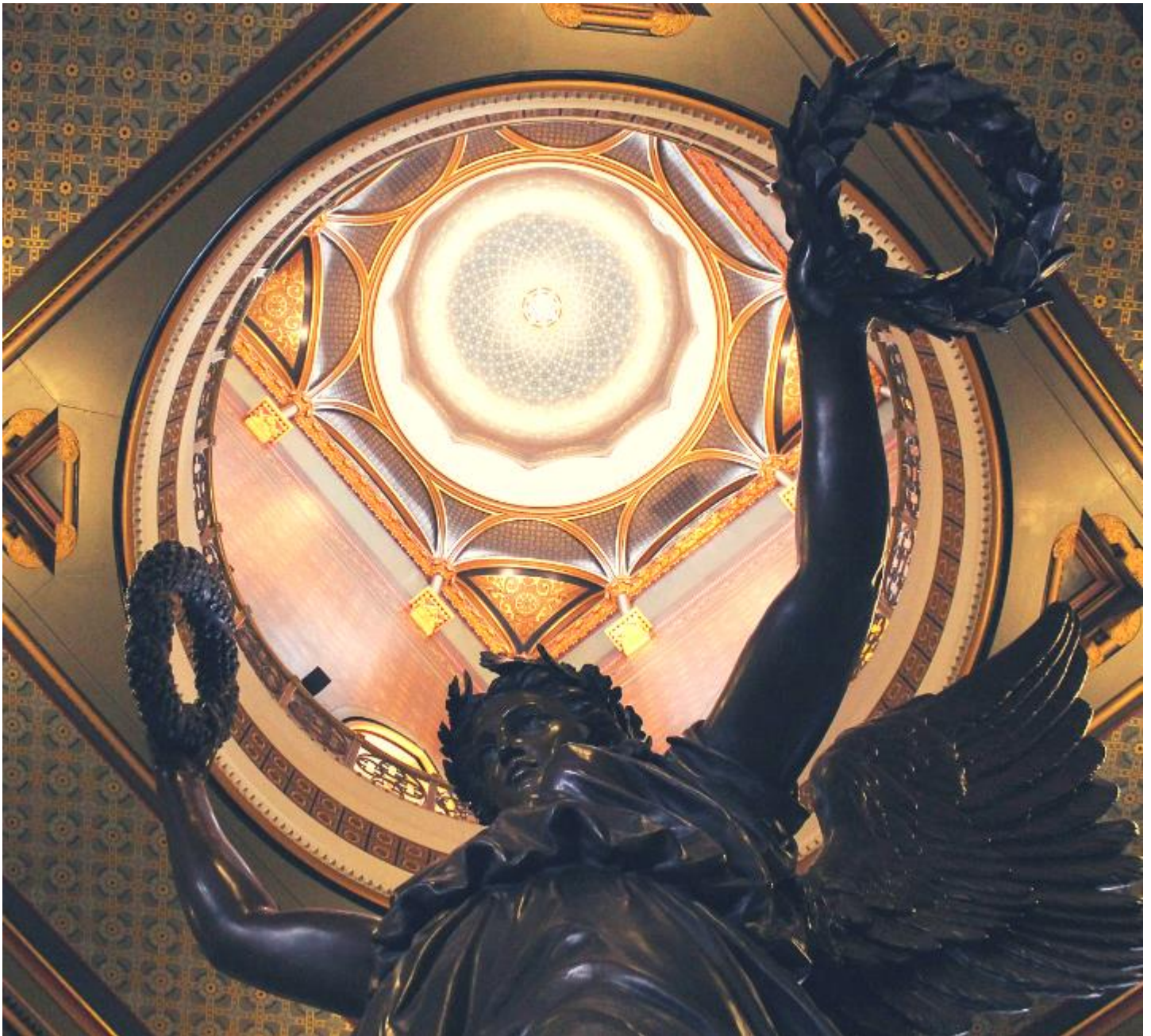


# MAJOR ISSUES

2025 LEGISLATIVE SESSION



OFFICE OF LEGISLATIVE RESEARCH

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Connecticut General Assembly  
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## Notice to Readers

Every year, the Office of Legislative Research (OLR) identifies and provides brief descriptions of important issues the General Assembly may face in the upcoming session. This report does not represent staff suggestions or recommendations. The office identifies issues based on interim studies; research requests; non-confidential discussions with legislators, other legislative participants, and executive branch agencies; as well as our general subject matter knowledge. We also consult with the Office of Fiscal Analysis (OFA) and the Legislative Commissioners' Office (LCO) when selecting issues. The report is organized according to the committee that has primary jurisdiction over an issue. Because more than one committee may consider aspects of the same issue, descriptions may overlap. Where appropriate, we provide links to OLR reports and other documents that contain additional information.

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## Aging

### *Aging in Place*

Like many states, Connecticut continues to confront a growing elderly population, high nursing home Medicaid costs, and an increasing desire among seniors to remain in their own homes while receiving care (i.e., “aging in place”). In 2024, the legislature passed acts to support home-based care for seniors ([PA 24-39](#)) and to improve the management and oversight of long-term care and similar licensed facilities ([PA 24-141](#)).

