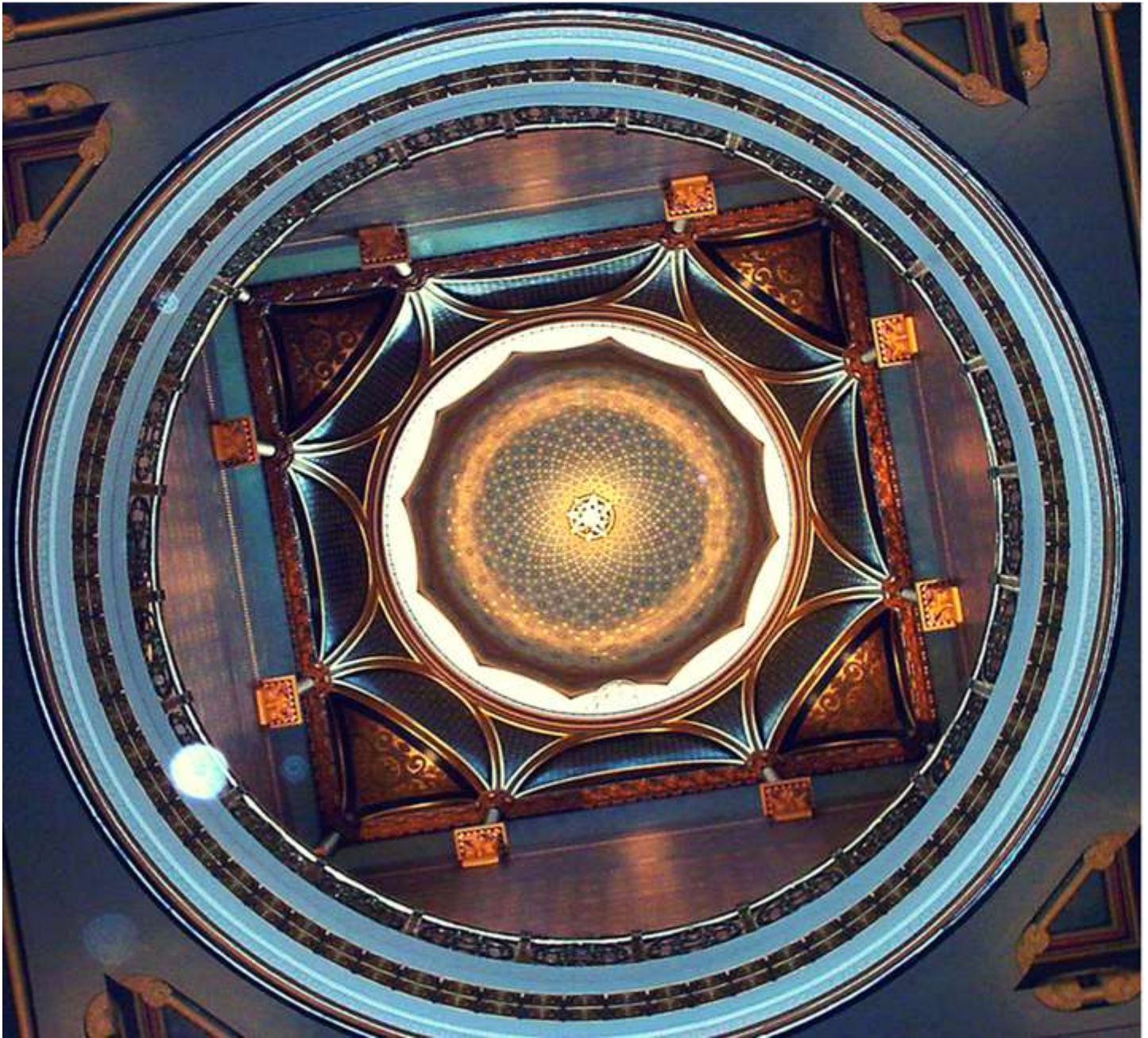


# MAJOR PUBLIC ACTS

2019 LEGISLATIVE SESSION



OFFICE OF LEGISLATIVE RESEARCH

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## Notice to Readers

These summaries, composed by the Office of Legislative Research (OLR) with the assistance of the Office of Fiscal Analysis (OFA), briefly describe the most significant, far-reaching, and publicly debated acts adopted by the General Assembly in its 2019 regular session. Acts that the secretary of the state has assigned a public act (PA) or special act (SA) number are identified by that number; otherwise, we refer to the bill or resolution number.

Not all provisions of the acts are included. More detailed summaries can be found at <https://cga.ct.gov/olr/>. Summaries of the major acts and all other public acts will be provided in our 2019 Public Act Summary Book, which will be available later this year.

OLR also produces a number of “Acts Affecting” reports highlighting legislation in the following policy areas: agriculture, banks, business and jobs, children, criminal justice and public safety, education, energy, environment, first responders, health professionals, housing and real estate, insurance, municipalities, people with disabilities, seniors, taxes, town clerks and elections, transportation, and veterans and military. These reports will be available online in July.

