to report annually on the task force's activity and results, including those of the investigative unit, and recommend whether the investigative unit should be extended. The reports must be submitted to the Children's, Judiciary, and Public Safety and Security committees, by January 1, 2025, and January 1, 2026.

Under the bill, a "law enforcement unit" is any state or municipal agency or department (or tribal agency or department created and governed under a memorandum of agreement) whose primary functions include enforcing criminal or traffic laws; preserving public

order; protecting life and property; or preventing, detecting, or investigating crime.

EFFECTIVE DATE: July 1, 2023

Task Force Responsibilities

The task force must use the investigative unit to:

1. perform undercover operations and investigate any criminal activity, or suspected criminal activity, that involves using the Internet to sexually abuse, exploit, or assault a minor;

2. compile, monitor, and analyze related data; and

3. share data and information with any law enforcement unit to help in the undercover operations and investigation of these types of criminal activity.

The bill also allows the investigative unit to provide additional assistance to law enforcement units.

POST's Standardized Form, Best Practices, Policy, and Reporting

By November 1, 2023, the bill requires POST, in consultation with the DESPP commissioner, to develop the following:

1. a standardized form or other reporting system, which must be distributed to all law enforcement units to use when making an initial notification or report to the investigative unit as the bill requires (see below);

2. best practices (a) for investigating online sexual abuse of minors and (b) to facilitate the continued sharing of information among, and between, the investigative unit and law enforcement units; and

3. a model policy for investigating online sexual abuse of minors.

POST, by November 1, 2023, and in consultation with the DESPP commissioner, must also take any actions needed to inform the public

(1) about its right to report criminal activity or suspected criminal activity that uses the Internet to sexually abuse minors and (2) how to make these reports, such as considering whether to establish state and municipal telephone hotlines and Internet websites for reporting.

Law Enforcement Units' Information Sharing

Under the bill, within 14 days after receiving notification, information, or a complaint of this criminal activity or suspected criminal activity, a law enforcement unit must notify the task force using the standardized form or other reporting system POST develops.

The bill also requires the law enforcement unit to continue to share investigation information with the investigative unit following the best practices POST develops.

§§ 344 & 345 — HVAC AND OUTDOOR ATHLETIC FACILITY MINIMUM REIMBURSEMENT RATES FOR CERTAIN TOWNS

Creates minimum HVAC and outdoor athletic facility school construction reimbursement rates for certain towns

The bill creates minimum reimbursement rates for HVAC and outdoor athletic facility school construction projects for towns with a population of 80,000 or more (Bridgeport, Danbury, Hartford, New Haven, Norwalk, Stamford, and Waterbury, according to 2021 DPH estimates) and the town of Cheshire. Under existing law, towns that meet these criteria receive the same guaranteed minimum grant rates for standard school construction projects with applications submitted from June 1, 2022, to July 1, 2047 (PA 22-118, § 492, as amended by PA 22-146, §§ 13 & 32). However, the bill's minimum reimbursement rates for HVAC and athletic facility projects apply regardless of application date.

HVAC Reimbursement Rates

By law, DAS must administer a reimbursement grant program for costs associated with projects to install, replace, or upgrade heating, ventilation, and air conditioning (HVAC) systems or other improvements in school buildings. A local board may receive a standard HVAC reimbursement grant for 20-80% of its eligible expenses, based

on its town ranking. The administrative services commissioner ranks each town based on its property wealth (using the adjusted equalized net grant list per capita) and uses the rankings to determine the reimbursement grant percentage rate for each town. Towns with less property wealth receive a larger reimbursement percentage, and towns with greater property wealth receive a smaller one.

The bill establishes minimum HVAC school building project reimbursement grant rates of (1) 60% for towns with a population of 80,000 or more and (2) 50% for the town of Cheshire. (The bill does not specify a population measure.) Under the bill, if a town's standard HVAC reimbursement rate exceeds the minimum, then it receives the standard HVAC rate calculated by the DAS commissioner as explained above.

Outdoor Athletic Facility Reimbursement Rates

Under current law, the state reimbursement rate for construction, extension, or major alteration of outdoor athletic facilities is 50% of the school district's standard school construction project reimbursement rate. To calculate the standard rate, the administrative services commissioner ranks each town based on its property wealth (using the adjusted equalized net grand list per capita) and uses the rankings to determine the reimbursement grant percentage rate for each town. Towns with less property wealth receive a larger reimbursement percentage, and towns with greater property wealth receive a smaller one. For renovation projects towns receive percentages between 20%and 80%, and for new construction they receive between 10% and 70%.

The bill establishes minimum outdoor athletic facility reimbursement grant rates of (1) 60% for towns with a population of 80,000 or more and (2) 50% for the town of Cheshire. (The bill does not specify a population measure.) Under the bill, if a town's standard school construction rate exceeds the minimum, then it receives the standard rate calculated by the DAS commissioner as explained above.

EFFECTIVE DATE: July 1, 2023

§ 346 — SCHOOL READINESS PROGRAM PER CHILD COST

Extends the FY 21 cap on the per child cost rate through FY 24 and increases it beginning in FY 25

The bill extends the FY 21 cap on the per child cost (i.e., $9,027) of the Office of Early Childhood (OEC) school readiness program through FY 24. For FY 25 and subsequent fiscal years, the bill increases the cap to $10,500.

By law, the OEC "school readiness program" is a nonsectarian program that (1) generally meets the office's standards and program requirements and (2) provides a developmentally appropriate learning experience for at least 450 hours and 180 days for eligible children (e.g., certain three-, four-, and five-year-old children not eligible to enroll in school) (CGS § 10-16p).

EFFECTIVE DATE: July 1, 2023

§ 347 — CARE 4 KIDS PROGRAM

In conformity with federal law, allows OEC to establish a protective service class making certain foster care children, newly adopted children, and homeless children categorically eligible for Care4Kids

The Care 4 Kids program offers child care subsidies to income eligible families whose parents or caretakers are working or participating in certain education or job training programs.

The bill allows the Office of Early Childhood commissioner to institute a protective service class in which the commissioner may waive current law's Care 4 Kids eligibility requirements for certain at-risk populations, instead applying guidelines she prescribes and that the Office of Policy and Management reviews. Specifically, she can institute this class for (1) children placed in a foster home by the Department of Children and Families and for whom the parent or legal guardian receives foster care payments; (2) adopted children for one year after the adoption; and (3) homeless children and youths, as defined in federal law. By instituting the class, as allowed in federal law, these at-risk populations become categorically eligible for Care 4 Kids.

EFFECTIVE DATE: July 1, 2023

§ 348 — SMART START COMPETITIVE GRANT PROGRAM

Removes the FY 24 sunset date (i.e., June 30, 2024) for the smart start competitive grant, thus making the program permanent

The bill removes the FY 24 sunset date (i.e., June 30, 2024) for the smart start competitive grant to provide funds for capital and operating expenses for school districts to expand or establish preschool programs. The bill makes the program permanent with no end date.

Under current law, the OEC commissioner must prioritize school boards (1) that demonstrate the greatest need to establish or expand a preschool program and (2) whose plan allocates (a) at least 60% of the spaces in the preschool program to children who are members of families at or below 75% of the state median income or (b) 50% of the spaces to children who are eligible for free and reduced price lunches (FRPL). The bill eliminates the option for the commissioner to give priority to boards that reserve spaces for FRPL-eligible children.

EFFECTIVE DATE: July 1, 2023

§ 349 — MAGNET SCHOOL ENROLLMENT REQUIREMENTS AND REVISING REDUCED ISOLATION STANDARDS

Makes permanent existing magnet school enrollment requirements; allows the education commissioner to revise the magnet school reduced isolation standards

The bill makes permanent the requirements that a magnet school's total enrollment (1) have no more than 75% of students from one school district and (2) meets the reduced isolation setting (i.e., desegregation) standards developed by the education commissioner. These requirements are set to expire after the 2023-2024 school year. It also extends the law barring the commissioner from awarding grants to magnet schools that do not comply with these enrollment standards. This ban is set to expire after the 2022-2023 school year and the bill extends it to the 2024-2025 school year.

The bill leaves unchanged an exception that allows the commissioner to award a grant for an additional year or years to a noncompliant school if she finds it appropriate and approves a plan to bring the school into compliance with the residency and reduced isolation setting standards as existing law requires. (Reduced-isolation standards

consider the racial composition of the school's student body.)

The law sets minimum criteria for the commissioner to use in setting the reduced isolation standards, including (1) at least 20% of a magnet school's enrollment must be reduced isolation students and (2) a school's enrollment may have up to 1% below the minimum percentage, if she approves a plan for the school to reach the 20% minimum or the percent she established in the standards. It also requires the commissioner to define "reduced isolation student."

The bill authorizes the commissioner to revise the standards as needed and adds the requirement that they comply with the *Sheff* decision and any related stipulations or orders. (It also allows the commissioner to revise, as needed, the alternative reduced-isolation enrollment percentages for the 2018-2019 school year. Those percentages expired in 2019, so it is unclear if this has any legal effect.)

EFFECTIVE DATE: July 1, 2023

§ 350 — GRANTS TO ASSIST SHEFF PROGRAMS

Allows the commissioner to award grants from existing Sheff settlement funds for four specific purposes

The bill allows the commissioner, in order to help the state meets its *Sheff* desegregation obligations, to award grants from funds appropriated for the *Sheff* settlement for academic and social student support programs at (1) magnet schools, (2) the Open Choice program, (3) the interdistrict cooperative program, and (4) the state technical education and career high schools.

By law, unchanged by the bill, the commissioner can transfer *Sheff* money for grants for unspecified purposes for the same programs, also including grants to state charter schools.

EFFECTIVE DATE: July 1, 2023

§§ 351-352 — GRANTS FOR THE HIRING OF SCHOOL SOCIAL WORKERS, PSYCHOLOGISTS, COUNSELORS, NURSES, LICENSED MARRIAGE AND FAMILY THERAPISTS, AND SCHOOL MENTAL HEALTH SPECIALISTS

Pushes out by one year the dates by which SDE must administer the school mental health therapist grant program; removes the requirement that grant recipients in both programs refund unexpended grant amounts to SDE; adjusts education commissioner reporting dates

Current law requires SDE, for FYs 23 to 25, to administer grant programs for local and regional boards of education to (1) hire and retain more school social workers, school psychologists, school counselors, nurses, and licensed marriage and family therapists and (2) hire school mental health specialists (PA 22-80, §§ 4-5, as amended by PA 22-116, § 7, & PA 22-47, § 13, as amended by PA 22-116, § 10). Both public acts require grant recipients to refund to the department any unspent grant amount at the end of the fiscal year when it was awarded.