In 2025, the legislature may continue these efforts and consider proposals to (1) increase protections for older adults receiving home- and community-based services against abuse, neglect, and exploitation; (2) enhance safety measures for home- and community-based healthcare workers; or (3) expand state resources for investigating and prosecuting criminal matters involving crimes against elderly persons.

#### Related Reading:

- OLR Report [2024-R-0108](#), *Acts Affecting Seniors*
- OLR Report [2024-R-0115](#), *State Programs for Older Adults*

## Appropriations

### *Current Fiscal Year*

OFA projects a General Fund surplus of \$122.7 million in FY 25. This surplus is \$175.2 million lower than originally budgeted. The decline is primarily due to deficiencies in several areas, most prominently Medicaid (\$225 million). Deficiencies are partially offset by higher than expected revenues. The November consensus revised upward several revenue streams: the withholding portion of the income tax, estimates and finals/pass-through entities (which will transfer to the Budget Reserve Fund), federal grants, and transfers (mainly a transfer of FY 24 General Fund revenue to FY 25).

### *Future Fiscal Years: FY 26 – FY 28*

OFA projects positive General Fund balances in FY 26 (\$373.4 million), FY 27 (\$791.8 million), and FY 28 (\$1,294.7 million) using the required report methodology. This is due to an ongoing positive structural balance. In the out years, revenue growth (2.7% annualized) is expected to outpace fixed cost growth (2% annualized). Under the required report methodology, the out years balance

projections do not include any growth in non-fixed costs and must disregard other potential budgetary pressures, which may be substantial.

### ***Budget Reserve Fund***

The Budget Reserve Fund (BRF) has reached its statutory cap (18% of net General Fund appropriations) and is anticipated to remain at the cap through the projected period (FY 25 – FY 28). State law requires that the General Fund operating surplus and any revenue exceeding the volatility cap be deposited into the BRF, dedicated to reducing long-term debt, or both. The volatility deposit is projected to be above \$1.2 billion annually for FY 25 through FY 28, and nearly all these revenues will be dedicated to reducing long-term debt in the State Employees Retirement System and Teachers’ Retirement System. The transfers to the retirement systems result in reductions to required out year expenditures in those accounts (which are also affected by other factors).

Related Reading:

- OFA’s [Fiscal Accountability Report FY 25 – FY 28](#), (November 20, 2024)

## **Banking**

### ***Earned Wage Access Products***

In 2023, the Department of Banking issued industry guidance stating that, among other things, advances of money on future wages or earned salary that is not yet paid, commonly referred to as “earned wage access” (EWA) products, are generally covered by the state’s Small Loan Lending and Related Activities Act ([CGS §§ 36a-555 to -573](#), as amended by [PA 23-126](#)). Consequently, those providing EWA products are subject to licensing and other requirements (such as annual percentage rate and finance charge caps).

During the 2024 legislative session, the Banking Committee favorably reported a proposal with exemptions from the licensure requirement or caps under certain circumstances ([sHB 5140](#)), but no further action was taken. Relatedly, in July 2024, the federal Consumer Financial Protection Bureau issued a [proposed interpretative rule](#) on EWA products, stating that they constitute credit and require disclosures under the Truth in Lending Act. The Banking Committee may again consider proposals on regulating these financial products in 2025.

Related Reading:

- OLR Bill Analysis for [sHB 5140](#)



- Department of Banking [Industry Guidance](#) (September 11, 2023) and [Supplemental Industry Guidance](#) (September 22, 2023)
- Department of Labor, [Wage and Workplace Standards Division Notice](#) (May 10, 2024)
- Congressional Research Service, [Earned Wage Access Products](#) (July 31, 2024)

## Children

### *Child Food Insecurity*

Data shows that rates of food insecurity and hunger have increased in the state in recent years. For example, Feeding America’s Map the Meal Gap report shows that food insecurity rose in Connecticut from 10.9% of households in 2021 to 12.9% in 2022. In recent years, the legislature has allocated funds to help address this issue.

Last session, the legislature allocated federal American Rescue Plan Act money for FY 25 to cover the family cost of breakfast and lunch for students qualifying for reduced-priced school meals. The legislature also appropriated funds for the new Wholesome School Meals pilot program for Alliance Districts, which aims to improve the quality of school meals, among other goals. This coming session, the legislature may again consider ways to increase access to nutritious school meals for more students.

#### Related Reading:

- Feeding America’s [Map the Meal Gap](#)
- U.S. Department of Agriculture’s [Household Food Security in the United States in 2023](#) (September 2024)
- CTDataHaven [Food Insecurity Survey](#) (September 16, 2022)

### *Maternal Health Resources*

During the 2023 session, the legislature passed an act requiring the Office of Early Childhood (OEC) commissioner, within available appropriations, to develop and implement a statewide universal nurse home visiting services program for all families with newborns living in the state ([PA 23-147](#), § 16). The program, now called “Family Bridge,” began as a pilot program at Bridgeport Hospital. On May 31, 2024, the pilot expanded to St. Vincent’s Medical Center in Bridgeport and now serves families from an eight-town area if they have a child born at either hospital. This session, the legislature may seek to expand this program as well as consider additional ways to address maternal health.