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## **Aging**

### ***Long-Term Care Background Check Program***

By law, the Department of Public Health administers a background check program for direct care employees and volunteers of long-term care facilities. A new law expands the list of disqualifying offenses that prohibit someone from being hired as such an employee or volunteer to include convictions for specified assault and abuse crimes against the elderly and individuals with disabilities ([sSB 832](#), as amended by Senate “A,” effective October 1, 2019).

## **Alcohol**

### ***Alcohol Permitting***

A new law makes various changes to the Liquor Control Act. Among other things, it (1) increases the daily per person amount of beer certain manufacturer permittees may sell for off-premises consumption from nine liters to nine gallons and (2) allows cider manufacturer permittees to sell cider and apple wine for on-premises consumption.

Beginning January 1, 2020, it decreases beer manufacturer permittees’ excise tax exemption for beer sold for on-premises consumption by requiring them to pay excise tax for amounts exceeding 15 barrels annually.

Beginning July 1, 2020, the new law also does the following, among other things:

1. consolidates (a) four manufacturer beer permits into one and (b) various permits for on-premises consumption;
2. creates a new wine, cider, and mead permit with requirements substantially similar to a farm winery permittee;
3. establishes a Connecticut craft café permit that allows manufacturer permittees to, among other things, sell other Connecticut-manufactured alcohol for on-premises consumption; and
4. allows alcoholic liquor permittees to hold both a manufacturer permit and a Connecticut craft café permit or a restaurant permit ([PA 19-24](#), various effective dates).



## **Banking**

### ***Foreclosure Mediation Program***

The legislature passed a new law extending the state's foreclosure mediation program by four years until June 30, 2023. The program helps certain property owners avoid foreclosure by reaching an agreement with lenders. Judicial branch mediators facilitate the process ([HB 6996](#), as amended by House "A," effective upon passage).

### ***Student Loan Payment Tax Credit for Employers***

A new law allows businesses to claim a tax credit of up to \$2,625 per employee for making student loan payments on the employee's behalf. A business may obtain the credit for full-time employees who have earned their first bachelor's degree within the last five years and have refinanced their student loans with the Connecticut Higher Education Supplemental Loan Authority. The credit equals 50% of the employer's payment towards the loan principal ([SB 72](#), as amended by Senate "A" and "B," effective January 1, 2022, and applicable to income years beginning on or after that date).

## **Biennial Budget**

### ***FY 20-21 Budget Act***

The budget act includes: (1) General Fund appropriations of \$19.3 billion in FY 20 and \$19.9 billion in FY 21, (2) Special Transportation Fund appropriations of \$1.7 billion in FY 20 and \$1.8 billion in FY 21, (3) other appropriated funds (eight funds) of \$255.9 million in FY 20 and \$267.8 million in FY 21, and (4) revenue estimates adopted by the Finance, Revenue and Bonding Committee on June 3, 2019, as adjusted to reflect new policies contained in this act.

The act eliminates FY 19 deficiencies in four agencies totaling \$67.9 million by transferring funds from various agencies that otherwise would have lapsed. It also contains various statutory provisions necessary to implement the budget.

**Revenue.** General Fund revenue adjustments over the April Consensus Revenue estimates total \$1,056.7 million in FY 20 and \$1,458.4 million in FY 21.

**Spending Cap.** The act is under the spending cap by \$0.2 million in FY 20 and \$5 million in FY 21.

***Growth Rate.*** The FY 20 growth rate for the General Fund is 1.7% over the FY 19 appropriations. The FY 21 General Fund growth rate is 3.4% over the FY 20 appropriations ([HB 7424](#), as amended by House “A” and “B,” effective upon passage).

### ***The Partnership for Connecticut, Inc.***

The biennial budget act establishes The Partnership for Connecticut, Inc. as a nonprofit corporation organized and established (1) by a specified philanthropic enterprise and its agents and (2) under state laws governing nonprofit corporations.

It requires that the corporation be funded in FY 20 with (1) \$20 million from the philanthropic enterprise and (2) upon confirmation of this contribution, \$20 million from the state. For FYs 21-24, it (1) requires the state and philanthropic enterprise to endeavor to maintain that same level of financial support and (2) allows the state, under specified conditions, to transfer \$20 million to the corporation in each such fiscal year.

The new law requires the corporation to provide financial assistance under policies and procedures its board of directors adopts. The corporation’s required purposes include strengthening public education in Connecticut, supporting financial inclusion and social entrepreneurship, promoting upward mobility, and supporting economic development in under-resourced communities ([HB 7424](#), §§ 183-189, as amended by House “A” and “B,” effective upon passage).

## **Criminal Justice and Public Safety**

### ***Civil Immigration Detainers***

A new law makes several changes to the state’s civil immigration detainer law. Among other things, it (1) expands the definition of a civil immigration detainer and generally prohibits law enforcement officers (including adult probation officers), bail commissioners, school police or security department employees, and certain judicial branch employees from arresting or detaining someone pursuant to such a detainer unless it is accompanied by a judicial warrant; (2) establishes new procedures for responding to such detainers; and (3) limits the disclosure of certain confidential information to a federal immigration authority ([PA 19-20](#), as amended by [PA 19-23](#), effective October 1, 2019).