Grant to Hire School Social Workers, School Psychologists, School Counselors, Nurses, and Licensed Marriage and Family Therapists

For the grant program to hire school social workers, school psychologists, school counselors, nurses, and licensed marriage and family therapists, the bill removes the requirement that grant recipients refund the unexpended amounts. By law and unchanged by the bill, recipients must refund amounts not spent according to the plan in the board's approved grant application.

Grant to Hire School Mental Health Specialists

For the grant program to hire school mental health therapists, the bill pushes out by one year the dates for which SDE must administer the program from FYs 23-25 to FYs 24-26. It correspondingly pushes out by one year the requirements in each of these fiscal years that the commissioner must follow when determining grant award amounts.

The bill also makes corresponding changes to reporting deadlines for the education commissioner. Under the bill, the commissioner must report to the Children's and Education committees on each grant recipient's utilization rate and the grant program's return on investment by January 1, 2027, rather than 2026. Additionally, the commissioner must develop recommendations by January 1, 2027, rather than 2026, on (1) whether the grant program should be extended and funded for FY 27 and beyond and (2) the grant award amount under the program.

Additionally, the bill removes the requirement that grant recipients refund the unexpended amounts. By law and unchanged by the bill, recipients must refund amounts not spent according to the plan in the approved grant application.

EFFECTIVE DATE: Upon passage

§ 353 — GRANT FOR DELIVERY OF STUDENT MENTAL HEALTH SERVICES

Pushes out by one year the dates by which SDE must administer a grant program to provide student mental health services to certain youth camp and summer program operators; removes the requirement that grant recipients refund unexpended grant amounts to SDE

Current law requires SDE to administer a program to provide grants in FYs 23 to 25 to local and regional boards of education, youth camp operators, and other summer program operators for delivery of student mental health services. Grant recipients must refund to the department any unspent grant amounts at the end of the fiscal year when it was awarded (PA 22-47, § 14).

The bill (1) pushes out by one year the dates by which SDE must administer the grant program from FYs 23-25 to FYs 24-26 and (2) removes the requirement that grant recipients refund the unexpended amounts. It correspondingly pushes out by one year the requirements in each of these fiscal years that the commissioner must follow when determining grant award amounts.

The bill also makes corresponding changes to the dates by which the education commissioner must report to the Children's and Education committees on each grant recipient's utilization rate (by January 1, 2027, rather than 2026). Additionally, the commissioner must develop recommendations by January 1, 2027, rather than 2026, on (1) whether the grant program should be extended and funded for FY 27 and beyond and (2) the grant award amount under the program.

EFFECTIVE DATE: Upon passage

§§ 354 & 355 — EARLY CHILDHOOD EDUCATION FUND

Requires the comptroller to establish the fund and charges the OEC commissioner with reporting to legislative committees with recommendations for expenditures; requires the commissioner to report recommendations from the Blue-Ribbon Panel on Child Care

The bill requires the comptroller to establish the Early Childhood Education Fund. It allows the fund to contain any (1) money required or allowed by law to be deposited into it and (2) funds received from public or private contributions, gifts, grants, donations, bequests, or devises.

Also, the bill requires the Office of Early Childhood (OEC) commissioner to report annually, beginning by February 1, 2024, to the Appropriations and Education committees on recommendations (1) for appropriation of the fund's resources and (2) from the Blue-Ribbon Panel on Child Care. (The governor's executive order (EO 23-1, March 17, 2023) established this panel, chaired by the OEC commissioner, to serve as his principal advisor on child care and early childhood issues and coordinate state agencies efforts to promote an effective child care and early childhood education system.)

EFFECTIVE DATE: Upon passage, except the OEC commissioner's reporting requirement takes effect on July 1, 2023.

§ 356 — ECS GRANT SCHEDULE

Changes the statutory schedule for ECS grant increases so that currently underfunded towns are fully funded sooner, by FY 26 rather than by FY 28; changes the scheduled reductions for overfunded towns by holding the towns harmless for certain years and making the reduction smaller in other years

By law, the Education Cost Sharing (ECS) grant has a multi-year schedule with incremental increases for towns that are underfunded and incremental decreases, or years with no change in funding, for overfunded towns.

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

The bill changes the statutory schedule for ECS grant increases. Under the bill, towns that the formula currently underfunds are fully funded sooner than under current law, by FY 26 rather than by FY 28. It also changes the scheduled ECS reductions for overfunded towns by holding them harmless (maintaining the same funding level) for certain years and making the reduction smaller in other years. The table below shows the changes for FYs 24-26.

Table: ECS Funding Schedule Changes, FYs 24-26

Town Type	FY 24		FY 25		FY 26	
	Current Law	***Bill***	***Current Law***	***Bill***	***Current Law***	***Bill***
Under-funded towns	Previous FY amount plus 20% of grant adjustment	No change	Previous FY amount plus 25% of grant adjustment	Previous FY amount plus 56.5% of grant adjustment	Previous FY amount plus 33.33% of grant adjustment	Fully funded
Over-funded towns	Previous FY amount minus 14.29% of grant adjustment	Same amount as FY 23	Previous FY amount minus 16.67% of grant adjustment	Same amount as FY 24	Previous FY amount minus 20% of grant adjustment	Previous FY amount minus 14.29% of grant adjustment

Under the bill for FYs 27-32, any town that is underfunded for ECS in the previous fiscal year, receives full funding. For overfunded towns in FYs 27-30, the bill continues to reduce the town's ECS aid by a percentage of its grant adjustment, but at a slower pace than under current law, as follows:

1. FY 27: by 16.67% of the adjustment, rather than 25%;

2. FY 28: by 20%, rather than 33.33%;

3. FY 29: by 25%, rather than 50%; and

4. FY 30: by 33.33%, rather than fully funded.

The bill also adds two years to the above schedule for overfunded towns. For FY 31 an overfunded town's aid is decreased by 50% of the

adjustment, and for FY 32 these towns are fully funded.

Under the bill, as under current law, towns that are alliance districts, if overfunded, continue to be funded at the same level as the previous year.

EFFECTIVE DATE: July 1, 2023

§§ 357 & 358 — MAGNET SCHOOL GRANT PROGRAMS AND TUITION

Requires that beginning in FY 25 each magnet school grant be "at least" the amount indicated in law; beginning in FY 25, limits magnet school tuition to 58% of the amount charged in the previous year; extends through FY 25 the ban on SDE awarding magnet school grants to schools that do not meet residency and reduced isolation enrollment requirements; makes permanent the requirement that magnet school operators meet these enrollment requirements; renews for FY 24 reduced magnet school tuition payments for certain towns; sunsets a targeted magnet school grant

The law requires the State Department of Education (SDE) to establish a grant program to help interdistrict magnet school programs. By law, an "interdistrict magnet school program" is a program which (1) supports racial, ethnic, and economic diversity; (2) offers a special and high-quality curriculum; and (3) requires enrolled students to attend at least half-time (CGS § 10-264l(a)).

Under current law, the total grant SDE pays to a magnet school operator must not exceed the aggregate of the operator's reasonable operating budgets, less revenues from other sources. Under the bill, for the remainder of FY 23 and each year afterward, SDE must make these grants within available appropriations. The bill also allows magnet schools that operate at least half-time to be eligible to receive a grant of 65% of the amount determined above.

The bill adds language that every magnet school per student grant must be "at least" the amount they are in law beginning in FY 25 and each following year. For example, the current $3,060 per student grant for students who reside in the town hosting the magnet school, must receive at least $3,060 beginning in FY 25. The table below shows the per student grant amounts that must be at least those amounts under the bill.

Table: Magnet School Grants

Type of Magnet	***Bill §***	***Current Law Amount for Sending Students Must be at Least this Amount Starting FY 25***
Non-*Sheff* host magnet	357(c)(1)	$7,227
Non-*Sheff* Regional Educational Service Center (RESC) magnet with less than 55% enrollment from one town	357(c)(3)(A)	8,058
Non-*Sheff* RESC magnet with 55% or more of enrollment from one town	357(c)(3)(B)	7,227
Sheff host magnet	357(c)(3)(F)	13,315
RESC magnet enrolling less than 60% of its students from Hartford (i.e., *Sheff* magnet), provided the commissioner has discretion to make grants for those with more than 60% of students from Hartford	357(c)(3)(D)(i)	10,652
RESC magnet enrolling less than 50% of its students from Hartford (i.e., *Sheff* magnet)	357(c)(3)(D)(ii)	8,058 (for half of the non-Hartford students enrolled over 50% of total enrollment) 10,652 (for all the other students)
Magnet operated by independent institution of higher education and that meets certain criteria (Goodwin University)	357(c)(3)(E)	65% of the 10,652 grant for students enrolled in both semesters each year 32.5% of 10,652 for those enrolled in one semester a year
Greater Hartford Academy of the Arts	357(c)(3)(H)	65% of 8,058 (the grant for RESC magnets with less than 55% from a single town)

(Under a different provision of the bill, $53.4 million is designated to supplement appropriated magnet school funds to increase the per student grant amounts to magnet operators (see § 362).)

EFFECTIVE DATE: July 1, 2023

Tuition Cap for Magnet Schools

Starting in FY 25, the bill sets a cap on the tuition that magnet schools can charge to the towns that send students to the magnets. Under the

bill, they may not charge more than 58% of the amount charged for FY 24. This applies to all the magnet operators: (1) local or regional boards of education; (2) RESCs; (3) independent higher education institutions; and (4) any third-party, nonprofit corporation the education commissioner approves. It also bans, beginning with FY 25, RESCs from charging tuition for a preschool program that is not located in the Sheff region. However, the bill provides a one-year exception to these bans for FY 24 (see below).

Magnet School Enrollment Standards

The bill extends through FY 25 the prohibition on SDE awarding magnet school grants to a school that does not meet the residency and reduced isolation enrollment requirements set to expire at the end of FY 23. Under this law, a magnet school's total enrollment must (1) have no more than 75% of students from one school district and (2) meet the reduced isolation setting standards (i.e., desegregation) developed by the education commissioner.

It also makes permanent the law requiring magnet operators to meet these enrollment standards at their magnet schools. Under current law, this requirement will expire at the end of the 2023-24 school year.

Magnet Students and ECS

Under the bill, magnet school students are counted in the town where they reside for the student count for ECS grants, which codifies current practice.

Reduced Magnet School Tuition Payments for Certain Towns

By law for FY 23, if more than 4% of certain school districts' student population attended magnet schools, then the district was not responsible for the first $4,400 of tuition for each student exceeding the 4% threshold. This applies to (1) any town located in the *Sheff* region (except East Hartford and Manchester, which are covered in a separate provision), (2) New Britain, and (3) New London. Under the law, SDE becomes financially responsible, within available appropriations, for the lost tuition.

The bill extends this provision to cover FY 24 and removes the *Sheff* region towns generally but includes Windsor and Bloomfield (both *Sheff* region towns).

