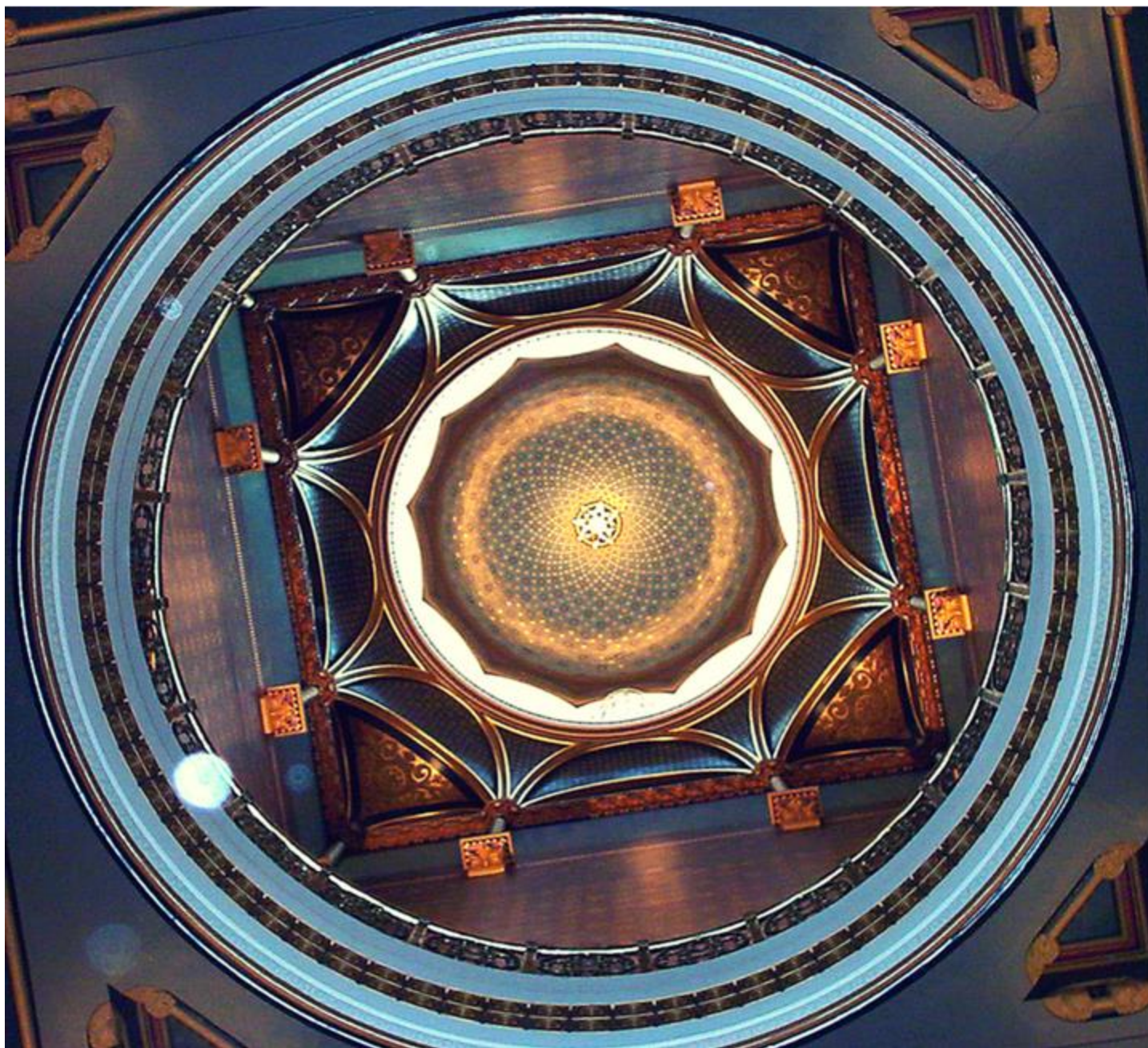


# MAJOR PUBLIC ACTS

2023 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 2023 regular session. Acts that have been assigned a public act (PA), special act (SA), or resolution act (RA) 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 2023 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 later this summer.

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## **Aging**

### ***Expanded Eligibility for Medicaid Long-Term Care Services and Supports***

A new law expands access to HUSKY C, which provides Medicaid coverage to people who are ages 65 and older, blind, or living with a disability. It does so by increasing the program’s monthly income limit from 143% of the Temporary Family Assistance (TFA) cash benefit to 105% of the federal poverty level (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 ([HB 6941](#), § 318, as amended, effective October 1, 2024).