### ***Ghost Guns***

A new law generally prohibits anyone from (1) completing the manufacture of a firearm without subsequently obtaining and engraving or permanently affixing on it a unique serial number or other identification mark from the Department of Emergency Services and Public Protection (DESPP) (i.e.,

creating a “ghost gun”) or (2) manufacturing a firearm from polymer plastic that is not detectible by a walk-through metal detector. Under the new law, these actions are class C felonies, punishable by up to 10 years in prison with a two-year mandatory minimum sentence, up to a \$10,000 fine, or both ([PA 19-6](#), most provisions effective October 1, 2019).

### ***Police Accountability***

The legislature passed legislation making various changes to state laws about (1) law enforcement’s use of force, (2) body-worn and dashboard camera recording disclosures, and (3) police pursuits.

Among other things, the act requires law enforcement units to submit an annual use of force report to the Office of Policy and Management (OPM). The Division of Criminal Justice must also (1) complete a preliminary status report when a peace officer uses physical force that results in death, which must be submitted to the legislature, and (2) make certain use of force reports available on its website.

The act also (1) makes certain body-worn or dashboard camera recordings disclosable to the public within 96 hours after the incident, (2) narrows the instances during which use of deadly force is justified, and (3) generally prohibits a pursuing police officer from discharging a firearm into or at a fleeing motor vehicle.

Lastly, the act (1) establishes a task force to study police transparency and accountability and (2) requires the Police Officer Standards and Training Council (POST) to study and review police officers using firearms during a pursuit ([SB 380](#), as amended by Senate “A,” effective October 1, 2019, except the task force and POST study provisions take effect upon passage).

### ***Safe Storage of Firearms in Homes and Cars***

A new law expands the crime of criminally negligent storage of a firearm to include situations involving the unsafe storage of a loaded or unloaded firearm in a home with a minor under age 18. Prior law applied only to the unsafe storage of a loaded firearm in a home with a minor under age 16. The new law also makes changes to the laws related to firearm safety programs for school children, including expanding the age range for which schools may offer such programs to kindergarten through grade twelve instead of kindergarten through grade eight as under prior law ([PA 19-5](#), most provisions effective October 1, 2019).

Another new law generally prohibits storing a handgun in an unattended motor vehicle if it is not in the trunk, a locked safe, or a locked glove box. The penalty ranges from (1) a class A misdemeanor

punishable by up to one year in prison, up to a \$2,000 fine, or both for a first offense to (2) a class D felony punishable by up to five years in prison, up to a \$5,000 fine, or both for subsequent offenses ([PA 19-7](#), effective October 1, 2019).

### ***School Security***

The legislature passed a new law requiring DESPP to (1) update the state’s school security and safety plan standards, (2) simplify certain school security reporting requirements and school security infrastructure grant applications, and (3) develop criteria to identify qualified school security consultants and limit the existing consultant registry to such individuals only. It also adds related duties for the State Department of Education and the School Safety Infrastructure Council ([PA 19-52](#), most provisions effective upon passage).

### ***Sexual Assault and Sexual Harassment***

A new law contains several provisions on sexual assault, workplace sexual harassment, and related issues. For example, the act (1) eliminates or extends the criminal statute of limitations for various sexual assault crimes, (2) extends the time for alleged victims under age 21 to file a civil lawsuit related to sexual abuse or related conduct, (3) expands requirements for employers on training employees about sexual harassment laws, and (4) gives claimants more time to file a complaint alleging employment discrimination, including sexual harassment ([PA 19-16](#), as amended by [SB 1111](#) as amended by Senate “A,” most provisions effective October 1, 2019).

## **Economic Development**

### ***Opportunity Zones***

The federal Opportunity Zone program, created as part of the 2017 federal Tax Cuts and Jobs Act (P.L. 115-97), is designed to spur economic development and job creation in distressed communities by providing federal tax benefits for private investments in the zones.

This session, the legislature made various changes to the state’s laws concerning the promotion and development of its 72 opportunity zones. A new law extends the historic structure rehabilitation tax credit’s 30% credit to such projects located in opportunity zones and requires the Department of Economic and Community Development (DECD) to give these projects preference. It also requires the DECD commissioner to prioritize projects located in opportunity zones when approving applications for (1) urban and industrial site reinvestment tax credits and (2) state financial assistance for brownfield remediation.

Among its other provisions, the new law also allows opportunity zone projects to receive assistance from DECD's Office of the Permit Ombudsman ([PA 19-54](#), effective upon passage for the tax credits and effective July 1, 2019, for the provisions concerning brownfields and the permit ombudsman).

### ***Transfer Act***

Connecticut's property transfer law, commonly referred to as the "Transfer Act," regulates the transfer of real property on which, or a business operation from which, (1) hazardous waste was generated or processed or (2) a dry cleaning, furniture stripping, or vehicle body repair business operated. The Transfer Act generally requires (1) the disclosure of environmental conditions and (2) in some cases, investigation and remediation.

This year the legislature reduced the number of properties and businesses subject to the Transfer Act by narrowing the types of hazardous waste that trigger the act's application. The new law also (1) shortens, from three years to one year, the window for commencing audits of Transfer Act final verifications received on or after October 1, 2019, and (2) requires the Department of Energy and Environmental Protection to complete such audits within three years after receiving the final verification.