The bill also extends for FY 24 the provision that if the grant amounts exceed the amount appropriated for this purpose, then the grants will be proportionately reduced based on the appropriation.

Sunsets a Targeted Magnet School Grant

The bill retroactively sunsets a targeted magnet school grant at the end of FY 22 (June 30, 2022). The grant applies to a magnet school operated by a RESC that (1) began operations in the 2001-2002 school year and (2) for the 2008-2009 school year enrolled at least 55% but not more than 80% of the school's students from a single town. (The school, Edison Magnet School in Meriden, no longer exists in that form; it was moved to Waterbury and reconstituted as ACES at Chase and is eligible for other magnet grants.)

§ 359 — CHARTER SCHOOL GRANT INCREASES

Increases the per-student state charter school grant for FYs 24-25; makes the FY 25 amount ongoing for future years

The bill increases the per-student state charter school grant for FYs 24 and 25, with the FY 25 amount ongoing for future years. By law, the grants go to the charter school's governing authority.

Charter Grant Factors

By law, the state charter grant has the same student need weighting percentages with the same factors (e.g., Free and Reduced Priced Meals (RPM) and English learner status) that are used in existing ECS law and in the bill for choice grants.

Under current law, the increase in the state grant is a percentage of a school's charter grant adjustment, which is the absolute value of the difference between the (1) foundation ($11,525) and (2) charter full weighted funding per student for the state charter schools under a governing authority's control for the school year.

The "charter full weighted funding per student" is a value calculated

as the (1) product of the total charter need students and the foundation, divided by (2) number of enrolled students under the charter school governing authority's control for the school year.

Grant Increases

The current (FY 23) per-student grant for charter school governing authorities is the foundation amount plus 25.42% of its charter grant adjustment. Under the bill, the per-student grant is:

1. for FY 24, the foundation plus 36.08% of its charter grant adjustment; and

2. for FY 25 and each following year, the foundation plus 56.7% of its charter grant adjustment.

EFFECTIVE DATE: July 1, 2023

§ 360 — VO-AG CENTER GRANTS AND TUITION

Requires in FY 25 and subsequent years each vo-ag center grant to be "at least" the amount indicated in law, $5,200; beginning in FY 25, limits vo-ag center tuition for sending towns to 58% of the amount charged in the previous year

Beginning with FY 25, the bill requires the current $5,200 per-student state grant for vo-ag centers be at least $5,200. It similarly applies this language to the additional $500 per student grant for centers that have 150 or more students enrolled from outside of the host district. The bill keeps the current grant structure for FY 24.

Under current law, a vo-ag center can charge the sending towns tuition for the students they send to the program, but it caps tuition at 59.2% of the foundation ($11,525) used for ECS, resulting in a maximum tuition of $6,823. Beginning with FY 25, the bill prohibits a vo-ag center from charging more than 58% of the amount a vo-ag center charged in FY 24.

EFFECTIVE DATE: July 1, 2023

§ 361 — OPEN CHOICE GRANT SCHEDULE

Requires that beginning in FY 25 each Open Choice grant be "at least" the amount indicated in law

Open Choice is a voluntary inter-district attendance program that allows students generally from the Hartford, New Haven, and Bridgeport districts to attend suburban school districts, and vice versa, on a space-available basis. The State Department of Education (SDE) provides a per-student grant for school districts that receive Open Choice students.

Under current law, the grants range from $2,500 to $8,000 per student, with larger grants for districts that enroll a higher percentage of Open Choice students. For example, a district receives $3,000 per student if Open Choice students are less than 2% of its student population. The grant amount increases incrementally until, at the highest amount, a district receives $8,000 per student if Open Choice students are at least 4% of the student population.

The bill adds language that every magnet school per student grant must be "at least" the amount they are in law beginning in FY 25 and each following year. The bill keeps the current grant structure for FY 24.

EFFECTIVE DATE: July 1, 2023

§ 362 — EDUCATION FINANCE REFORM SPENDING FUND AMOUNTS

Requires SDE to apportion the $150 million appropriated for "Education Finance Reform" in specific amounts to fund ECS grants, charter school operating grants, magnet school operating grants, Open Choice grants, and agriscience and technology center grants

The bill requires SDE to spend the $150 million appropriated for "Education Finance Reform" for FY 25 (see § 1 above) as follows:

1. $68,499,497 to supplement the amount appropriated to the Education Equalization (ECS) Grants account in SDE, to provide ECS grants;

2. $9,378,313 to supplement the amount appropriated to SDE's Charter Schools account, to provide charter school operating grants;

3. $40,188,429 to supplement the amount appropriated to SDE's

Magnet Schools account, to increase per student grant amounts to interdistrict magnet school operators that are not local or regional boards of education;

4. $13,254,358 to supplement the amount appropriated to SDE's Magnet Schools account, to increase per student grant amounts to local and regional boards of education that operate interdistrict magnet schools;

5. $11,430,343 to supplement the amount appropriated to SDE's Open Choice Program account, to increase per student grant amounts to local and regional boards of education that are receiving districts under the Open Choice program; and

6. $7,249,060 to provide grants to local or regional boards of education that operate an SBE-approved agriscience and technology education center.

EFFECTIVE DATE: July 1, 2023

§§ 363-365 — CORPORATION BUSINESS TAX SURCHARGE EXTENSION

Extends the 10% corporation business tax surcharge for three additional years to the 2023, 2024, and 2025 income years

The bill extends the 10% corporation business tax surcharge for three additional years to the 2023, 2024, and 2025 income years. As under existing law, the surcharge applies to companies that have more than $250 in corporation tax liability and either (1) have at least $100 million in annual gross income in those years or (2) are taxable members of a combined group that files a combined unitary return, regardless of their annual gross income amount. Companies must calculate their surcharges based on their tax liability, excluding any credits.

The bill exempts taxpayers from interest on underpayments of estimated tax for the 2023 income year resulting from the bill's surcharge extension. The exemption applies to any additional tax due for the period before these provisions take effect.

EFFECTIVE DATE: Upon passage; the surcharge extension is

applicable to income years beginning on or after January 1, 2023.

§§ 366 & 367 — HUMAN CAPITAL INVESTMENT TAX CREDIT

Increases the human capital investment tax credit from 5% to 10% (for most eligible investments) and 25% (for eligible child care-related expenditures); makes donations or capital contributions to nonprofits for establishing child care centers for use by children residing in the community a credit-eligible investment; allows corporations to use the 25% human capital investment credits to reduce up to 70% of their corporation business tax liability, rather than 50.01%

Starting with the 2024 income year, the bill increases the human capital investment tax credit from 5% of the amount paid or incurred for eligible investments to (1) 10% for most eligible investments and (2) 25% for childcare-related investments. It also makes additional child care-related investments eligible for the credit. By law, the credit may be claimed against the corporation business tax, and unused credits may be carried forward for five years.

The bill also authorizes corporations to use the 25% human capital investment tax credits (i.e., credits for the child care-related investments) to reduce up to 70% of their corporation business tax liability each year. Under current law, a 50.01% credit cap applies to all other corporation tax credits except research and development credits.

EFFECTIVE DATE: January 1, 2024

10% Credit

The investments eligible for a 10% credit under the bill, which are currently eligible for a 5% credit, are the following:

1. in-state job training for in-state employees;

2. work education programs, including programs in public high school and work education-diversified occupations programs in the state;

3. worker training and education for in-state employees provided by in-state higher education institutions;

4. donations or capital contributions to higher education institutions for improvements or technology advancements,

including physical plant improvements; and

5. contributions made to the Individual Development Account Reserve Fund.

25% Credit

Under current law, the following child care-related expenses are eligible for a 5% credit: (1) expenses paid for site preparation and planning, constructing, renovating, or acquiring facilities to establish a child care center for use primarily by in-state employees' children and (2) subsidies to in-state employees for in-state child care. The bill expands eligibility to include donations or capital contributions to 501(c)(3) nonprofit organizations for site preparation and planning, constructing, renovating, or acquiring facilities to establish a child care center for use by children living in the community, including in-state employees' children.

The bill makes each of the above expenses eligible for a 25% credit.

§§ 368 & 369 — FILM AND DIGITAL MEDIA TAX CREDIT

Increases, for the 2024 and 2025 income years, the redemption rate for film and digital media tax credits claimed against the sales tax from 78% to 92% of the credits' face value; requires production companies and DECD to report certain information on the companies' job creation

Existing law allows eligible production companies and certain taxpayers to whom they transfer credits (i.e., transferees) to apply film and digital media production tax credits against the sales and use tax at a reduced amount of their face value. For the 2024 and 2025 income years, the bill increases this amount from 78% to 92% of the credits' value.

As under existing law, transferees may claim film and digital media production tax credits against the sales and use tax only if there is at least 50% common ownership between the transferee and the eligible production company that sold, assigned, or otherwise transferred the credits. These credits may also be claimed against the corporation business and insurance premiums taxes at full face value and the community antenna television systems tax at a reduced value (see

Background).

Separately, the bill also requires that certain information on eligible production companies' job creation be included in tax credit voucher applications and in the Department of Economic and Community Development's (DECD) annual report to the legislature. Under existing law, within 90 days after the end of an annual period or the last production expenses are incurred, the production company must apply to DECD for a credit voucher and include with its application any information and independent certification the department requires. The bill additionally requires the company to include a report with the number of full- and part-time jobs the company created, a description of each job, and an explanation of what the company considers to be job creation for the report's purposes. DECD must then include this job creation information in the overview of the film tax industry credit program in its annual report.

EFFECTIVE DATE: January 1, 2024

Background — Film and Digital Media Tax Credit

The film and digital media tax credit is one of three credits under Connecticut's film industry tax credit program. The credit is available to eligible production companies that incur at least $100,000 in eligible in-state expenses for qualified productions. The credit amount is based on total eligible expenses incurred and increases with more total expenses, as follows: (1) 10% for expenses of $100,000 to $500,000; (2) 15% for expenses exceeding $500,000, up to $1 million; and (3) 30% for expenses exceeding $1 million.

An eligible production company is one that produces a qualified production in Connecticut and (1) conducts at least 50% of principal photography days within the state or (2) spends at least 50% or $1 million of postproduction costs in the state. Qualified productions include documentaries, long-form specials, series, videos and music videos, and commercials.

Credits may be (1) claimed in the year the expenses were incurred or

the next five income years or (2) sold, assigned, or transferred up to three times. The credits may be claimed against the corporation business and insurance premiums taxes at full face value and the community antenna television systems tax at a reduced value (generally 92%-95% of their face value).