Related Reading:

- OLR Report [2023-R-0146](#), *Acts Affecting Children*
- [OEC Family Bridge](#)

## Commerce

### *Tourism in the Mystic Area*

Last session, the legislature established a working group to develop an economic development and tourism plan for the greater Mystic area of the towns of Groton, New London, and Stonington ([SA 24-2](#)). The working group met during the interim to discuss topics including tourism and hospitality, transportation and parking, and infrastructure. The working group is expected to present its final report to the Commerce Committee soon, and the committee may consider legislation based on the group's findings and recommendations this session.

Related Reading:

- [Mystic Tourism Working Group](#)

## Education

### *Magnet School and Vo-Ag Center Grants Cliff*

Last session, the legislature made significant changes to the magnet school and agricultural science and technology center ("vo-ag center") grant programs by giving extra weight in the per-student grant formula for those who are (1) English language learners or (2) eligible for free or reduced-priced school meals ([PA 24-81](#), §§ 112-119). By doing this, the revised grants provide more funding for students who meet those criteria. However, the new funding approach was enacted for FY 25 only and there are no statutory grants for the following fiscal years. This session, the legislature may consider how to authorize these grants for future years and what form they may take.

Related Reading:

- OLR Report [2024-R-0097](#), *Acts Affecting Education*
- OLR Public Act Summary for [PA 24-81](#)

## ***Special Education***

This year, the legislature has created a new Select Committee on Special Education, indicating that special education will have a heightened focus in the upcoming session. The number of students in Connecticut identified with a disability has steadily increased from 15.0% of the total student population in 2018-19 to 16.7% in 2022-23, with some districts as high as 20%.

In recent years, the legislature has made numerous changes to special education laws, such as requiring parental notices for a planning and placement team meeting to include the rights of parents or guardians and students in these meetings. Additionally, in the last session, the legislature increased funding for the special education excess cost grant. The new committee is expected to consider several ideas related to special education in the upcoming session.

Related Reading:

- OLR Report [2024-R-0097](#), *Acts Affecting Education*
- EdSight: [Student Disabilities Prevalence](#)

## ***Teacher Shortage and Retention***

The shortage of certified public school teachers continues to be a challenge for the state. A recent [survey](#) by the Connecticut Education Association, the state's largest teacher union, also shows high levels of frustration and burnout among teachers. The State Department of Education's (SDE) annual list of [teacher shortage areas](#) indicates shortages in 11 areas including math and science (grades 4-12); world languages, history, and social studies (grades 7-12); and special education and bilingual education (all grades).

To address this, last session the legislature (1) expanded who can participate in a teacher alternate route to certification program; (2) broadened who is eligible to participate in the aspiring educators diversity scholarship program; and (3) authorized SDE to approve dual-degree-plus-certification programs for participants who hold associate's degrees so they can earn their bachelor's degrees ([PA 24-41](#), §§ 7, 8 & 50). The legislature also enacted a new law simplifying the teacher certification process and extended a health insurance subsidy program for paraeducators by one year ([PA 24-41](#), §§ 1-6, and [PA 24-81](#), §§ 124 & 126). This coming session, the legislature may consider additional measures to attract more teachers into public education.

Related Reading:

- OLR Report [2024-R-0097](#), *Acts Affecting Education*

- OLR Report [2022-R-0273](#), *Teacher Shortage*

## Energy and Technology

### *Affordability*

A summer increase in electric rates prompted a discussion over measures to address electric affordability. As the discussion continues, it may touch a wide range of related topics — hardship customer protections, renewable energy, energy efficiency, utility rate cases and credit ratings, performance-based regulation, energy procurements, electric vehicle charging, low-income customer discounts, and other forms of energy assistance — all while looking ahead to an anticipated increased demand for and reliance on electricity.

Related Reading:

- OLR Report [2024-R-0006](#), *Residential Energy Programs*
- OLR Report [2024-R-0132](#), *Public Policy Components of Electric Bills*
- OLR Issues Conference Presentation, [Electric Rates](#) (December 13, 2024)

### *Electric Demand*

This session, legislators may grapple with how the region will meet the growing demand for electricity. In its 2024 Long-Term Reliability Assessment, the North American Electric Reliability Corporation (NERC) reported that the New England region was at an elevated risk of a supply shortfall beginning in 2026. According to NERC, strong demand growth and persistent natural gas infrastructure limitations during winter will pose risks of supply shortfalls in extreme winter conditions. Anticipated load growth, driven by data centers and electrification of transportation and building sectors, may shape the discussion on existing state policies and programs.

Related Reading:

- NERC's [2024 Long-Term Reliability Assessment](#)

## Environment

### *Black Bear Population*

According to the Department of Energy and Environmental Protection (DEEP), Connecticut's resident black bear population is increasing and expanding. Concerns about conflicts between humans and bears have resulted in several legislative proposals including (1) authorizing



regulations on hunting black bears in Litchfield County; (2) expanding the circumstances under which DEEP may issue permits to landowners or lessees for taking (e.g., capturing, trapping, killing) nuisance wildlife; and (3) requiring DEEP to report on the best nonlethal management practices for deterring bears from habituating in densely populated areas.