Lastly, the legislature created a working group to examine the Transfer Act and recommend potential changes to it ([sSB 1030](#), as amended by Senate "A," effective October 1, 2019, except the working group provision takes effect upon passage).

## **Education and Higher Education**

### ***African-American and Black and Puerto Rican and Latino Studies***

Under a new law, all public school districts must (1) include African-American and black and Puerto Rican and Latino studies in their curriculum beginning with the 2021-22 school year and (2) offer a black and Latino studies high school course in the 2022-23 school year. The State Education Resource Center must develop the high school course using curriculum material that the State Board of Education (SBE) makes available, as well as public or private materials, resources, and personnel with appropriate expertise. SBE must review and approve the course by January 1, 2021 ([PA 19-12](#), various effective dates).

### ***Computer Science Instruction***

A new law adds computer science to the required list of subjects taught in public schools and makes computer programming, which is already required by law, a component of that instruction. It also requires SBE to adopt (1) regulations that create a computer science endorsement for



teaching certification and (2) a computer science subject test for teacher certification. Additionally, the Office of Higher Education must collaborate with the State Department of Education to develop an alternate route to certification program for computer science teachers ([sSB 957](#), as amended by Senate “A,” various effective dates).

### ***Debt-Free Community College***

A new law requires the Board of Regents for Higher Education (BOR) to establish a debt-free community college program for certain Connecticut high school graduates who enroll as first-time, full-time students. The program must provide these students with fall and spring semester awards that (1) cover the unpaid portion of the tuition and required fees established by BOR (i.e., tuition and fee costs, minus scholarships, grants, and federal, state, and institutional aid awarded to the student) or (2) provide a minimum \$250 grant, whichever is greater.

Awards under this program apply to the first 72 credit hours earned by a student in the first 36 months of community college enrollment in a program leading to a degree or certificate. BOR must make awards to qualifying students beginning with the fall 2020 semester, within available appropriations ([HB 7424](#), § 362, as amended by House “A” and “B,” effective July 1, 2019).

### ***504 Plans and Student Safety***

This year, the General Assembly made various changes to the state’s laws relating to 504 plans and student safety. Under a new law, for full-time magnet school students with 504 plans (i.e., the student accommodation plan required under the federal Rehabilitation Act of 1973), the magnet school bears responsibility for ensuring that all services outlined in the plan are provided, and the sending district must pay the associated educational costs.

Additionally, for students who are deaf or hard of hearing or both blind or visually impaired and deaf, a new law requires 504 plans to contain (1) a “language and communication plan” similar to the one required for such students with individualized education programs (IEPs) receiving special education services and (2) an “emergency communication plan” with procedures to alert the student and meet his or her needs during an emergency. It also requires various state entities to address emergency communication plans in the school safety guidance they issue to districts ([sHB 7353](#), as amended by House “A,” various effective dates).

### ***School Climate and Bullying***

A new law makes various changes to the school laws about bullying and school climate. Among other things, it (1) establishes a 33-member social and emotional learning and school climate advisory collaborative and tasks it with various responsibilities, such as directing resources to

support statewide and local initiatives to foster and improve positive school climates, and (2) modifies the definition of bullying by, among other things, eliminating the requirement that the action occur between students ([sHB 7215](#), as amended by House “A,” various effective dates).

## **Elections**

### ***Constitutional Amendment to Allow for Early Voting***

This year the General Assembly took a step toward allowing early voting in Connecticut by passing a resolution that proposes to amend the state constitution. The constitutional amendment would authorize the legislature to provide by law for in-person, early voting before any state or municipal election or referendum.

The resolution passed by a majority of each house of the General Assembly but less than three-fourths; thus, it will be referred to the 2021 session of the legislature. If it passes in that session by a majority of each house, it will appear on the 2022 general election ballot.

The ballot designation to be used is: “Shall the Constitution of the State be amended to permit the General Assembly to provide for early voting?” If a majority of those voting on the amendment in the general election approves it, the amendment will become part of the state constitution ([RA 19-1](#)).

## **Energy and Environment**

### ***Hemp Production***

A new law requires the state Department of Agriculture (DoAg) commissioner to (1) establish and operate a hemp research pilot program in Connecticut and (2) prepare a hemp production state plan in accordance with federal law for approval by the U.S. Department of Agriculture. It establishes licensing requirements, qualifications, and fees for hemp growers, processors, and manufacturers. DoAg must regulate growers and processors; the Department of Consumer Protection must regulate manufacturers. Lastly, the new law sets inspection and testing requirements for growers and processors, as well as independent testing requirements for manufacturers, to ensure compliance with state and federal requirements ([PA 19-3](#), as amended by [HB 7424](#), §§ 152-154, as amended by House “A” and “B,” effective upon passage).

### ***Offshore Wind Energy***

The legislature took a significant step towards increasing the state’s use of wind energy by establishing a process to solicit proposals from developers of offshore wind power facilities. More specifically, a new law requires the Department of Energy and Environmental Protection (DEEP)

commissioner, within 14 days after the law takes effect, to initiate a solicitation for offshore wind projects that have a total nameplate (i.e., generating) capacity of up to 2,000 megawatts in the aggregate.