§ 370 — FIXED CAPITAL INVESTMENT TAX CREDIT

Allows certain Connecticut-headquartered corporations that own at least 80% of an LLC to claim the fixed capital investment tax credit for amounts the LLC invested in qualifying fixed capital

For income years starting on or after July 1, 2025, the bill allows certain corporations to earn fixed capital investment tax credits for investments made by certain limited liability companies (LLCs) they own. Specifically, it allows corporations to do so if they:

1. are headquartered in Connecticut;

2. own, directly or indirectly, at least 80% of an LLC that, for federal tax purposes, is treated as a partnership or disregarded as an entity separate from its owner (i.e., a disregarded entity) (see *Background*); and

3. provide telecommunications services.

As under current law for investments in fixed capital held by the corporation, the tax credit (1) equals 5% of the amount the LLC pays or incurs for the fixed capital and (2) applies to fixed capital the LLC will hold and use in Connecticut in the ordinary course of its trade or business for at least five years. The credit may be claimed against the corporation business tax in the income year in which the fixed capital was purchased, or it may be carried forward for the next five income years.

By law, fixed capital is (1) tangible personal property with a class life of more than four years; (2) purchased from someone other than a related person; and (3) not leased or acquired to be leased for the first 12 months after its purchase. It does not include inventory, land, building, structures, or mobile transportation property.

EFFECTIVE DATE: July 1, 2025

Background — Related Case

In *Marmon Wire & Gable, Inc.* v. *Commissioner of Revenue Services*, the plaintiff appealed a Department of Revenue Services (DRS) decision to deny fixed capital investment tax credits for investments made by the corporation's wholly owned LLCs, arguing that it was entitled to all tax attributes of the subsidiaries because they are disregarded entities under federal tax law. In denying the plaintiff's motion for summary judgment, the Superior Court ruled that the fixed capital investment tax credit statute (CGS § 12-217w) allows a corporation to take a tax credit only for investments in fixed capital held and used by the corporation itself. Further, a corporation is not eligible for a credit solely based on a subsidiary LLC's investments even if the LLC is a disregarded entity under federal law (2022 WL 2302654 (June 27, 2022)).

§§ 371 & 372 — ANGEL INVESTOR TAX CREDITS FOR CANNABIS BUSINESSES

Eliminates the 40% angel investor tax credit for eligible investments in approved cannabis businesses beginning July 1, 2023

The bill eliminates the 40% angel investor tax credit for eligible investments in approved cannabis businesses beginning July 1, 2023.

By law, the angel investor tax credit program provides personal income tax credits to angel investors (i.e., investors whom the Securities and Exchange Commission considers "accredited investors") who make qualifying cash investments in eligible Connecticut businesses. Under current law, angel investors who invest at least $25,000 in approved cannabis businesses are eligible for a personal income tax credit equal to 40% of their investment, up to $500,000. Current law caps the amount of tax credits that may be reserved for these investments at $15 million per fiscal year. Under the bill, no new credits may be reserved for these investments in cannabis businesses after June 30, 2023.

The bill also eliminates a related provision requiring the Social Equity Council to recommend appropriate funding for the tax credits each fiscal year, beginning with FY 23.

EFFECTIVE DATE: July 1, 2023

§ 373 — HISTORIC HOMES REHABILITATION TAX CREDIT

Changes the taxes against which historic homes rehabilitation tax credits may be claimed

The bill changes the taxes against which historic homes rehabilitation tax credits may be claimed. By law, 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, property owners and businesses may apply the credits 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). In practice, property owners generally allocate the credits to businesses with enough business tax liability to claim them, in exchange for the businesses making a cash contribution to the property's qualifying rehabilitation expenditures. For credits issued on or after January 1, 2024, the bill instead allows (1) nonprofit corporations to claim the credits against the unrelated business income tax and (2) all other taxpayers to claim them against the personal income tax. In doing so, the bill allows people and nonprofits receiving these credits to apply them against their own state tax liability.

Under the bill, credits applied against the income tax are refundable for any amount of the credit that exceeds the taxpayer's liability. Nonprofits applying them against the unrelated business income tax may carry forward any unused credits for up to four income years, just as current law allows for business taxpayers claiming the credits.

The bill also makes technical and conforming changes.

EFFECTIVE DATE: January 1, 2024, and applicable to tax years starting on or after that date.

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.

§ 374 — CONNECTICUT TELEVISION NETWORK FUNDING

Increases, by $600,000, the amount of specified tax revenue be reserved for CT-N each fiscal year

Beginning with FY 24, the bill increases the amount of funding reserved for CT-N each fiscal year from $2.6 million to $3.2 million. The funding comes from the gross receipts tax on cable, satellite, and competitive video service companies and is used to defray the costs of providing the state with CT-N coverage of state government deliberations and public policy events.

EFFECTIVE DATE: July 1, 2023

§ 375 — WORKING GROUP ON THE TAXATION OF REAL AND PERSONAL PROPERTY ON TRIBAL LAND

Establishes a working group to study the taxation of reservation land held in trust for federally recognized Indian tribes and personal property located there

The bill creates a working group of at least 15 members to examine the taxation of reservation land held in trust for federally recognized Indian tribes in Connecticut and tangible personal property located there. The working group must report its findings and recommendations to the General Assembly by January 1, 2024. It ends when it submits its report or January 1, 2024, whichever is later.

The working group consists of the following members:

1. the Office of Policy and Management (OPM) secretary;

2. chairpersons and ranking members of the Appropriations, Planning and Development, and Finance, Revenue and Bonding committees; and

3. at least one representative of each federally recognized tribe and municipality impacted by any change to the property's taxation.

The OPM secretary must serve as the group's chairperson and schedule its first meeting within 60 days after the bill's passage. The Appropriations Committee's administrative staff must serve as working group's staff.

EFFECTIVE DATE: Upon passage

§§ 376-381 & 422 — PASS-THROUGH-ENTITY TAX

Starting in 2024, (1) makes the PE tax optional, (2) changes the method for calculating the tax base, (3) eliminates the corporation tax credit for PE taxes paid, and (4) eliminates the option for PEs to file a combined return with one or more commonly-owned PEs; reimposes a requirement that PEs file an income tax return and pay the tax on behalf of any nonresident member for whom the business is the only source of Connecticut income

Tax Election

Starting with the 2024 tax year, the bill makes the pass-through entity (PE) tax optional. The bill makes numerous conforming changes to implement the optional tax.

Current law imposes the PE tax on all "affected business entities" (generally partnerships, like limited liability companies, and S corporations; referred to as PEs) that do business in Connecticut or have income derived from or connected with sources within Connecticut. The bill instead allows these entities to elect to pay the tax starting with the 2024 tax year. Those doing so must give the DRS commissioner written notice (1) for each tax year they make the election and (2) no later than the due date for filing the return (or the extended due date if they requested, and were granted, an extension).

As under current law for the mandatory tax, each PE that elects to

pay the optional tax must remit its payment by the 15th day of the third month following the close of the entity's taxable year for federal income tax purposes (i.e., taxable year).

Tax Calculation

Under current law, a PE's tax liability is calculated using either the standard base method or an alternative base method, multiplied by 6.99%. Under the standard base method, the PE is subject to tax on all of its Connecticut source income (minus any source income from subsidiary PEs). Under the alternative base method, the PE is subject to tax on:

1. the portion of its Connecticut source income (minus any Connecticut source income from subsidiary PEs) that directly or indirectly flows through to members who are resident or nonresident individuals, trusts, or estates (i.e., "modified Connecticut source income") plus

2. the portion of its total income that is not sourced to any state with which the PE has nexus (i.e., "unsourced income") and that directly flows through to members who are resident individuals (i.e., "resident portion of unsourced income").

The bill eliminates the standard base method and instead requires all electing PEs to use the alternative base method described above to calculate their tax liability. The bill retains the current 6.99% tax rate.

Composite Returns for Nonresident Members

Under current law, a PE's nonresident members are generally not required to file a Connecticut personal income tax return for taxable years in which the (1) PE is the only source of Connecticut income for the member or the member's spouse and (2) PE tax credit allowed fully satisfies his or her Connecticut income tax liability.

The bill eliminates these provisions and instead reimposes the requirement that PEs file an income tax return and pay the tax on behalf of any nonresident member for whom the business is the only source of Connecticut income. Similar requirements applied prior to 2018, before

the PE tax was established. Under the bill, beginning with the 2024 tax year, the tax the PE pays on the nonresident member's behalf must be reduced by the member's direct and indirect PE tax credit that was properly reported by the PE. The payment may not be less than zero.

As under the pre-2018 law, the bill requires PEs to make income tax payments on behalf of nonresident members where the member's share of the PE's income derived from or connected with Connecticut sources is at least $1,000. They must make these payments at the highest marginal tax rate for the year. Those payments generally constitute the members' tax payment for the year. Special rules apply to subsidiary PEs making income tax payments on behalf of a parent PE.

The entities must make annual income tax payments on the members' behalf by the regular income tax due date. They must give each member on whose behalf they made tax payments with a DRS-prescribed form recording those payments. The bill requires they do so by the 15th day of the third month following the close of the entity's tax year. Under the law that applied pre-2018, they had to do so a month later, by the 15th day of the fourth month following the close of the entity's tax year.

Offsetting Tax Credit

Current law authorizes offsetting personal income and corporation business tax credits for individuals and companies that are members of PEs that pay the tax or a substantially similar tax in another state. The bill eliminates the corporation business tax credit for PE taxes paid but retains the personal income tax credit. Under current law, if a PE's member is a company subject to the corporation tax, the company may claim a credit equal to its direct and indirect pro rata share of the tax paid by the PE, multiplied by 87.5%.

As under existing law, if a PE's member is an individual subject to the personal income tax, the person may claim a credit equal to his or her direct and indirect pro rata share of the tax paid by the PE, multiplied by 87.5%.

Combined Return Election

The bill eliminates the option for PEs to file a combined return with one or more commonly-owned PEs. (A PE is "commonly-owned" if more than 80% of its voting control is directly or indirectly owned, as determined under federal tax law, by a common owner or owners.) Under current law, any business that chooses to file this way must notify the DRS commissioner in writing each tax year, along with the written consent of the other commonly-owned businesses, by the tax's due date or extended due date (if applicable).

EFFECTIVE DATE: January 1, 2024, and applicable to taxable years starting on and after that date.

§ 382 — HIGHWAY USE TAX REPORTING FREQUENCY

Requires carriers subject to the highway use tax to file returns and submit payments quarterly, rather than monthly as current law requires, starting with the fourth quarter of 2023

The bill requires carriers subject to the highway use tax (i.e., highway use fee or HUF) to file returns and submit payments quarterly, rather than monthly as current law requires, starting with the fourth quarter of 2023. Under the bill, the quarterly returns and payments are due by the last day of the month following a calendar quarter (i.e., January 31, April 30, July 31, and October 31).

The bill also makes technical and conforming changes. These include requiring DRS to order a permit cancellation hearing if a carrier files a return for two successive calendar quarters (rather than four successive months as under current law) indicating that none of the carrier's motor vehicles used roads in the state.