The legislature may consider similar proposals in 2025, as well as proposals to permit bear hunting specifically or generally expand hunting opportunities in the state. Hunting bears is currently illegal in Connecticut, although a person may use deadly physical force against a bear in limited circumstances ([PA 23-77](#), § 2).

Related Reading:

- OLR Report [2024-R-0165](#), *Connecticut's Black Bear Population*
- OLR Public Act Summary for [PA 23-77](#) (2023)

## ***Climate Mitigation and Resiliency***

This past year, Connecticut experienced severe rain events, flooding, drought, and wildfires. In December 2021, the governor signed [Executive Order No. 21-3](#), which supported recommendations proposed by the [Governor's Council on Climate Change](#) (GC3) and directed state agencies to take action within their authority to reduce carbon emissions. GC3 predicts that extreme weather events will worsen and become more frequent.

In 2024, the legislature considered, but did not adopt, two wide-ranging bills addressing climate impacts and resiliency: [sHB 5004](#) and [sSB 11](#). In general, sHB 5004 addressed efforts to mitigate climate change (e.g., reducing greenhouse gas emissions, using nature-based solutions), while sSB 11 proposed changes to laws related to planning for and preparing against certain hazards and threats from climate change (e.g., resiliency-related actions). The Environment Committee may consider climate mitigation and resiliency legislation again in 2025.

Related Reading:

- OLR Bill Analysis for [sHB 5004](#) (File No. 661, as amended by House "A") (2024)
- OLR Bill Analysis for [sSB 11](#) (2024)

# Finance, Revenue and Bonding

## *Federal Tax Reform*

The 2017 federal Tax Cuts and Jobs Act (TCJA) made sweeping changes to the federal tax code with far-reaching implications for individual and business taxpayers. Among its changes, the TCJA reduced income tax rates, increased the standard deduction, limited certain itemized deductions (such as the state and local tax deduction), and doubled the gift and estate tax exclusion. These and other TCJA provisions are set to expire after the end of 2025, which is likely to prompt a significant tax policy debate in Congress beginning early this year.

Connecticut lawmakers are likely to follow this federal tax debate closely during the 2025 session, with an eye to how these federal tax changes might affect the state's tax structure and, more broadly, the state's economy.

Related Reading:

- OLR Report [2018-R-0283](#), *Connecticut's Response to Federal Tax Reform*

## *Fiscal Guardrails*

The state's "fiscal guardrails" are designed to protect state finances from economic downturns and fiscal emergencies by keeping the state budget in balance, building up reserves, and paying down debt. While these policies have contributed to the state's favorable financial performance in recent years, they have also come under increased scrutiny from policymakers. Some policymakers would rather invest the savings in core programs, like education, early childhood, and affordable housing; some seek to use the funds to provide tax relief, like an enhanced property tax credit or child tax credit or deduction; and others would like to leave the fiscal guardrails in place as they are. This coming session, the legislature is likely to take up these issues as it crafts a budget for the upcoming biennium that comes up against the caps and limits put in place by these guardrails.

Related Reading:

- OLR Report [2024-R-0181](#), *State Spending Cap*
- OLR Report [2024-R-0019](#), *OLR Backgrounder: Connecticut's Volatility Cap and Budget Reserve Fund*
- OLR Report [2023-R-0299](#), *State Fiscal Controls*
- OLR Issue Conference Presentation, [Fiscal Guardrails](#) (December 13, 2024)

- OFA’s [Fiscal Accountability Report: FY 25 - FY 28](#), (November 20, 2024)
- Office of Policy and Management’s [Fiscal Accountability Report: Fiscal Years 2025 - 2028](#), (November 20, 2024)

## ***Tax Expenditures***

The nine-member Tax Expenditure Working Group recently began its examination of the state’s tax exemptions, credits, deductions, and modifications with an eye toward simplifying the state tax code and identifying provisions that are redundant, obsolete, duplicative, or inconsistent in language or policy. These tax breaks are referred to as “tax expenditures” because they reduce the amount of tax revenue the state and municipalities ultimately collect. The group is expected to report its recommendations during the 2025 session, which could include legislative proposals to (1) eliminate unused or underused tax breaks, (2) evaluate whether specified tax breaks are achieving their intended purpose, and (3) require those benefiting from certain tax expenditures to disclose information that could be used to help evaluate their economic impact.

Related Reading:

- OFA’s [Connecticut Tax Expenditure Report](#) (February 2024)
- OLR Report [2023-R-0215](#), *Guide to Connecticut’s Business Tax Credits*
- [Tax Expenditure Working Group](#)

## **General Law**

### ***Artificial Intelligence (AI)***

Last year, the legislature considered legislation based on Connecticut’s AI Working Group recommendations. This year, it will likely revisit AI regulation, which may include, among other things, proposals (1) requiring certain AI system developers and deployers to use reasonable care to protect consumers from algorithmic discrimination, (2) prohibiting use of certain deceptive AI-generated media in elections, and (3) prohibiting dissemination of synthetic intimate images.