The commissioner must require any selected proposals to include contractual commitments to (1) pay at least the prevailing wage to construction workers on the project and (2) engage in good faith negotiations over a project labor agreement. In addition, the responding bidders must include an environmental and fisheries mitigation plan for their facilities' construction and operation.

If the commissioner determines that a responding proposal meets certain criteria, such as being in ratepayers' best interests, the new law allows her to direct the electric distribution companies (EDCs) to enter into power purchase agreements (PPAs) for up to 20 years with the projects. The EDCs must recover their net costs for the PPAs from electric ratepayers ([sHB 7156](#), as amended by House "A," effective upon passage).

### ***Plastic Bags***

As part of the act implementing the state's FY 20-21 budget, the legislature passed a ban on single-use plastic bags that stores provide to consumers beginning July 1, 2021. From August 1, 2019, until that date, the new law imposes a 10-cent fee, payable to the state, on such bags. Bags used for such things as meat or seafood, loose produce, unwrapped food, newspapers, or laundry or dry cleaning are exempt ([HB 7424](#), § 355, as amended by House "A" and "B," effective August 1, 2019).

### ***Renewable Programs and Tariffs***

Last year, the legislature passed [PA 18-50](#), which established a process to transition from traditional net metering (where customers are compensated for renewable generation at the retail electricity rate) to new tariffs (detailed rate rules and schedules determined by the Public Utilities Regulatory Authority (PURA)).

This year, a new law makes changes to the process and tariffs required under PA 18-50, including (1) delaying certain deadlines; (2) allowing for a longer netting period to measure energy used by the customer or sold to the grid; and (3) requiring PURA to study the value of distributed energy resources and incorporate its findings into the new tariffs. The new law also extends certain renewable programs that otherwise would have expired during this transition: namely, the low- and zero-emissions renewable energy credit program (LREC/ZREC) and the Green Bank's Residential Solar Incentive Program ([PA 19-35](#), §§ 1-6, effective upon passage).

## **Housing**

### ***Municipal Landlord Registry***

A new law expands the types of housing providers that municipalities may require to file their residential addresses with the municipality to include project-based housing providers (PBHPs). (PBHPs are property owners who contract with the U.S. Department of Housing and Urban Development to rent some or all of their housing development units to low income individuals and families.) Prior law gave municipalities the option to require only nonresident rental property owners (i.e., landlords) or their agents to file such information.

By law, filing requirement violations are an infraction, and municipalities may establish a civil penalty for them by ordinance. The act increases the maximum penalty for a first violation from \$250 to \$500. As under existing law, subsequent violations are subject to a maximum penalty of \$1,000 ([sHB 7225](#), as amended by House “A,” effective October 1, 2019).

## **Insurance and Real Estate**

### ***Crumbling Concrete Foundations***

A new law makes significant changes to laws, programs, and insurance policies affecting residential homes with foundations that are deteriorating due to the presence of pyrrhotite. Among other things, the law (1) expands the definition of “residential building” to include large condominium buildings; (2) fixes practical issues with the \$12 Healthy Homes Fund insurance surcharge; (3) requires sellers of residential property to generally disclose any knowledge of defects that significantly impair the property’s value and health and safety of its future occupants and creates a private right of action for buyers against sellers who fail to do so; and (4) establishes a loan guarantee program for impacted homeowners who need supplemental loans ([sHB 7179](#), as amended by House “A,” and [HB 7269](#), as amended by House “A,” various effective dates).

### ***Health Insurance Cost-Sharing***

A new law limits the maximum out-of-pocket expenses that certain health insurers may charge, such as copayments, coinsurance, and deductibles. Under this law, health insurance plans cannot impose cost-sharing that exceeds (1) the amount paid to the provider for the covered service, (2) an amount calculated based on how much the provider charges, or (3) the amount an insured would have paid to the provider without using his or her insurance ([HB 7424](#), §§ 236 & 237, as amended by House “A” and “B,” effective January 1, 2020).

## ***Health Insurance Coverage for Mammograms and Ultrasounds***

Under this new law, certain health insurance policies must expand coverage for breast ultrasounds to include women whose physicians recommend it and who (1) are ages 40 and older, (2) have a family history or prior personal history of breast cancer, or (3) have a prior personal history of benign breast disease. Additionally, it also prohibits these policies from charging coinsurance, copayments, deductibles, and other out-of-pocket expenses for covered breast ultrasounds and mammograms ([HB 7424](#), §§ 209 & 210, as amended by House “A” and “B,” effective January 1, 2020).

## **Labor and Public Employees**

### ***Minimum Wage Increase***

This session the legislature enacted a law increasing the state’s minimum hourly wage from \$10.10 to \$11.00 on October 1, 2019, and then by another \$1.00 every 11 months thereafter until it reaches \$15.00 on June 1, 2023. Beginning January 1, 2024, the law indexes future annual minimum wage changes to the federal employment cost index.