EFFECTIVE DATE: Upon passage

Background — Highway Use Fee

The HUF took effect on January 1, 2023. By law, it applies to carriers operating, or causing to be operated, certain heavy, multi-unit motor vehicles on public roads in the state. It is calculated based on a vehicle's gross weight (i.e., the vehicle's light weight plus its load) and the number of miles driven in the state. The applicable rates range from (1) 2.5 cents per mile for vehicles weighing 26,000 to 28,000 pounds to (2)

17.5 cents per mile for vehicles weighing more than 80,000 pounds. Vehicles transporting milk or dairy products to or from a dairy farm that holds a license to ship milk are exempt.

§ 383 — DIESEL FUEL TAX RATE

Sets the diesel fuel tax rate at 49.2 cents per gallon in FY 24

By law, the motor vehicle fuels tax rate for diesel fuel is the sum of two components: the (1) flat rate (29 cents) and (2) variable rate, which is annually calculated by DRS every fiscal year and equals the product of the average wholesale per-gallon price of diesel for the prior year multiplied by the petroleum products gross earnings tax (PGET).

For FY 24, the bill instead sets the diesel fuel rate at 49.2 cents per gallon. This is equal to the FY 23 rate, determined by DRS according to the statutory calculation (DRS AN 2022-2).

The bill also specifies that any diesel fuel tax paid that is eligible for a refund must be refunded at the 49.2 cents rate.

EFFECTIVE DATE: Upon passage

§§ 384 & 386 — TAXATION OF AVIATION FUEL

Exempts sales of aviation fuel from the petroleum products gross earnings tax (PGET) starting July 1, 2023, and, starting July 1, 2025, subjects it to a new aviation fuel tax at a 15 cents per gallon rate

Petroleum Products Gross Earnings Tax Exemption (PGET)

Starting July 1, 2023, the bill exempts sales of aviation fuel from PGET. Under current law, 75.3% of PGET revenue from aviation fuel sources is deposited into the Connecticut airport and aviation account (see below), and the remainder is deposited into the Special Transportation Fund (STF).

By law, companies distributing products made from petroleum or a petroleum derivative in Connecticut are subject to PGET. The tax is 8.1% of the gross revenue from the first sale of a taxable petroleum product in the state, which generally occurs at the wholesale level.

The bill also makes technical and conforming changes.

New Aviation Fuel Tax

Starting July 1, 2025, the bill imposes a new excise tax on aviation fuel at a rate of 15 cents per gallon. The tax must be paid quarterly and applies to the (1) first sale in the state by companies distributing aviation fuel in the state and (2) in-state use or consumption of fuel by companies that import aviation fuel into the state or cause it to be imported. Fuel may be taxed only one time.

Starting July 1, 2029, and every four years after that, the bill requires the aviation fuel tax rate to be adjusted according to any change in the consumer price index for all urban consumers for the preceding four calendar years, as published by the Bureau of Labor Statistics. In tax adjustment years, the DRS commissioner must calculate the new tax rate by June 15, notify the Finance, Revenue and Bonding Committee chairpersons and ranking members and the OPM secretary of the rate, and post the rate on the DRS website.

Under the bill, companies must file returns by the last day of January, April, July, and October for the immediately preceding quarter. The returns must be on forms the commissioner provides and signed by the person performing the duties of treasurer or an authorized agent or officer of the company. The return must include the number of gallons of aviation fuel sold and imported, or caused to be imported, in the state, as applicable, and any other information the DRS commissioner requires to make calculations required by the bill.

The bill imposes on anyone who fails to pay the tax a penalty of 10% of the amount due or $50, whichever is greater. Interest accrues at the rate of 1% per month or partial month from the tax's due date until the date it is paid.

The bill applies to the aviation fuel tax certain tax collection and enforcement provisions that apply to the admissions and dues tax under existing law, unless these provisions are inconsistent with the bill. Among other things, these provisions cover (1) refunds for tax overpayments, (2) hearing and appeals processes, (3) penalties for certain willful violations or fraud, (4) record retention requirements for

taxpayers, and (5) the issuance of tax warrants.

At the close of each fiscal year, beginning with FY 26, the bill allows the state comptroller to record as revenue for the fiscal year the amount DRS received from aviation tax revenue within five business days from the last day of July immediately following the end of the fiscal year.

EFFECTIVE DATE: July 1, 2023, and the PGET exemption is applicable to first sales occurring on or after that date.

§§ 385 & 387 — CONNECTICUT AIRPORT AND AVIATION ACCOUNT AND CONNECTICUT AIRPORT AUTHORITY FUNDING

Transfers $8 million from the STF to the Connecticut airport and aviation account in each of FYs 24 and 25; starting in FY 26, deposits aviation fuel tax revenue into the airport and aviation account

By law, the Connecticut airport and aviation account is a nonlapsing account within the Grants and Restricted Accounts Fund. Account funds are spent by the Connecticut Airport Authority, with the OPM secretary's approval, for airport and aviation purposes. Under current law, the account is funded with 75.3% of PGET revenue from aviation fuel sources. In practice, the account is used for CAA-owned and municipal general aviation airports.

The bill transfers, from the STF to the Connecticut airport and aviation account, $8 million in each of FYs 24 and 25 (i.e., the fiscal years during which, under the bill, aviation fuel is not taxed). Starting July 1, 2025, the DRS commissioner must deposit into the account all the revenue received from the new aviation fuel tax.

EFFECTIVE DATE: July 1, 2023

§ 388 — TAX CREDIT FOR PRE- AND POST-BROADWAY PRODUCTIONS AND LIVE THEATRICAL TOURS

Establishes a new tax credit for production companies of eligible theater productions performed at qualified facilities in Connecticut; caps the total credits allowed at $2.5 million per fiscal year

The bill establishes a new tax credit for production companies of eligible pre- and post-Broadway productions and live theatrical tours performed at qualified facilities in Connecticut. The credit equals 30%

of the production's eligible expenditures. Taxpayers may apply it against the personal income tax or specified business taxes. The bill caps at $2.5 million the total amount of these tax credits allowed per fiscal year.

EFFECTIVE DATE: January 1, 2024, and applicable to income and tax years starting on or after that date.

Qualified Productions and Facilities

Under the bill, to qualify for a credit, the production must be (1) performed at a qualified production facility and (2) a for-profit live stage presentation of a pre- or post-Broadway production or live theatrical tour (in its original or adapted version) (i.e., an "accredited theater production"). A "pre-Broadway production" is one scheduled to be presented in New York City's Broadway theater district within 12 months after its performance in Connecticut, while a "post-Broadway production" is one that opens its national tour in Connecticut after a Broadway run. A "live theatrical tour" is one that opens its national tour in Connecticut without performing on Broadway.

A "qualified production facility" is a facility located in Connecticut where live stage presentations are, or are intended to be, exclusively performed. It must have at least one stage; a seating capacity of at least 1,000 seats; and dressing rooms, storage areas, and other related amenities needed for an accredited theater production.

Eligible Expenditures

Production and Performance Expenditures. Under the bill, only eligible "production and performance expenditures" count towards the credit's calculation. The bill defines these expenditures as the exchange of cash or its equivalent for goods or services related to developing, producing, or performing an accredited theater production or for its operating expenditures incurred in Connecticut. This includes expenditures for the following:

1. design, construction, and operation (e.g., sets, special and visual effects, costumes, wardrobe, make-up, and accessories);

2. sound, lighting, staging, facility expenses, rentals, per diems, and accommodations;

3. salaries, wages, fees, and other compensation and benefits for services performed in Connecticut ("payroll");

4. goods or services related to the production's national marketing, public relations, and advertising (i.e., print, electronic, television, billboard, and other advertising types) ("advertising and public relations expenditures"); and

5. transportation, as described below.

Transportation Expenditures. The bill defines "transportation expenditures" as those for (1) packing, crating, and transporting, to and from Connecticut, sets, costumes, and other property and equipment for an accredited theater production and (2) transporting the production's cast and crew to and from here. However, it excludes costs for any of the following:

1. transporting tangible property and equipment used only for filming and not in an accredited theater production and

2. indirect costs, expenditures reimbursed by a third party, or any amount paid to an individual or entity for their participation in the profits from the production's exploitation.

Credit Application and Approval Process

Initial Certification. Under the bill, an accredited theater production's production company (i.e., person, firm, partnership, trust, estate, or other entity) may apply to the DECD commissioner, as she prescribes, for a production's initial certification. (In the case of a partnership, its sole proprietor, owner, or member may apply.) The application must include information about the following:

1. the accredited theater production and production company presenting it,

2. the applicant's relationship to the production or production

company,

3. the qualified production facility where the production will be performed, and

4. any other information and data the commissioner deems needed to evaluate the application.

If the DECD commissioner approves the application, she must issue an initial certification notice to the production company and DRS commissioner.

Final Certification. Once the accredited theater production's performance has been completed, the production company must apply to the DECD commissioner for a final certification. The application must include a cost report and a certified public accountant's certification that this report, in the accountant's opinion, is accurate.

The commissioner must, within 30 days after a production company submits a complete application, determine (1) whether to approve a final accredited theater production certificate and (2) the credit amount allowed. Once approved, she must (1) issue the certificate to the production company and specify the credit amount allowed and (2) notify the DRS commissioner of this information.

Credit Claims and Transfers

Applicable Taxes and Eligible Claimants. Production companies that get a final accredited theater production certificate from DECD may claim the credit against the personal income, corporation business, insurance premiums, or utility companies tax, but not the withholding tax. (Withholding tax is income tax paid on a taxpayer's behalf by qualifying Connecticut employers.) If the company is an S corporation or entity treated as a partnership for federal income tax purposes, its shareholders or partners may claim the credit. If it is a single member LLC disregarded as an entity separate from its owner, the LLC's owners may claim it, as long as the owner is subject to the personal income or corporation business tax.

The credit must be claimed for the income or tax year in which it was earned. Unused credits may be carried forward for up to three years and may be sold, assigned, or transferred in whole or part.

Financial Penalty. The bill imposes a financial penalty equal to the credit amount on any production company that submits information to the DECD commissioner that it knows is fraudulent or false. This penalty is in addition to other penalties provided by law.

Limits on Post-Certification Remedies. The bill (1) exempts any credits sold, assigned, or transferred under its provisions to a post-certification remedy and (2) limits the DECD and DRS commissioners' power to further audit or examine the production and performance expenditures for which the credit was allowed unless there is the possibility of material misrepresentation or fraud. The bill gives the commissioners the sole remedy of recovering the credits from the production company that committed the fraud or misrepresentation.

Examinations. The bill authorizes the DECD and DRS commissioners to examine the books, papers, and records related to the information or data an accredited theater production provided with its final certification application in order to determine that a credit claim is correct.