Related Reading:

- OLR Report [2024-R-0191](#), *Artificial Intelligence (AI)*
- OLR Bill Analysis for [sSB 2](#) (File No. 188, as amended by Senate “A” and “B”) (2024)
- [CT AI Working Group Report](#) (2024)

- National Conference of State Legislatures: [Artificial Intelligence Policy Toolkit](#) (October 2024); [Artificial Intelligence in Government: The Federal and State Landscape](#) (November 2024)

## ***Cannabis***

With Connecticut’s recreational adult-use cannabis market maturing, the General Assembly may consider changes to the laws governing its regulation and licensing in addition to the numerous changes the legislature implemented last year. These changes may include modifications to the Social Equity Council, among others.

Related Reading:

- OLR Public Act Summaries for [PA 24-76](#) and [PA 24-95](#)
- OLR Public Act Summary for [PA 24-151](#), §§ 139 & 140

## **Government Administration and Elections**

### ***Early Voting***

In 2023, the legislature passed early voting legislation allowing voters to cast their ballots in person before election day. In the 2024 presidential election, over 740,000 Connecticut voters used early voting to cast their ballot in the 14-day period before election day. This session, the legislature may consider changes to early voting provisions in response to experiences with its implementation and use in recent elections.

Related Reading:

- OLR Report [2023-R-0125](#), *Connecticut’s Early Voting Law*
- OLR Report [2023-R-0018](#), *Early Voting*

### ***No-Excuse Absentee Voting***

Last year, Connecticut voters approved a constitutional amendment to remove the constitutional restrictions that limited the reasons voters could use absentee voting. However, state statute still limits absentee voting due to (1) active service with the armed forces of the United States, (2) absence from their city or town, (3) sickness or physical disability, (4) their religious beliefs prohibiting secular activity on that day, or (5) service as an election official at a polling place other than their own. This year, the legislature may consider modifying or eliminating these statutory limitations to expand the use of absentee voting.

Related Reading:

- OLR Report [2024-R-0145](#), *Ballot Question and Explanatory Text for 2024 Proposed Constitutional Amendment on Absentee Voting*
- OLR Report [2024-R-0112](#), *Absentee Voting Process and Voter Identification Requirements*
- OLR Report [2021-R-0191](#), *Absentee Voting: Summary of Fay v. Merrill (2021)*
- OLR Report [2020-R-0236](#), *History of Changes to Absentee Ballot Eligibility in Connecticut*

## **Higher Education and Employment Advancement**

### ***Higher Education Funding and Organization***

Connecticut's public higher education institutions face financial challenges in the next biennial budget and beyond. Last session, the General Assembly established a Higher Education Financial Sustainability Advisory Board to examine financial, student, and employee information from public higher education institutions and discuss barriers to meeting the state's workforce needs, developing economic growth, and making tuition affordable ([PA 24-81](#), § 107).

The advisory board may issue recommendations, which could include recommendations based on the National Center for Higher Education Management Systems (NCHEMS) study of the Connecticut State Colleges and Universities (CSCU) System. The study found, among other things, that CSCU faces declining enrollment, has failed to bring costs in line with its revenue, and has not undertaken a system-level strategic approach to address its current or future fiscal needs. NCHEMS also provided several different options to address these issues, including some related to CSCU governance or organization and others related to state goals and coordination.

Issues have also arisen involving questionable spending by leaders of the CSCU system. A recent audit conducted by the comptroller identified improper uses of procurement cards and made several recommendations for improvements to financial controls and enforcement.

This session, the legislature is likely to consider proposals regarding the funding of higher education institutions in the state, possible organizational changes in response to the NCHEMS report on the CSCU system, and possible changes to financial controls in response to the comptroller's report.



Related Reading:

- Office of the Comptroller's [Report to the Governor on the Connecticut State Colleges and Universities Special Examination](#) (December 2024)
- [Higher Education Financial Sustainability Advisory Board](#)

## ***Legacy Admissions***

During the 2024 session, the legislature considered [sSB 203](#) which would have prohibited any public or independent higher education institution from considering a prospective student's familial relationship to a graduate of, or donor to, the institution when deciding whether to grant admission. A similar bill, [sHB 5034](#), was also considered in 2022.

In 2019, Colorado became the first state to pass a bill regarding banning legacy admissions in higher education institutions and during 2024, multiple other states, including California, Maryland, and Virginia, passed similar legislation. Others have introduced comparable bills recently, such as New York and Massachusetts.

With policies regarding legacy admissions gaining attention in state legislatures across the country, Connecticut may revisit this topic again during the upcoming session.

Related Reading:

- OLR Bill Analysis for [sSB 203](#) (2024)
- OLR Bill Analysis for [sHB 5034](#) (2022)

## **Housing**

### ***Homelessness***

The federally required, annual Point-In-Time Count estimates that the number of people experiencing homelessness in Connecticut grew by 13% between the 2023 and 2024 counts, despite an increase in assisted housing inventory like shelter beds and permanent supportive housing. Given this, the legislature may consider additional funding for various housing supports and homelessness services or look for other ways to ensure the state has an adequate and affordable supply of safe and sanitary housing.