## **Banking**

### ***Financial Exploitation of Seniors***

This session, the legislature enacted a law that authorizes disclosures and other processes, including temporary account holds, by broker-dealers, investment advisors, and financial institutions (e.g., banks and credit unions) to address the financial exploitation of state residents ages 60 or older. The new law creates specific procedures and limits on account holds, including on extensions, and a way to petition the probate courts to remove them. It also shields entities that make authorized disclosures from liability in certain cases ([sSB 1088](#), as amended, §§ 1-4, effective July 1, 2024).

### ***Virtual Currency Regulation***

A new law allows the banking commissioner to adopt regulations, forms, and orders governing the business use of “digital assets” (e.g., virtual currencies and stablecoins) by, generally, state-chartered banks and credit unions. The act also (1) explicitly subjects virtual currency kiosk owners and operators to licensing and other existing requirements under the state’s Money Transmission Act and (2) imposes several disclosure and receipt requirements on them. Additionally, it caps daily transaction limits at \$2,500 for each virtual currency kiosk customer and allows the commissioner to establish a schedule of maximum kiosk fees ([PA 23-82](#), effective upon passage, except that the virtual currency kiosk provisions take effect October 1, 2023).

## **Biennial Budget**

The budget act includes (1) General Fund appropriations of \$22.1 billion in FY 24 and \$22.8 billion in FY 25; (2) Special Transportation Fund (STF) appropriations of \$2.2 billion in FY 24 and \$2.3 billion in FY 25; (3) other appropriated funds (11 funds) of \$864.8 million in FY 24 and \$902.2 million in FY 25; and (4) revenue estimates adopted by the Finance, Revenue and Bonding Committee on June 5, 2023 ([HB 6941](#), as amended, various sections and effective dates).

### ***Appropriations***

*Spending Cap.* The act is under the spending cap by \$10.4 million in FY 24 and \$11.6 million in FY 25.

*Growth Rate.* The FY 24 growth rate for all appropriated funds is 3.8% over the FY 23 appropriation. The FY 25 growth rate for all appropriated funds is 3.5% over the FY 24 appropriation.

*Deficiency Appropriations.* The act eliminates FY 23 deficiencies in seven agencies totaling \$76.8 million by transferring funds from various agencies that otherwise would have lapsed.

*Carryforwards.* The act carries forward a total of \$340.6 million in funding for initiatives from numerous accounts that otherwise would have lapsed.

### ***Revenue***

General Fund revenue adjustments include policies reducing state income tax revenue by \$190.1 million in FY 24 and \$421.7 million in FY 25.

## **Children and Families**

### ***Children's Mental Health Services***

The legislature passed a new law that generally addresses mental health services for children. Among other things, it requires the Department of Social Services (DSS) commissioner to (1) provide Medicaid reimbursement for certain mental health evaluations and services at school-based health centers or public schools, to the extent federal law allows, and (2) hire temporary and part-time employees for FY 24 to collaborate with nonprofit organizations to identify and enroll eligible children in the HUSKY Health program. The new law also (1) generally reduces license fees for certain professionals (e.g., social workers and counselors) and (2) establishes the Office of the

Behavioral Health Advocate to advocate for and assist mental health care providers ([PA 23-101](#), various effective dates).

### ***Safe Storage of Prescription Drugs***

New legislation addresses the safe storage and disposal of prescription drugs and other substances. It requires pharmacies to affix a specific label that says, “DANGER TO CHILDREN KEEP OUT OF REACH,” to containers and packaging of opioids and other controlled substances they sell or dispense.

By July 1, 2024, the new law also requires the (1) consumer protection commissioner to adopt regulations to provide implementation guidance to pharmacies and (2) Department of Mental Health and Addiction Services (DMHAS) to develop and administer a public awareness campaign on the safe storage of prescriptions, cannabis, cannabis products, and illegal drugs and the dangers they pose to children ([PA 23-100](#), effective upon passage).