Reporting Requirement

Annually, starting by March 1, 2025, the DECD commissioner must report specified information to the Commerce and Finance, Revenue and Bonding committees about each production company that applied in the previous calendar year for an accredited theater production initial or final certification. Specifically, the report must (1) describe the production companies and their accredited theater productions and production facilities and (2) provide the status of their applications and the amount of any credits allowed.

§ 389 — UNCLAIMED DEPOSITS REMITTED TO GENERAL FUND

Reduces the amount of unclaimed deposits remitted to the General Fund for FY 24 by allowing deposit initiators to keep unclaimed deposits for the first two quarters of FY 24 to reimburse them for the increased deposit on redeemed containers beginning January 1,

2024; for FY 25, reduces the required quarterly remittance from 55% to 50%; beginning in FY 26, ties the required remittance to the average statewide redemption rate for the preceding fiscal year

The bill reduces the amount of unclaimed deposits remitted to the General Fund under the state's beverage container redemption law (i.e., "bottle bill") for FY 24. Specifically, it requires deposit initiators (e.g., distributors) to keep all unclaimed deposits for the first two quarters of FY 24 (i.e., from July 1, 2023, to the end of the calendar year) to reimburse them for the 10-cent deposit on redeemed beverage containers scheduled to take effect on January 1, 2024. For the third quarter, it requires them to remit 65% of the outstanding account balance attributable to the quarter, plus any remaining balance they retained for the first and second quarters. For the fourth quarter, it requires them to remit 65% of the outstanding account balance, as current law requires.

For FY 25, it reduces the amount of unclaimed deposits that deposit initiators must quarterly remit to the General Fund from 55% to 50%.

Starting in FY 26, the bill ties the percentage of unclaimed deposits that deposit initiators must remit each quarter to the average statewide redemption rate for the preceding fiscal year, as shown in the table below. It requires the Department of Energy and Environmental Protection commissioner, beginning by August 1, 2024, to annually calculate and publish this rate by dividing the number of beverage containers redeemed by the number sold.

Table: Required Remittance of Unclaimed Deposits for FY 26 and After

FY	*Statewide Redemption Rate for Preceding Fiscal Year*	*Required Remittance*
26	At least 60%	25%
	Less than 60%	45%
27	At least 65%	5%
	Greater than 60%, but less than 65%	25%
	60% or less	45%
28 and after	At least 75%	5%
	Greater than 65%, but less than 75%	10%
	Greater than 60% to 65%	25%
	60% or less	45%

EFFECTIVE DATE: Upon passage

§ 390 — TAX CREDIT FOR CASH CONTRIBUTIONS TO SCHOLARSHIP ORGANIZATIONS FOR PRIVATE SCHOOLS

Creates a new tax credit against the personal income and corporation business tax for people and businesses making cash contributions to nonprofit organizations for scholarships to income-qualified students attending private elementary or secondary schools

The bill establishes a new tax credit for cash contributions people and businesses make to fund scholarships for income-qualified students attending private elementary or secondary schools. The credit may be applied against the corporation business tax or personal income tax, but not the withholding tax. The credit equals 50% of the qualifying contribution, up to a maximum of $100,000 credit per income year for corporation taxpayers or $20,000 credit per tax year for personal income taxpayers. The bill caps the total amount of credits that may be reserved for this program at $2.5 million per fiscal year.

EFFECTIVE DATE: January 1, 2024, and applicable to income and tax years starting on or after that date.

Eligibility Criteria

Under the bill, the contribution must be made to a "scholarship organization," defined as a 501(c)(3) tax-exempt, nonprofit organization providing scholarships that allow "eligible students" to attend qualified schools. A "qualified school" is a private, elementary, or secondary school in Connecticut that meets the law's requirements for private schools. "Eligible students" are school-aged students (1) registered in a qualified school and (2) with household income of up to 250% of the federal poverty level (FPL) (e.g., up to $75,000 for a family of four based on the current FPL). To qualify for a credit, the person or business making a contribution may not designate any part of it to a specific qualified school or student.

Credit Reservations and Vouchers

To access the credit, the entity or person must apply to OPM to reserve a credit allocation in the amount of the intended contribution. The OPM secretary must (1) prescribe the application, which must

contain the information he deems necessary, and credit reservation process and (2) approve applications on a first-come, first-served basis. He must notify applicants in writing within 30 days after receiving an application of his approval or rejection. Approved entities or people must make their intended contribution within 120 days after receiving an approval notice.

Once the entity or person has made the contribution, it must apply to the OPM secretary for a credit voucher. In doing so, it must provide the documentation and independent certification the OPM secretary requires on the contribution amount and certification that it was actually made to the scholarship organization. If the OPM secretary determines that the entity or person is eligible for the voucher, OPM must (1) enter the credit amount allowed on the voucher and (2) give a copy of it to the DRS commissioner if he requests one.

Credit Claims

Taxpayers must claim the credits for the income or tax year in which the contribution was made.

If the contributing taxpayer is an S corporation or an entity treated as a partnership for federal income tax purposes, the taxpayer's shareholders or partners may claim the credit. If the contributing taxpayer is a single member LLC disregarded as an entity separate from its owner, the company's owner may claim the credit, as long the owner is subject to either the corporation business or personal income tax.

Taxpayers claiming the credits may not claim a credit under the Neighborhood Assistance Act program for the same contributions.

Fraudulent or False Claims

The bill imposes a financial penalty equal to the credit amount on any entities or individuals that submit information to the OPM secretary that they know is fraudulent or false. This penalty is in addition to other penalties provided by law.

Examinations

The bill authorizes the OPM secretary and DRS commissioner to

examine the books, papers, and records related to the documentation provided with a tax credit voucher application to determine that a credit claim is correct.

Reporting Requirements

Annually, starting by March 1, 2025, the OPM secretary must report to the Commerce and Finance, Revenue and Bonding committees on the credit. The report must include the following information for the prior calendar year:

1. the number of credit reservation applications received and approved or rejected;

2. the number of approved vouchers and amount of each;

3. the number of corporation business and personal income taxpayers whose applications were approved and received a credit voucher, respectively;

4. the scholarship organizations to which contributions were made; and

5. any other information or data he deems relevant or useful to evaluate the credit's effectiveness in helping eligible students attend a qualified school.

§ 391 — TAX GAP ANALYSIS AND STRATEGY AND DRS PLAN

Requires DRS to (1) estimate the state's tax gap, develop a strategy to reduce the gap, and evaluate related staffing needs; (2) report information on this estimate and strategy to the legislature; and (3) publish a plan for the agency for closing the tax gap

The bill requires DRS to estimate the state's "tax gap," do related analyses, develop a strategy to address it, and report certain information to the legislature. Under the bill, tax gap is the difference between taxes and fees owed under full compliance with all state tax laws and the state taxes and fees voluntarily paid, which may be caused by failing to file taxes, underreporting tax liability, or not paying all taxes and fees owed.

It also requires the DRS commissioner, by July 1, 2025, to publish a plan that includes the department's measurable goals for closing the tax

gap, specific strategies for achieving the goals, and a timetable to measure progress toward closing the gap. The plan must be posted on DRS's website and updated annually.

EFFECTIVE DATE: July 1, 2023

Tax Gap Reporting

The bill requires the DRS commissioner to annually take the following actions related to the state tax gap:

1. estimate the gap and develop an overall strategy to promote compliance and discourage avoidance;

2. (a) evaluate DRS's specific staffing needs to implement the overall strategy and reduce the state tax gap and (b) determine any progress made toward filling the staffing needs;

3. do a cost-benefit analysis of each major tax compliance initiative the department undertook in the preceding fiscal year, including tax amnesty programs; and

4. analyze the rate of audits, by income level, that the department did the previous fiscal year.

The tax gap estimate must include an analysis of income and population distribution, expressed for (1) every 10 percentage points (i.e., by income decile); (2) the top 5% of all income taxpayers; (3) the top 1% of all income taxpayers; and (4) the top 0.5% of all income taxpayers.

Starting by December 15, 2024, the bill requires DRS to annually submit a report to the Finance, Revenue and Bonding Committee with the tax gap estimate and analyses (and any supporting information), the compliance strategy, a summary of the staffing needs determination, and the findings of the tax compliance initiative and audit analyses. The report must also be posted on DRS's website.

§ 392 — TAX INCIDENCE REPORT

Expands the scope of DRS's biennial tax incidence report by requiring that the report include (1) the PE tax and other taxes generating at least $100 million and (2) additional

information on tax burden distribution, effective tax rates, and tax credit and modification distribution

The bill expands the scope of the tax incidence report that DRS must biennially submit to the legislature and post on its website. Specifically, it expands the taxes covered in the report and requires additional information on tax burden distribution, effective tax rates, and tax credit and modification distribution.

The bill also requires the DRS commissioner, if he contracts out for the report's preparation, to include in the report the resources he deems necessary for the department to prepare the report in-house.

Under existing law, DRS must submit this report to the Finance, Revenue and Bonding Committee by December 15 in odd-numbered years.

EFFECTIVE DATE: July 1, 2023

Included Taxes

Current law requires that the report provide, for the 10 most recent years for which complete data are available, the overall incidence of the income tax, sales and excise taxes, corporation business tax, and property tax. The bill additionally requires that it cover the pass-through entity (PE) tax and any other tax that generated at least $100 million in the fiscal year before the report's submission.

Incidence Projections and Tax Burden Distribution

By law, the report must include incidence projections for each included tax and present information on the tax burden distribution.

Under current law, the tax burden distribution for individual taxpayers must be reported by income classes, including income distribution by income deciles and for the top 1% and 5% of all income taxpayers. The bill additionally requires that the report include the distribution for the top 0.5% of all income taxpayers. The report must also include, for each income class, the (1) population distribution and (2) percentage of taxpayers who are homeowners, single, married, or seniors or who have children.

The bill also requires that the report include effective tax rates by population distribution expressed as (1) state taxes compared to local taxes and (2) taxes imposed on businesses compared to those imposed on individuals. For property tax, it also requires that the report include, to the extent available, information on the distribution between residential and commercial property and, for residential property, the distribution between renters and owners.

Credits and Modifications

The bill requires that the report include information on the distribution of the following tax credits and modifications (e.g., deductions), shown for the income classes described above:

1. the property tax credit against the income tax, earned income tax credit, PE tax credit, and any other modification against the personal income tax that resulted in $25 million or more in lost revenue in the most recent fiscal year prior to the report's submission and

2. modifications against any tax included in the report (other than personal income or property tax) that resulted in $25 million or more in lost revenue in the most recent fiscal year prior to the report's submission.