Related Reading:

- OLR Report [2024-R-0127](#), *Unsheltered Veterans in Connecticut*
- OLR Issues Conference Presentation, [Housing Developments](#) (December 13, 2024)
- [2024 State of Connecticut Annual Point-In-Time Count of Individuals and Families Experiencing Homelessness](#)

## ***Renter Protections***

Compared to other states, Connecticut continues to have a low vacancy rate for residential rental units, contributing to the challenge some renters face in accessing stable and affordable housing. Last session, the legislature considered a bill that would have extended certain existing eviction and rent increase protections to more tenants ([sSB 143](#) (2024)). This proposal would have generally limited the reasons for which landlords can evict tenants living in certain housing types (e.g., buildings with at least five separate dwelling units), including prohibiting landlords from evicting these tenants only because their lease has expired. However, it would have still allowed landlords to evict these tenants for certain specified reasons, such as failure to pay rent or agree to a fair and equitable rent increase (often referred to as “just cause” evictions).

This session, the legislature may consider similar proposals, as well as others that address tenants being displaced at the end of a rental term or facing retaliatory non-renewals, for example after tenants report maintenance issues.

Related Reading:

- OLR Report [2024-R-0143](#), *Protections Regarding Rent Increases*
- OLR Bill Analysis for [sSB 143](#) (2024)

## **Human Services**

### ***Medicaid Provider Reimbursement Rates***

This session, the legislature may consider bills to increase the rates at which providers are reimbursed for providing health care services for people with HUSKY health insurance, Connecticut’s Medicaid program.

In 2023, legislation directed the Department of Social Services, which administers HUSKY, to study Connecticut’s Medicaid reimbursement rates in two phases ([PA 23-186](#)). Phase one, which was completed last year, compared Connecticut’s Medicaid reimbursement rates for physician

specialists, dentists, and behavioral health providers to reimbursement rates in selected states' Medicaid programs and found that for most services Connecticut reimburses providers at lower rates. Phase two of the study will examine rates for all other services and is expected to be completed before session begins. Legislators may consider this study's findings to inform legislation during session.

Related Reading:

- OLR Report [2024-R-0174](#), *Medicaid Eligibility*
- OLR Issues Conference Presentation, [Bills of Health](#) (December 13, 2024)

### ***Waiting for Disability Services***

This session, the legislature may consider disability issues in human services programs as well as more broadly. Over the interim, a working group met to discuss the Katie Beckett Medicaid waiver, a program that provides home care and other Medicaid services to children with disabilities and has a years-long waitlist. Separately, the Complex Rehabilitation Technology and Wheelchair Repair Advisory Council, established under [PA 24-58](#), met to monitor wheelchair repair and make recommendations on improving repair times. Either or both efforts may inform legislation considered this session.

Related Reading:

- OLR Report [2024-R-0184](#), *Katie Beckett Programs in Select States*
- [Complex Rehabilitation Technology and Wheelchair Repair Advisory Council](#)

## **Insurance and Real Estate**

### ***Insurance Fund Working Group Recommendations***

In 2024, the legislature established a working group to study the payments insurers and related entities make to the state's Insurance Fund ([SA 24-15](#)). Originally created to pay for the Insurance Department's expenses, the fund is now used to pay for all or part of several agencies' expenses as well as numerous public health programs. These public health programs are funded mostly by fees health insurers pay and subsequently pass on to health insurance customers. The working group is expected to release recommendations in January that may lead to proposed legislation in 2025.

Related Reading:

- OLR Report [2024-R-0125](#), *Payments to the Insurance Fund*
- OLR Issues Conference Presentation, [Bills of Health](#) (December 13, 2024)
- [Working Group to Study Payments by Insurance Companies into the Insurance Fund](#)

## ***Prescription Drug Pricing and Pharmacy Benefit Managers***

Prescription drugs are a significant health insurance cost-driver. In 2024, the legislature considered bills that would have established a Prescription Drug Affordability Board to analyze prescription drug costs in the state and recommend ways to make them more affordable (see [HB 5054](#) and [sSB 8](#)). The legislature also enacted a law in 2023 that requires the Office of Health Strategy (OHS) to report, by January 1, 2025, on pharmacy benefit managers' prescription drug distribution practices ([PA 23-171](#), § 7). The report is expected to recommend ways to (1) reduce consumers' prescription drug costs and (2) regulate pharmacy benefit managers operating in Connecticut. The General Assembly will likely consider further legislation in 2025 to curb prescription drug costs.

Related Reading:

- OLR Report [2024-R-0091](#), *Prescription Drug Affordability Boards*
- OLR Report [2024-R-0027](#), *Pharmacy Benefit Managers – Connecticut Laws*

## **Judiciary**

### ***Bail System***

In the past two sessions, the Judiciary Committee favorably reported resolutions proposing an amendment to the state constitution relating to bail. Specifically, the resolutions proposed amending it to allow the court to hold arrested people in pretrial detention without bail when it finds that no pretrial release conditions (1) reasonably assure that the accused will appear in court when required, (2) protect the safety of others or the community, or (3) prevent the accused from obstructing or attempting to obstruct the criminal justice process. The amendment also would have expressly authorized the legislature to pass laws on the procedures, terms, and conditions for granting or denying pretrial release (see [HJ 261](#) (2023) and [HJ 171](#) (2024)).