## **Consumer Protection**

### ***Consumer Health Data Privacy***

The legislature passed a new law that sets standards on accessing and sharing consumer health data by certain private entities that do business in Connecticut. Among other things, it generally prohibits them from (1) selling this data without the consumer’s consent or (2) using a “geofence” to create a virtual boundary near mental health or reproductive or sexual health facilities to collect consumer health data. It also places various specific limitations on “consumer health data controllers” (i.e., people or entities that determine the purposes and means of processing consumer health data) by incorporating various provisions on consumer health data controllers into the existing law on consumer data privacy and online monitoring ([PA 23-56](#) and [HB 6941](#), as amended, §§ 217-218 & 414, effective October 1, 2023).

### ***Minors and Social Media and Online Services***

Under a new law, social media platforms must unpublish a minor’s social media account within 15 business days and generally delete the account within 45 business days after receiving an authenticated request.

Additionally, the law establishes a framework and sets requirements for how individuals or entities offering certain online services, products, and features manage and process personal data for minors. It specifically requires them to use reasonable care to avoid having their services, products, and features cause any heightened risk of harm to minors. It also prohibits them from (1)

processing a minor's personal data without receiving the minor's or his or her parent's or guardian's consent; (2) using any system design feature to significantly increase, sustain, or extend a minor's use of the online service, product, or feature; and (3) collecting a minor's precise geolocation data, with certain exceptions ([PA 23-56](#), various effective dates).

## **Criminal Justice and Public Safety**

### ***Catalytic Converters***

A new law directs the Department of Emergency Services and Public Protection (DESPP) and Department of Motor Vehicles commissioners to pursue, individually or jointly, agreements with other states to create a regional approach to addressing catalytic converter theft. The agreements may have provisions on information sharing, enforcement coordination, and aligning laws on the sale of convertors and punishment for their theft. The act also creates a task force to study Connecticut's catalytic convertor laws and requires it to submit a report with its findings and recommendations to the Public Safety and Security Committee by January 1, 2024 ([SA 23-20](#), effective upon passage).

### ***Firearms***

A new law makes various changes in the state's gun (firearm) laws. Among other things, it:

1. generally prohibits anyone from (a) knowingly carrying a firearm with intent to display it (i.e., open carry) and (b) having a ghost gun beginning January 1, 2024;
2. generally limits a person to purchasing only three handguns in a 30-day period;
3. requires various gun safety measures, including expanding existing law's requirements for trigger locks and safe storage of firearms to cover to all retail firearm sales;
4. expands the assault weapons ban to include more firearms and provides a process for those who lawfully own these weapons to get a certificate of possession or transfer or sell them;
5. specifies that firearm safety training for gun credentials must be completed within two years before applying and expands the required content of the training courses (e.g., safe firearm storage);
6. sets stricter release conditions for serious firearm offenders;
7. establishes firearm-related crime dockets in certain courts;
8. increases the penalty for a first-time unintentional failure to report the loss or theft of a firearm from an infraction to a class A misdemeanor; and

9. requires DESPP to make a decision on a handgun permit application if the applicant presents an affidavit that the local authority failed to expressly deny or approve a temporary state permit application after a specified period ([PA 23-53](#) as amended by [sHB 6895](#), various effective dates).

### ***Parole Eligibility***

This session, the legislature enacted alternate parole eligibility rules for certain offenders under age 21 at the time of the offense that could make them eligible for parole sooner (generally similar to existing provisions for offenders under age 18). The new rules apply to offenders who (1) were under age 21 when the crime was committed; (2) are serving a definite or total effective sentence of more than 10 years for crimes committed on or before October 1, 2005; and (3) were sentenced on or before October 1, 2005 ([SB 952](#), as amended, § 1, effective October 1, 2023).

## **Economic and Community Development**

### ***Grant Program for High Poverty-Low Opportunity Census Tracts***

This year's bond act requires the Department of Economic and Community Development (DECD) commissioner to establish a grant program to fund eligible projects in "high poverty-low opportunity census tracts." Under the act, these are census tracts in which at least 30% of the residents have incomes below the federal poverty level, according to the U.S. Census Bureau's most recent five-year American Community Survey. The act also authorizes general obligation (GO) bonds of up to \$50 million per year from FYs 24-29 (\$300 million total) for the program.

An eligible project must seek to reduce concentrated poverty and its effects within the qualifying census tract. These projects generally include (1) building, renovating, and rehabilitating mixed-income rental and owner-occupied housing; (2) establishing or improving workforce development programs; and (3) building, renovating, or rehabilitating public infrastructure to support and improve private investment opportunities, quality of life, and public safety ([HB 6942](#), as amended, §§ 101-104, most provisions effective July 1, 2023).