§ 393 — PERSONAL INCOME TAX RATES

Starting with the 2024 tax year, decreases the bottom two marginal income tax rates from (1) 3% to 2% and (2) 5% to 4.5%; gradually eliminates the benefit of the bill's decreased marginal rates for taxpayers beginning with taxable incomes exceeding $105,000 (single filers and married filing separately), $168,000 (heads of household), or $210,000 (joint filers)

Rates

Starting with the 2024 tax year, the bill reduces the bottom two marginal income tax rates for all filers from (1) 3% to 2% and (2) 5% to 4.50%. Generally, this lowers taxes on the first (1) $50,000 in taxable income for single filers and married people filing separately; (2) $100,000 for joint filers; and (3) $80,000 for heads of household. The table below shows the marginal tax rates under current law and under the bill.

Table: Tax Brackets and Rates Under the Bill and Current Law

Connecticut Taxable Income ($)				*Tax Rates (%)*	
Single		***Head of Household***			
Over	*Not Over*	*Over*	*Not Over*	*Current*	*Bill*
0	10,000	0	16,000	3.00	2.00
10,000	50,000	16,000	80,000	5.00	4.50
50,000	100,000	80,000	160,000	5.50	5.50
100,000	200,000	160,000	320,000	6.00	6.00
200,000	250,000	320,000	400,000	6.50	6.50
250,000	500,00	400,000	800,000	6.90	6.90
500,000	--	800,000	--	6.99	6.99
Connecticut Taxable Income ($)				***Tax Rates (%)***	
Married Filing Jointly		***Married Filing Separately***			
Over	*Not Over*	*Over*	*Not Over*	*Current*	*Bill*
0	20,000	0	10,000	3.00	2.00
20,000	100,000	10,000	50,000	5.00	4.50
100,000	200,000	50,000	100,000	5.50	5.50
200,000	400,000	100,000	200,000	6.00	6.00
400,000	500,000	200,000	250,000	6.50	6.50
500,000	1,000,000	250,000	500,00	6.90	6.90
1,000,000	--	500,000	--	6.99	6.99

Phase-Out of Lowest Tax Rate

As under current law for the 3% rate, the 2% rate phases out for filers with incomes exceeding $56,500 (single filers), $100,500 (joint filers), $78,500 (heads of household), and $50,250 (married filing separately). Generally, this means that for each type of filer, the amount of income subject to the lowest tax rate (2% under the bill) is gradually reduced, subjecting more of these taxpayers' incomes to tax at the next rate (4.50% under the bill).

Recapture

By law, taxpayers whose income exceeds specified thresholds are subject to "benefit recapture," a requirement that eliminates the benefit certain higher income taxpayers get from having part of their income taxed at lower rates. Under current law, it applies to taxpayers with taxable income greater than $200,000 (single or married filing separately), $400,000 (married filing jointly), or $320,000 (head of

household) and gradually increases these taxpayers' liability until their entire taxable income is effectively taxed at the top 6.99% rate.

The bill retains these provisions but adds a new benefit recapture provision to gradually eliminate the benefit of the bill's tax rate reduction for taxpayers with taxable incomes exceeding $105,000 (single or married filing separately), $210,000 (married filing jointly), or $168,000 (head of household). As the following table shows, the additional benefit recapture applies beginning when taxable income exceeds these thresholds and gradually increases until these taxpayers pay an additional $250, $500, or $400, respectively (i.e., when their incomes reach $150,000, $300,000, or $240,000, respectively).

Table: Additional Benefit Recapture Provision Under the Bill

Filing Status	*Income Threshold at Which Benefit Recapture Begins*	*Recapture Amount*	*Maximum Recapture Amount*
Single and Married Filing Separately	$105,000	$25 for each $5,000 of income by which CT adjusted gross income (AGI) exceeds threshold	$250
Head of Household	168,000	$40 for each $8,000 of income by which CT AGI exceeds threshold	400
Married Filing Jointly	210,000	$50 for each $10,000 of income by which CT AGI exceeds threshold	500

EFFECTIVE DATE: Upon passage, and applicable to tax years starting on or after January 1, 2024.

§ 394 — RETIREMENT INCOME EXEMPTIONS

Starting in 2024, extends eligibility for the pension and annuity and IRA income tax exemptions to taxpayers with federal AGIs of at least (1) $100,000 but less than $150,000 for joint filers and (2) $75,000 but less than $100,000 for other filing statuses; gradually reduces the exemption for these taxpayers until it fully phases out at $100,000 or $150,000 as applicable

Current law exempts income-eligible taxpayers' pension and annuity income from personal income tax by allowing taxpayers to deduct 100% of their qualifying pension and annuity income from their Connecticut taxable income if their federal AGI is less than (1) $75,000 for single

filers, married people filing separately, and heads of household or (2) $100,000 for married people filing jointly. It also exempts income from individual retirement account (IRA) distributions (other than Roth IRAs) for taxpayers meeting these income criteria (see below).

Beginning with the 2024 tax year, the bill extends eligibility for these exemptions to taxpayers with federal AGIs of (1) at least $75,000 but less than $100,000 for single filers, married people filing separately, and heads of household and (2) at least $100,000 but less than $150,000 for joint filers. However, it gradually reduces the deductions for these taxpayers until they fully phase out at $100,000 or $150,000 as applicable. The table below shows the phase-out schedule.

Table: General Pension and Annuity Deduction and IRA Deduction Phase-Out Schedule, Beginning With 2024 Tax Year

Federal AGI ($)		*Deduction (%)*
Single, Married Filing Separately, or Head of Household	*Married Filing Jointly*	
< 75,000	< 100,000	100.0
75,000 to 77,499	100,000 to 104,999	85.0
77,500 to 79,999	105,000 to 109,999	70.0
80,000 to 82,499	110,000 to 114,999	55.0
82,500 to 84,999	115,000 to 119,999	40.0
85,000 to 87,499	120,000 to 124,999	25.0
87,500 to 89,999	125,000 to 129,999	10.0
90,000 to 94,999	130,000 to 139,999	5.0
95,000 to 99,999	140,000 to 149,999	2.5
≥ 100,000	≥ 150,000	0.0

IRA Exemption

By law, the IRA exemption phases in over four years, allowing taxpayers to deduct 25% of IRA income for the 2023 tax year, 50% for 2024, 75% for 2025, and 100% for 2026 and beyond.

Under the bill, in the case of the IRA deduction for the 2024 and 2025 tax years, the deduction percentage listed in the table above applies to the portion of income the law allows as a deduction, not to all IRA income. For example, a single filer with $80,000 in federal AGI and

$50,000 in IRA income would be able to deduct $13,750 of that income in the 2024 tax year (i.e., 50% of IRA income, multiplied by 55%).

EFFECTIVE DATE: Upon passage

§§ 394 & 396 — CANNABIS BUSINESS EXPENSES DEDUCTION

Allows cannabis licensees to deduct from the state personal income or corporation business tax ordinary and necessary business expenses that would otherwise be eligible for a federal tax deduction but are disallowed because marijuana is a controlled substance

Starting with the 2023 tax year, the bill allows personal income and corporation business taxpayers holding medical marijuana or adult-use cannabis licenses to deduct, for state tax purposes, the amount of ordinary and necessary business expenses that would be eligible for a federal tax deduction under federal law (26 U.S.C. § 162(a)) but are disallowed because marijuana is a controlled substance under the federal Controlled Substance Act.

Federal tax law specifically prohibits taxpayers from claiming a deduction or a credit for expenses paid or incurred in operating a business consisting of trafficking controlled substances that are prohibited by federal or state law (126 U.S.C. § 280E). IRS guidance indicates that marijuana business owners may deduct their costs of goods sold (their inventory) but may not deduct "ordinary and necessary" business expenses, such as wages, salaries, and travel expenses.

EFFECTIVE DATE: Upon passage

§ 395 — EARNED INCOME TAX CREDIT (EITC) INCREASE

Increases the state EITC from 30.5% to 40% of the federal credit

Starting with the 2023 tax year, the bill increases the state EITC from 30.5% to 40% of the federal credit. The EITC is a refundable tax credit available to people who work and earn incomes less than certain amounts.

EFFECTIVE DATE: Upon passage

§ 397 — SALES AND USE TAX EXEMPTION FOR NONPRESCRIPTION OPIOID ANTAGONISTS

Exempts nonprescription opioid antagonists from the state sales and use tax

The bill adds nonprescription opioid antagonists to the list of nonprescription drugs that are exempt from the state sales and use tax. By law and under the bill, an "opioid antagonist" is naloxone hydrochloride (e.g., Narcan) or any similarly acting and equally safe drug that the Food and Drug Administration (FDA) has approved for treating a drug overdose. The FDA recently approved a four-milligram naloxone hydrochloride nasal spray for over-the-counter, nonprescription use.

EFFECTIVE DATE: July 1, 2023, and applicable to sales made on or after that date.

§ 398 — GAAP DEFICIT

Deems that $1 is appropriated in FYs 24-25 to pay off the state's GAAP deficit

The bill deems that $1 is appropriated in FYs 24 and 25 to pay off the General Fund's unassigned negative balances (i.e., Generally Accepted Accounting Principles (GAAP) deficits), which reflect the negative balances that accumulated before the state adopted GAAP in FY 14. By law, the OPM secretary must annually publish recommended schedules to fully amortize the deficits by FY 28.

EFFECTIVE DATE: Upon passage

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

Requires the state comptroller to transfer $95 million of FY 24 General Fund resources for use in FY 25

The bill requires the state comptroller, by June 30, 2024, to transfer $95 million of FY 24 General Fund resources to be counted as FY 25 General Fund revenue.

EFFECTIVE DATE: July 1, 2023

§§ 400-402 — TRANSFERS FROM GENERAL FUND

Transfers specified amounts from the General Fund to other funds in FYs 24 and 25

The bill transfers specified amounts from the General Fund to other funds in FYs 24 and 25, as shown in the following table.

Table: Transfers from the General Fund

§	Fund Receiving General Fund Transfer	Amount (millions)	
		FY 24	FY 25
400	Municipal Revenue Sharing Fund	115.8	104.9
401	Cannabis Regulatory Fund	10.1	10.3
402	Tourism Fund	2.9	1.3

EFFECTIVE DATE: July 1, 2023

§ 403 — TASK FORCE TO REVIEW BOARDS OF ASSESSMENT APPEALS PROCEEDINGS

Establishes a seven-member task force to review boards of assessment appeals proceedings and report to the legislature by January 1, 2024

The bill establishes a seven-member task force to review boards of assessment appeals proceedings. At a minimum, its review must:

1. examine the current proceedings to identify problems or inefficiencies for people, companies, and municipalities;

2. recommend statutory changes to improve or lessen these problems or inefficiencies; and

3. examine the feasibility of implementing a professional, independent appeals system for these proceedings.

The task force's membership is composed of the OPM secretary, or his designee, and six members appointed by the top six legislative leaders. The legislative leaders must make their initial appointments within 30 days after the bill's passage and fill any vacancies. Appointees may be legislators.