In 2025, the legislature may reconsider proposals on this issue along with related recommendations from a Connecticut Sentencing Commission study, which includes a framework

to further reduce the detained pretrial population and eliminate the use of money bail in Connecticut.

Related Reading:

- OLR Bill Analysis for [HJ 171](#) (2024)
- Connecticut Sentencing Commission's [2022 Report on Pretrial Justice](#)

## ***Juvenile Justice***

State law requires certain state officials (i.e., the implementation team), in consultation with the Juvenile Justice Policy and Oversight Committee, to develop a reentry success plan for youths released from the Department of Correction and the judicial branch's facilities and programs. During the 2024 session, the legislature (1) gave the implementation team an extra year, until November 1, 2024, to develop this plan and (2) delayed a related reporting requirement by 11 months, until December 1, 2024 ([PA 24-139](#), § 2). It also revised certain plan requirements and expanded the principles that the plan must incorporate.

During the 2025 session, the legislature may explore more ways to improve the success rate of juvenile and youthful offenders' reentry and reintegration into their communities through, for example, changes to educational services and workforce development. The legislature may also address ways to decrease the juvenile crime rate in general.

Related Reading:

- OLR Report [2023-R-0227](#), *Auto Theft-Related Legislation and Funding (2019-2023)*
- OLR Report [2022-R-0038](#), *Juvenile Diversionary Programs and Court Services*

## **Labor and Public Employees**

### ***Benefits for Striking Workers***

Last session, the General Assembly considered ways to help workers while on strike. One bill would have made striking workers eligible for unemployment benefits after being on strike for 14 consecutive days ([sHB 5164](#)). Another bill ([sHB 5431](#)), which passed both chambers but was [vetoed by the governor](#), would have created the Connecticut families and workers account to hold funds for assisting low-income workers (which, according to legislative debate, could have been used to assist striking workers). The legislature may revisit the issue again this year.



Related Reading:

- OLR Bill Analysis for [sHB 5164](#) (2024)
- OLR Public Act Summary for [PA 24-131](#) (Vetoed)
- OLR's [2024 Veto Package Report](#)

## ***Protection of Warehouse Workers***

In 2024, the legislature considered a bill that would have created protections for warehouse workers by limiting the extent to which certain warehouse distribution centers could require their employees to meet production quotas ([sSB 412](#)). It would have generally applied to employers that employed at least (1) 100 employees at a single warehouse distribution center in the state or (2) 1,000 employees in total at multiple warehouse distribution centers in the state that are owned and operated by the same business entity. The legislature may consider similar legislation in the upcoming session.

Related Reading:

- OLR Bill Analysis for [sSB 412](#) (2024)

## **Planning and Development**

### ***Conversion of Vacant Commercial Properties***

Across the country, localities are struggling to find ways to make vacant commercial properties productive again. These vacancies have increased with the pandemic and the move toward remote work. At the same time, many households in the state continue to struggle to find suitable housing. Last session, the legislature considered a bill that would have required municipalities to allow developers to convert commercial buildings (like office buildings, shops, and hotels) into residential units, or mixed-use projects, as-of-right ([SB 416](#) (2024)).

As-of-right approval means the municipality must approve a proposal if it complies with normal zoning regulations and it cannot require (1) a public hearing; (2) a special permit or exception; or (3) any other discretionary zoning action, other than a determination that a site plan conforms with applicable zoning regulations. The legislature may again look at this commercial conversion proposal or other proposals aimed at making existing properties productive again by meeting housing needs.

Related Reading:

- OLR Bill Analysis for [SB 416](#) (2024)

## ***Transit-Oriented Development***

In recent sessions, the legislature has examined ways to increase the diversity of housing choice in Connecticut's towns, especially in towns with characteristics linked to educational, economic, and social success (such as quality schools and low unemployment). One approach the legislature has considered in recent sessions is seeking to concentrate development around existing commercial corridors and public transportation infrastructure. This session, the legislature may again consider proposals that include incentives to encourage municipalities to streamline the approval process for transit-oriented development projects or make land available for such projects.

Related Reading:

- OLR Bill Analyses for [sHB 5390](#) (File No. 237, as amended by House "A") and [HB 5278](#) (2024)
- [Department of Economic and Community Development Transit-Oriented Development & Responsible Growth](#)
- Federal Transit Administration [Transit-Oriented Development](#)

## **Public Health**

### ***Certificate of Need***

Connecticut's certificate of need (CON) program generally requires health care entities to apply for a CON from OHS before (1) establishing new facilities or services, (2) changing ownership, (3) acquiring certain equipment, or (4) terminating or increasing certain services.

Last session, the legislature considered three bills ([sSB 9](#), [sSB 440](#), and [HB 5316](#)) that would have modified CON program requirements by, among other things, (1) changing the types of transactions that require, and those that are exempt from, CON approval; (2) extending CON requirements to group practices owned or controlled by public entities; (3) shortening deadlines for certain CON processes; and (4) transferring responsibility, from OHS to the attorney general, for conducting cost and market impact reviews for certain hospital ownership transfers. The legislature may again consider similar proposals during the 2025 session.