The new law also freezes how much employers generally must pay as their share of the minimum wage for hotel and restaurant staff and bartenders (\$6.38 for hotel and restaurant staff, \$8.23 for bartenders), as long as their tips make up the difference between the employer’s share and the increasing minimum wage ([PA 19-4](#), effective October 1, 2019, except the tip provisions take effect upon passage).

### ***Paid Family and Medical Leave***

A new law creates the Family and Medical Leave Insurance (FMLI) program to provide limited wage replacement benefits to certain employees taking leave for reasons allowed under the state’s Family and Medical Leave Act (FMLA), which the new law also amends. It generally provides them with up to 12 weeks of FMLI benefits over a 12-month period. The program is funded by employee contributions, with collections beginning in January 2021; benefit payouts begin in January 2022. The Paid Family and Medical Leave Insurance Authority, a quasi-public agency that the new law establishes, will oversee the program.

Starting on January 1, 2022, the new law also changes various provisions of the state’s FMLA. Among other things, it (1) extends the FMLA to cover nearly all private-sector employers in the state; (2) lowers the work threshold for an employee to qualify for job-protected leave; and (3) expands the types of family members for whom an employee can take FMLA leave to include siblings, grandparents, grandchildren, and anyone else related by blood or affinity whose close association



the employee shows to be the equivalent of certain family members ([PA 19-25](#) and [HB 7424](#), §§ 232-235, as amended by House “A” and “B,” effective upon passage, except provisions that affect the terms of the current FMLA are effective January 1, 2022).

### ***Police Mental Health Treatment and Surrendered Work Weapons***

A new law generally prohibits a law enforcement unit from disciplining police officers solely because they seek or receive mental health care services or surrender their work weapons or ammunition. It also requires a unit to request that officers seek a mental health examination before returning their surrendered work weapons or ammunition.

Additionally, the new law allows officers who were voluntarily admitted to a psychiatric hospital for psychiatric treatment to use their surrendered work weapons or ammunition without criminal penalty within six months of being admitted ([PA 19-17](#), §§ 4-6, effective October 1, 2019).

### ***Teachers’ Retirement Fund Bonds Special Capital Reserve Fund***

A new law establishes the Connecticut Teachers’ Retirement Fund Bonds Special Capital Reserve Fund (TRF-SCRF) and appropriates \$380.9 million in FY 19 for deposit in the TRF-SCRF. The fund’s purpose is to provide adequate protection for TRF pension obligation bond holders by further securing the bonds’ principal and interest payments (an addition to the legal assurances made when the bonds were issued in 2008). This provision allows the Teachers’ Retirement Board to change the funding methodology used to calculate the annual actuarially determined employer contribution.

Under this new law, if the fund falls below the required minimum capital reserve amount (\$380 million), the treasurer is authorized to direct Connecticut Lottery Corporation revenues to the TRF-SCRF to bring it up to the required amount ([HB 7424](#), §§ 82-90, as amended by House “A” and “B,” various effective dates).

### ***Workers’ Compensation for PTSD***

A new law allows police officers, parole officers, and firefighters to receive certain workers’ compensation benefits for post-traumatic stress disorder (PTSD) caused by “qualifying events” such as seeing, while in the line of duty, a deceased minor, someone’s death, or a traumatic physical injury that results in the loss of a vital body part. Among other things, the new law (1) imposes certain limits on the benefits’ duration and availability; (2) offsets PTSD benefits by the amount of other benefits (e.g., Social Security) an officer or firefighter receives under certain conditions; and (3) establishes a process for employers to contest PTSD claims ([PA 19-17](#), §§ 1-3, effective July 1, 2019).

## **Municipalities**

### ***Abandoned and Blighted Property Receivership***

A new law authorizes the Superior Court to appoint individuals and entities as “receivers” to rehabilitate abandoned residential, commercial, or industrial property in municipalities with populations of at least 35,000. Once the property is rehabilitated, the court may approve its sale, free of any encumbrances.

Under the act, an interested party, such as a lienholder or owner of a neighboring property, may petition the court to appoint a receiver, which the court may grant if (1) the building has not been legally occupied in the immediately preceding 12 months, (2) the building’s owner fails to present evidence showing he or she recently acquired the building or actively marketed it for sale, (3) there is no pending foreclosure action, and (4) at least three problematic building conditions exist (e.g., blight ordinance violations).

The act authorizes lienholders and individuals and entities with development capacity to be appointed as receivers and, once appointed, grants them extensive powers to rehabilitate the property pursuant to a court-approved plan. Abandoned property owners remain liable for existing environmental damage as well as taxes, liens, and other debts owed on the property ([sSB 1070](#), as amended by House “A” and Senate “A,” effective January 1, 2020).

### ***Municipal Land Bank Authorities***

A new law establishes a framework for municipalities to create nonprofit land bank authorities to acquire, maintain, and dispose of real property, except for brownfields (i.e., abandoned or underused sites where actual or potential pollution prevents redevelopment, reuse, or expansion). The act requires each authority to be governed by a board of directors and gives the board broad powers to carry out the authority’s purposes, including the power to acquire and dispose of property, enter into contracts, and borrow money.