The House speaker and Senate president pro tempore must choose the task force's chairpersons from its members. The chairpersons must schedule the first meeting within 60 days after the bill's passage.

By January 1, 2024, the task force must report its findings and recommendations to the Finance, Revenue and Bonding, and Planning and Development committees. It terminates when it submits its report or January 1, 2024, whichever is later.

EFFECTIVE DATE: Upon passage

§ 404 — TASK FORCE ON BUILDING INSPECTION TIMELINESS

Establishes a seven-member task force to study the timeliness of building inspections required for building permits and report to the legislature by January 1, 2024

The bill establishes a seven-member task force to study the timeliness of building inspections required for building permits. At a minimum, the study must:

1. review the average time it takes for inspections to be done after the work is ready to be inspected;

2. examine the frequency with which scheduled inspections are cancelled or rescheduled, and if possible, which party did so;

3. look at whether inspectors are municipal employees or independent contractors and whether there are any regional arrangements (presumably, for their employment);

4. recommend initiatives to (a) incentivize or attract additional inspectors to Connecticut and (b) increase inspection timeliness; and

5. recommend statutory changes to implement these initiatives.

The task force's membership is composed of the OPM secretary, or his designee, and six members appointed by the top six legislative leaders. The legislative leaders must make their initial appointments within 30 days after the bill's passage and fill any vacancies. Appointees may be legislators.

The House speaker and Senate president pro tempore must choose the task force's chairpersons from its members. The chairpersons must schedule the first meeting within 60 days after the bill's passage.

By January 1, 2024, the task force must report its findings and recommendations to the Finance, Revenue and Bonding, and Planning and Development committees. It terminates when it submits its report or January 1, 2024, whichever is later.

EFFECTIVE DATE: Upon passage

§§ 405 & 406 — STATE TREASURER AND INVESTMENT ADVISORY COUNCIL

Expands the investment-related job titles for which the state treasurer may set compensation; eliminates a prohibition on IAC members and their businesses or affiliates contracting with or providing investment services for state trust funds while they serve on the council and for one year after, but requires that they recuse themselves from related discussions or votes

Investment Officer and Personnel Salaries (§ 405)

Existing law authorizes the treasurer to set the salary ranges for the chief, deputy, and principal investment officers, in consultation with the Investment Advisory Council (IAC). The bill additionally authorizes him to do so for investment officers and other personnel that assist the chief investment officer. In doing so, it exempts these officers and personnel from the requirement that executive branch employee salaries not set by law must be set by the administrative services commissioner and approved by the Office of Policy and Management secretary.

By law, unchanged by the bill, the cost of operating the investment department, including personnel costs and professional investment counsel, is paid from state trust funds' income.

IAC Public Members (§ 406)

The bill eliminates a prohibition against the IAC's public members and their business organizations or affiliates contracting with or providing investment services for state trust funds while they serve on the council and for one year after. But it requires that they recuse themselves from discussions or votes related to these contracts.

EFFECTIVE DATE: Upon passage

§§ 407-409 — CORPORATION STOCK SHARE PLAN

Creates tax incentives for eligible corporations offering an employee stock-sharing arrangement that distributes their common stock to participating employees (i.e., offering a "share plan"); exempts from state personal income tax any share plan stock taxpayers receive; requires DRS to study the share plan program and report its findings to the legislature by December 15, 2023

- Creates tax incentives for eligible corporations offering an employee stock-sharing arrangement that distributes their

common stock to participating employees (i.e., offering a "share plan"); to qualify, the corporation must be subject to Connecticut's corporation business tax and have at least 100 full-time employees here

- Sets the criteria employee stock-sharing plans must meet in order to qualify as a share plan, including requiring that (1) at least 80% of the company's eligible employees (i.e., full-time employees based in Connecticut whose annual cash contribution from the company is less than $200,000) participate in the plan; (2) the plan distribute at least 300 shares per participating employee, adjusted for any stock split or reverse stock split on or after January 1, 2025; (3) the distributions be made without compensation other than the employee's service and generally in equal amounts to each participating employee; and (4) the plan meet specified holding period and vesting requirements

- Under the bill, if the revenue services commissioner finds that a corporation's share plan meets the bill's requirements, the corporation is exempt from the corporation business tax surcharge starting in 2027; if the surcharge expires or is eliminated after the company starts claiming the exemption, it is eligible for a credit against the corporation business tax equal to the surcharge amount they would have owed had it still been in effect

- Allows these companies to claim the exemption or credit, as applicable, for 10 successive income years, according to a schedule based on whether they begin offering a share plan in 2025, 2026, or 2027 and after

- Beginning with the 2025 tax year, exempts from the state personal income tax any share plan stock taxpayers receive

- Requires the DRS commissioner, in consultation with the OPM secretary, to study the share plan program established under the bill, including its benefits and fiscal impact, and report his

findings to the Finance, Revenue and Bonding Committee by December 15, 2023

- EFFECTIVE DATE: January 1, 2025, except; the personal income tax deduction is effective January 1, 2024, but applicable to tax years starting on or after January 1, 2025, and the study provision is effective upon passage

§§ 410-412 — XL CENTER

Allows CRDA to enter into two separate agreements concerning the XL Center's management and operation and reconstruction and renovation; eliminates a requirement that the OPM secretary, on the state's behalf, enter into an agreement with CRDA on the proceeds from operating retail sports wagering at the XL Center

The bill allows the Capital Region Development Authority (CRDA) to enter into two separate agreements concerning the XL Center's (1) management and operation and (2) reconstruction and renovation. Specifically, it allows CRDA to enter into an agreement with the contractor that is operating and managing the XL Center as of July 1, 2023, to continue operating and managing the center. The agreement must require that the contractor manage, operate, and invest in the renovation of the center and bear any losses and share in any profits from the center's operation.

With respect to the reconstruction and renovation, the bill allows CRDA to enter into one or more agreements for a project to renovate and reconstruct the XL Center. The agreement must provide that CRDA, the state, or both together, must contribute no more than $80 million, and the contractor must contribute at least $20 million toward the cost of any renovation or reconstruction occurring after January 1, 2023 (§ 411).

In both cases, any agreement must be entered into by December 31, 2025, but may be amended after that date. The agreements and any amendments are subject to the OPM secretary's approval.

The bill also eliminates a requirement that the OPM secretary, on the state's behalf, enter into an agreement with CRDA on the proceeds of operating retail sports wagering at the XL Center.

EFFECTIVE DATE: July 1, 2023, except that the provision on sports wagering proceeds is effective upon passage.

Management and Operating Agreement (§ 410)

The bill allows CRDA to enter into an agreement by December 31, 2025, with the contractor that is operating and managing the XL Center on July 1, 2023, to continue operating and managing the center. The agreement must require that the contractor manage, operate, and invest in the renovation of the center and bear any losses and share in any profits from the center's operation.

The agreement must be consistent with provisions in existing law requiring CRDA's board of directors to ensure that contracts or agreements comply with any existing covenants for tax-exempt bonds or other obligations. The bill exempts the XL Center and any personal property located on it from property tax by deeming it to be state-owned property while owned, leased, or operated by CRDA or the contractor. The bill prohibits the state from making a PILOT grant for the XL Center.

Before entering into the agreement, CRDA must enter into one or more agreements with Hartford to extend the XL Center's lease. The bill limits the expiration of CRDA's agreement with the contractor to the earliest expiration date of any lease agreement with the city.

Required Terms. The operating and managing agreement must include at least the following:

1. the length of the agreement, subject to the limitation on its expiration (see above);

2. the amounts CRDA and the contractor must contribute toward renovating and reconstructing the XL Center (see above);

3. a complete description of the management, operations, and functions to be performed and CRDA's and the contractor's responsibilities;

4. minimum quality standards that the contractor must maintain in

managing and operating the center;

5. the (a) methodology for calculating the net profit or loss from the center's operations and (b) division of net profit or loss between the contractor and CRDA (see below);

6. any amounts the contractor and CRDA will contribute to a capital expense fund to pay for future capital improvements;

7. a requirement that the contractor furnish an annual independent audit to CRDA and the OPM secretary covering all parts of the agreement;

8. performance and payment bonds or other security CRDA deems suitable;

9. one or more public liability insurance policies, in amounts CRDA determines, to ensure tort liability coverage for the contractor's employees and the public and provide for the center's continued operation;

10. rights and remedies available to CRDA if the contractor materially breaches the agreement; and

11. any other provision CRDA determines is appropriate.

Under the bill, the agreement's provisions on net profit and loss must provide the following:

1. operating expenses do not include depreciation on any assets paid for with funds from the contractor or CRDA for renovating or reconstructing the center;

2. operating expenses may include fees paid to the contractor or its affiliates for certain services, including venue management fees, food and beverage fees, and sponsorship and premium concessions;

3. the contractor is responsible for any net loss from the center's operations but retains the first $4 million of any net profit and

any net profit from its operations exceeding $4 million must be split equally between the contractor and CRDA.

CRDA Use of Sports Wagering Proceeds (§ 412)

The bill eliminates a requirement that the OPM secretary, on the state's behalf, enter into an agreement with CRDA on the proceeds from retail sports wagering at the XL Center. Under current law, the agreement must require the state to distribute to CRDA a sum equal to these proceeds, as certified by the Connecticut Lottery Corporation each month. The bill instead directly requires the secretary to distribute this sum and specifies that it must be from the General Fund.

The bill expands CRDA's permitted uses of these funds to include establishing a capital reserve account for the XL Center. Under existing law, it may only use the funds for the center's operation.

§ 413 — CONNECTICUT AIRPORT AUTHORITY REPORT

Requires CAA to annually report to the legislature on airport finances and acquisition, closure, and expansion plans

Starting by October 1, 2023, the bill requires the Connecticut Airport Authority's (CAA's) executive director to annually report to the Transportation and Finance, Revenue and Bonding committees on each airport it oversees. The report must (1) summarize each airport's operating and capital revenue and expenditures for the prior fiscal year and (2) give an overview of any acquisition, closure, or expansion plans in the coming year.

EFFECTIVE DATE: July 1, 2023

§ 416 — HEALTH CARE PROVIDER LOAN REIMBURSEMENT PROGRAM

Repeals an unfunded health care provider loan reimbursement program

The bill repeals the Health Care Provider Loan Reimbursement Program, which was established by legislation in 2022. Under current law, OHE must establish a loan reimbursement program for eligible health care providers. The program has not been funded.

EFFECTIVE DATE: Upon passage

§ 423 — AMERICAN RESCUE PLAN ACT (ARPA) TRANSFER

Eliminates the FY 23 transfer of $314.9 million in ARPA funds to the General Fund

The bill eliminates the required transfer of $314.9 million in ARPA funds to the General Fund in FY 23.

EFFECTIVE DATE: Upon passage