Related Reading:

- OLR Report [2024-R-0196](#), *Certificate of Need*
- OLR Bill Analyses for [sSB 9](#), [sSB 440](#), and [HB 5316](#) (2024)

## ***Private Equity and Health Care***

Several sources estimate that nationally, private equity investors have spent over \$1 trillion over the last decade in the acquisition of hospitals, physician group practices, nursing homes, and other health care settings. This has led to increasing attention on the role of private equity firms in health care, particularly on how these acquisitions impact health care costs, quality, and access.

In 2024, the legislature considered proposals on this issue. One bill would have required OHS to develop (1) a plan to assess whether a CON should be required when a private equity firm acquires an ownership interest in a health care facility and the feasibility of other limitations on this practice and (2) recommendations for requiring facilities to disclose when a private equity firm has an ownership interest in them ([sHB 5319](#)). Another bill would have set specific CON requirements for certain private equity health care transactions ([sSB 440](#)). During the upcoming session, the legislature may again consider proposals on this issue.

Related Reading:

- OLR Report [2024-R-0196](#), *Certificate of Need*
- OLR Bill Analyses for [sSB 440](#) and [sHB 5319](#) (2024)

## **Public Safety and Security**

### ***Police Officer and Firefighter Retention and Recruitment***

During the past two years, the Public Safety and Security Committee has considered proposals to help the state retain and recruit police officers and firefighters. This has included voting out bills in 2024 ([SB 421](#) & [sSB 422](#)) and in 2023 ([sHB 6841](#) & [sHB 6863](#)) that contained several different assistance and incentive proposals. This session, the committee may again consider ways to enhance the retention and recruitment of these public safety personnel.

Related Reading:

- OLR Report [2024-R-0092](#), *Acts Affecting First Responders*
- OLR Bill Analyses for [sSB 421](#) and [sSB 422](#) (2024)

# Transportation

## *Special Transportation Fund*

The Special Transportation Fund (STF) is a dedicated fund used to finance the state's transportation costs, including Department of Transportation and Department of Motor Vehicles operations as well as debt service on transportation bonds. After funding challenges in the 2010s, the STF has had operating surpluses since FY 20 and accumulated large reserves. However, OFA's recent Fiscal Accountability Report projects an STF operating deficit in FY 28 using conservative cost growth assumptions, and if expenses grow beyond that, the fund may see deficits sooner.

A recurring structural challenge for the STF has been that STF cost growth outpaces STF revenue growth. In the last few years, the STF temporarily saw greater revenue growth due to legislation gradually shifting motor vehicle sales tax revenue to the STF and a surge in general sales tax revenue due to inflation. Now that the additional revenue source has been fully absorbed and inflation has moderated, OFA notes that the disparity between costs and revenues has returned. This session, the legislature may consider proposals to address the disparity between revenue and cost growth to ensure the health of the STF and the state's continued investment in transportation infrastructure.

### Related Reading:

- OFA's [Fiscal Accountability Report, FY 25-FY 28](#), (November 20, 2024)
- OLR Report [2019-R-0160](#), *Special Transportation Fund*

## *Traffic Safety*

In recent years, the legislature has increased its focus on traffic safety to address Connecticut's concerning post-pandemic trends in driver and pedestrian fatalities, driver drug use, impaired driving incidents, and speeding, among others. In the past two sessions, the legislature enacted laws on automated enforcement and wrong-way driving prevention and considered legislation to lower the blood alcohol content (BAC) limit for driving under the influence (DUI), among other proposals.

This session, the legislature will likely continue addressing traffic safety issues and may consider related proposals such as (1) increasing penalties for certain moving violations; (2) considering, once again, a reduction to a 0.05% BAC limit; (3) authorizing oral fluid testing or other enhancements to DUI enforcement; or (4) improving impaired driving data collection.

Related Reading:

- OLR Public Act Summaries for [PA 23-116](#) (2023) and [PA 24-40](#) (§§ 15-17 & 42-50) (2024)
- OLR Report [2022-R-0249](#), *Drug-Impaired Driving Laws*

## Veterans' and Military Affairs

### *Property Tax Relief*

Under existing law, veterans and servicemembers may receive several property tax exemptions based on factors such as the veteran's service or disability rating. Municipalities also have the option of offering additional exemptions. In 2024, the legislature passed a law that fully exempts from property tax a primary dwelling or motor vehicle for veterans with a permanent and total disability rating. This session, the legislature may consider amending this exemption to address several questions that have arisen since implementing this exemption.

Related Reading:

- OLR Report [2024-R-0124](#), *Questions on the New Property Tax Exemption for Veterans With a P&T Disability Rating*
- OLR Report [2024-R-0038](#), *State Property Tax Exemptions on Real Property for 100% Service-Connected Disabled Veterans*
- OLR Report [2023-R-0293](#), *State Requirements for Veterans Claiming Municipal Veteran Property Tax Exemptions*