### ***JobsCT and Individuals With Intellectual Disability***

New legislation decreases, from 25 to 15, the number of full-time equivalent employees (FTEs) that a business must create and maintain to be eligible for the JobsCT tax rebate program if at least one of these FTEs is an individual with intellectual disability. It also allows the business to earn an increased rebate amount for each FTE who is an individual with intellectual disability (50% of the state income tax that would be paid, rather than 25%) ([PA 23-137](#), § 61, effective January 1, 2024, and applicable to taxable years starting on or after that date).

## ***XL Center***

New legislation allows the Capital Region Development Authority (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. Separately, the bond act authorizes \$20 million in GO bonds for specified capital improvements to the XL Center ([HB 6941](#), as amended, §§ 410-412, effective July 1, 2023, and [HB 6942](#), as amended, § 2, effective July 1, 2023).

## **Education and Higher Education**

### ***Debt-Free Community College Eligibility Changes***

The budget and implementer act extends eligibility for the state's debt-free community college program to returning students by removing requirements that (1) a qualifying student must be a first-time enrollee at a community-technical college and (2) awards must be applied during a student's first 48 consecutive months, thus allowing returning students to receive the award if they meet all other eligibility requirements ([HB 6941](#), § 137, as amended, effective July 1, 2024).

### ***Financial Literacy as a High School Requirement***

A new law adds a half-credit of personal financial management and financial literacy to the high school graduation requirements beginning with the graduating class of 2027 (i.e., students currently enrolled in eighth grade). The law allows the half-credit in financial literacy to count towards either the nine-credit humanities graduation requirement or as an elective credit ([PA 23-21](#), effective July 1, 2023).

### ***Funding for Major Education Programs***

In a response to numerous needs facing school districts in the wake of the pandemic, including student services and recruiting teachers, the biennial budget act provides significant new funding for major education programs.

For the biennium, the budget appropriates a \$163.7 million increase in the Education Cost Sharing (ECS) grant. While most of this increase was previously scheduled, additional funds were provided to ensure that no town receives an ECS decrease in the biennium. The budget act also provides supplemental increases for FY 25, which are in addition to each of these categories' budgeted amounts, as follows:

1. ECS, \$68.5 million;



2. magnet schools, \$53.4 million;
3. state charter schools, \$9.4 million;
4. vocational-agricultural (vo-ag) centers, \$7.2 million; and
5. open choice program, \$11.4 million.

Also, beginning with FY 25, the budget limits the per-student tuition that vo-ag centers and most magnet schools may charge sending school districts to 58% of the tuition charged in FY 24. This is a significant cost reduction for the school districts with students attending those programs outside of their home district.

Finally, the budget also increases the excess cost grant amount for high cost special education students by \$50 million (\$25 million for each fiscal year) ([HB 6941](#), as amended, §§ 1, 357, 358 & 362, effective July 1, 2023).

### ***Raising the Kindergarten Entrance Age***

In response to the concern about the varied developmental levels in kindergarten when children ages four, five, and six are together in the same class, a new law raises the age at which children may start public school kindergarten from age five by January of the school year to age five by September of the school year. It allows a child younger than age five as of September 1 to be admitted to kindergarten if the parent or guardian makes a request to the school principal, and the principal and an appropriate staff person conducts an assessment that shows the child is developmentally ready ([HB 6880](#), as amended, § 3, effective July 1, 2024, and [HB 5003](#), as amended, § 1, effective July 1, 2024).

### ***Transition Services***

This year, the legislature passed a law addressing transition services for students who receive (1) special education and related services in public school and then graduate or age out of the system and (2) early intervention services under the state's Birth to Three program and then transition into public schools.

On a statewide level, the act requires the State Department of Education to employ a transition services coordinator for state agency-provided services. It also requires the departments of Developmental Services and Aging and Disability Services to employ enough staff, within available appropriations, to provide these services. On a local level, the act requires each (1) board of education to appoint a districtwide transition coordinator and (2) planning and placement team to coordinate these services at two points in an eligible student's high school career. It also requires

individual service coordinators for children receiving early intervention services to help facilitate the transition to public school special education services ([PA 23-137](#), §§ 26-31, 38-44 & 50, various effective dates).