The act exempts from state and local taxes any real property and interest in real property an authority holds and income it derives from the property. For any property conveyed by an authority, the act requires municipalities to remit to the authority 50% of the taxes they collect on the property in the following five years. It also allows them to issue revenue bonds backed by the revenue from their assets (i.e., property sales) ([sHB 7277](#), as amended by House “A,” effective upon passage).

## ***Municipal Redevelopment Authority***

A new law establishes a quasi-public Municipal Redevelopment Authority (MRDA) to develop property and manage facilities in the areas around transit stations and downtowns (i.e., “development districts”) to stimulate economic and transit-oriented development, among other things. The act requires certain municipalities to be members of MRDA and allows other municipalities to join as members under certain conditions. Under the act, MRDA’s powers include purchasing property; hiring consultants, attorneys, and appraisers; entering into contracts; employing staff; and issuing bonds ([HB 7424](#), §§ 212-227, as amended by House “A” and “B,” effective October 1, 2019).

## **Public Health**

### ***Opioid Use***

This session, the legislature continued to address issues associated with opioid abuse. It passed a new law that, among other things, requires:

1. any practitioner who prescribes a patient more than a 12-week supply of an opioid drug to establish a treatment agreement or discuss a care plan for chronic opioid drug use;
2. higher education institutions to develop and implement a policy on the availability and use of opioid antagonists (e.g., Narcan) by students and employees;
3. Department of Mental Health and Addiction Services-operated or –approved treatment programs to educate patients with opioid use disorder, and their relatives and significant others, on opioid antagonists and how to administer them; and
4. hospitals to administer a mental health screening or assessment, if medically appropriate, to patients treated for a nonfatal opioid drug overdose ([sHB 7159](#), as amended by House “A,” various effective dates).

### ***Smoking Age***

A new law increases the legal smoking age from 18 to 21. This applies to cigarettes, other tobacco products, and electronic cigarettes. The act makes various other changes to smoking laws, such as (1) increasing certain penalties for sales involving individuals under the legal age and (2) requiring dealers who sell e-cigarettes through online sales to obtain the signature of a person aged 21 or older at the shipping address before delivery and to require the signer to show proof of age ([PA 19-13](#), effective October 1, 2019).

## ***State Water Plan***

The legislature adopted a resolution approving the state water plan. (As required by law, the state's Water Planning Council (WPC) developed the plan to assist with managing the state's water resources. The WPC submitted it to the legislature for consideration in the 2018 and 2019 legislative sessions, which included a public hearing before the Environment, Energy and Technology, Planning and Development, and Public Health committees in 2018.) The legislature also passed a law specifying that if the water plan conflicts with any state law, the law controls ([HJR 171](#) and [HB 7194](#), as amended by House "A" and "B," water plan provision effective upon passage).

## **Social Services**

### ***HUSKY A Expansion***

The biennial budget act for FYs 20 and 21 expands Medicaid eligibility. By law, the Department of Social Services (DSS) provides Medicaid coverage to children under age 19 and their parents or caretaker relatives through HUSKY A. The act increases the income limit for parents and caretaker coverage from 150% to 155% of the federal poverty level (FPL). For a family of three, this increases the 2019 income limit from \$31,995 to \$33,061, but a federal provision effectively raises the income limit another 5% of FPL. As a result, under the act, the income limit for a family of three will be \$34,128 ([HB 7424](#), § 316, as amended by House "A" and "B," effective October 1, 2019).

### ***LGBTQ Network***

The biennial budget act also establishes a Lesbian, Gay, Bisexual, Transgender, and Queer (LGBTQ) Health and Human Services Network to make recommendations to the state legislative, executive, and judicial branches about health and human services delivery to LGBTQ people in the state. It also requires the Department of Public Health, within available appropriations, to (1) assist the network with conducting a needs analysis about health and human services for LGBTQ people and (2) award grants to organizations that further the network's mission ([HB 7424](#), §§ 207 & 208, as amended by House "A" and "B," effective July 1, 2019).

### ***Nursing Home Rates***

The biennial budget act includes an increase to Medicaid rates paid to nursing homes in order to enhance employee wages and benefits. The act requires the DSS commissioner to increase rates three times, within available appropriations: by July 1, 2019, October 1, 2020, and January 1, 2021. Nursing homes that receive increases but fail to enhance employee wages and benefits will lose the increased rate. While the budget also contains provisions subjecting nursing home rates to

certain caps and limits, the wage and benefit-related increases supersede those provisions ([HB 7424](#), § 302, as amended by House “A” and “B,” effective July 1, 2019).

## **Taxes**

The FY 20-21 biennial budget act makes a number of tax and revenue changes. We highlight some of the most significant changes below.

### ***Income Tax***

Among its income tax provisions, the budget act:

1. extends to the 2019 and 2020 tax years the eligibility limits for the property tax credit against the personal income tax;
2. reduces the pass-through entity tax credit from 93.01% to 87.5% of a member’s share of taxes paid by the entity; and
3. delays by two years the scheduled increase in the teacher pension income tax exemption from 25% to 50% ([HB 7424](#), §§ 332-335, as amended by House “A” and “B,” effective upon passage and generally applicable to tax years beginning on or after January 1, 2019).

### ***Mansion Tax***

The budget act increases the state real estate conveyance tax rate on residential property with a sales price of more than \$2.5 million beginning July 1, 2020. It does so by adding a new marginal conveyance tax rate of 2.25% on the sale price of residential property that exceeds \$2.5 million. As under prior law, a rate of (1) 0.75% applies to the first \$800,000 of the sales price and (2) 1.25% applies to the portion that exceeds \$800,000.

Beginning with the 2021 tax year, the act allows taxpayers who paid conveyance tax at the 2.25% rate to calculate their property tax credit against the income tax based on the amount of conveyance tax they paid ([HB 7424](#), §§ 335 & 337, as amended by House “A” and “B,” effective July 1, 2019, except that the tax credit provision is effective upon passage).

### ***Sales and Use Tax***

The budget act makes a number of sales and use tax changes, including:

1. extending the tax to specified parking services; dry cleaning and laundry services (excluding coin-operated services); and interior design services, except business-to-business services;
2. increasing the rate on sales of meals and beverages from 6.35% to 7.35%;



3. increasing the rate on digital goods and certain electronically delivered software from 1% to 6.35%; and
4. lowering the threshold for sales tax economic nexus and broadening its application ([HB 7424](#), §§ 319-328, as amended by House “A” and “B,” various effective dates).

### ***Business Taxes and Fees***

The budget act’s business tax and fee changes include:

1. eliminating the business entity tax as of January 1, 2020;
2. phasing out the capital base tax on corporations over four years from 2021 to 2024;
3. extending the 10% corporation business tax surcharge for two additional years to the 2019 and 2020 income years;
4. increasing, from \$20 to \$80, the fee that foreign and domestic limited partnerships, limited liability companies, and limited liability partnerships must pay for filing an annual report with the secretary of state;
5. extending the angel investor tax credit program by five years to 2024, increasing the aggregate amount of credits that may be reserved under the program, and increasing the total amount of credits allowed to any angel investor; and
6. decreasing, from 70% to 50.01%, the amount by which a company may reduce its tax liability using research and development and Urban Reinvestment Act tax credits ([HB 7424](#), §§ 338-347 & 349, as amended by House “A” and “B,” various effective dates).

### ***Other Tax and Fee Changes***

The budget act also makes the following tax and fee changes:

1. increases the excise tax on alcoholic beverages (except beer) by 10%;
2. reduces the tax rate by 50% on beer sold for off-premises consumption by a premises covered by a manufacturer’s permit;
3. reduces the admissions tax rate on certain venues in two steps: from 10% to 7.5% starting July 1, 2019, and from 7.5% to 5% starting July 1, 2020;
4. eliminates a scheduled reduction of hospital tax rates for inpatient and outpatient services by maintaining them at FY 19 levels but requiring the base year for calculating the tax to be adjusted each biennium;
5. requires short-term rental facilitators to collect and remit Connecticut room occupancy tax on the short-term rentals they facilitate for operators on their platforms;

6. imposes a tax on e-cigarette products at a rate of (a) 40 cents per milliliter for pre-filled e-cigarette products and (b) 10% of the wholesale price for all other e-cigarette products;
7. increases the fee that transportation network companies must pay on each ride originating in Connecticut from 25 cents to 30 cents; and
8. increases the motor vehicle trade-in fee from \$35 to \$100 ([HB 7424](#), as amended by House “A” and “B,” various sections and effective dates).

## **Transportation**

### ***E-Scooter Regulation***

A new law establishes a regulatory framework for electric foot scooters (“e-scooters”), generally granting riders the same rights, privileges, and duties that apply to bicycle and electric bicycle (“e-bike”) riders. As with bicycles and e-bikes, this new law generally allows municipalities to regulate e-scooters, as long as the regulations do not conflict with state law ([sHB 7141](#), as amended by House “A,” effective October 1, 2019).

### ***Extended Driver’s License, Identity Card, and Vehicle Registration Renewal Periods***

A new law extends the maximum renewal periods for (1) driver’s licenses and identity cards from six to eight years and (2) most vehicle registrations from two to three years. Fees for these extended renewal periods are generally proportional to their respective six-year and two-year fees ([sHB 7201](#), as amended by House “A,” effective January 1, 2020).

## **Veterans and Service Members**

### ***Wartime Benefits***

A new law extends certain state war service benefits (e.g., certain property tax exemptions and tuition waivers) to veterans who served less than 90 days in a period of war because they incurred or aggravated an injury in the line of duty. The act also removes prior law’s two-year state residency eligibility requirement for certain state benefits (e.g., hospital care and funeral expenses) for veterans who did not reside in Connecticut at the time of their enlistment or induction into the armed forces ([PA 19-33](#), effective October 1, 2019).

### ***Disabled Property Tax Exemptions***

A new law increases the base property tax exemption for certain disabled service members and veterans by \$500. By doing so, it also increases the additional income-based exemption for such

service members and veterans, which is calculated using the base exemption, by \$250 or \$1,000, depending on their income. As under existing law, those with higher disability ratings receive higher property tax exemption amounts ([sHB 7244](#), as amended by House “A,” effective October 1, 2019).