## **Elections and Voting**

### ***Absentee Voting***

This year, the General Assembly passed a resolution that proposes to amend the state constitution by removing its current restrictions on absentee voting. Under these restrictions, the legislature may pass a law allowing electors to cast their vote by absentee ballot if they are unable to appear at their polling place because of absence from the town where they reside, sickness or physical disability, or the tenets of their religion prohibit secular activity on election day (Article VI, § 7).

The resolution passed by a majority of each house of the General Assembly both in 2021 and 2023; it will thus appear on the November 5, 2024, general election ballot ([HJ 1](#)).

### ***Attorney General Qualifications***

A new law changes the statutory qualifications for serving as state attorney general. Specifically, the act requires that a candidate have engaged in the practice of law for at least 10 years (either consecutive or nonconsecutive) instead of requiring a candidate to have at least 10 years of active practice at the bar of the state (i.e., experience that includes litigation) ([HB 6941](#), as amended, § 212, effective upon passage).

### ***Campaign Finance***

New legislation increases grant amounts for gubernatorial candidates participating in the Citizens' Election Program (CEP), the state's voluntary public campaign financing system available to legislative and statewide office candidates. Beginning with the 2026 election, the act sets the base amount of the CEP primary and general election grants for gubernatorial candidates at \$3,227,500 for a primary and \$15,492,000 for a general election (compared with \$1,613,750 for a primary and \$7,746,000 for a general election in 2022). As under existing law, these amounts must be adjusted for inflation.

The legislation also allows participating gubernatorial candidates from a major party to apply for and receive a "convention campaign grant" before the party's nominating convention, equal to one-fourth of the primary grant. The legislation sets the grant amount at \$806,875, and similarly requires that it be adjusted for inflation ([HB 6942](#), as amended, §§ 247-253, effective October 1, 2023).

## ***Early Voting***

In the November 2022 general election, voters approved a constitutional amendment that allows the General Assembly to pass legislation establishing in-person, early voting. This session, the legislature passed legislation establishing a 14-day early voting period for general elections, a seven-day period for most primaries, and a four-day period for special elections and the presidential preference primary. The act also implements policies for establishing early voting locations, staffing these locations, and operating them. Primarily, it authorizes early voting for elections on or after April 1, 2024 ([PA 23-5](#), various effective dates, and [HB 6941](#), as amended, §§ 185-192, 527 & 549, various effective dates).

## ***State Voting Rights Act***

This year, the legislature enacted a state voting rights act. Among other things, the act prohibits election methods that impair a protected class member's right to vote, authorizes the secretary of the state and others to file a court action over violations, and authorizes the court to impose tailored remedies for violating the act and award attorney's fees to plaintiffs who prevail in a court action. Additionally, the act creates a statewide election database to track election-related data and evaluate compliance with existing law and the act's provisions.

The act also establishes (1) requirements for municipalities to provide language assistance for limited English proficient individuals and (2) a preclearance process to require that certain jurisdictions get approval for certain election-related policies. It prohibits intimidation, deception, or obstruction related to voting and allows aggrieved parties to seek remedies in court ([HB 6941](#), as amended, §§ 514-522, most provisions effective July 1, 2023).

## **Energy and Environment**

### ***Black Bears and Other Potentially Dangerous Animals***

This session, the legislature passed a law that allows a person to kill a black bear if the person reasonably believes the bear is (1) inflicting, or about to inflict, great bodily harm to a person; (2) injuring or killing the person's controlled pet; or (3) entering a building occupied with people.

The new law also allows farmers experiencing crop, livestock, or apiary damage caused by nuisance wildlife to get a permit from the Department of Energy and Environmental Protection (DEEP) to take (e.g., capture, trap, or kill) the wildlife if nonlethal methods failed to prevent damage. Lastly, the new law bans intentionally feeding potentially dangerous animals (e.g., bear, bobcat, coyote, or fox) on land not owned by the state and makes a violation an infraction ([PA 23-77](#), effective October 1, 2023).

## ***Solid Waste Management***

Solid waste management continued to be a topic of interest for the legislature, and several bills concerning it passed. Among other things, a new law creates a successor to the Material Innovation Recycling Authority (MIRA) to wind down MIRA's operations and identify needs related to redeveloping MIRA properties. It also (1) sets recycled content requirements for certain plastic beverage containers, (2) expands the scope of the state's organics law by requiring facilities such as educational or correctional institutions to separate organics materials from other waste and recycle them, and (3) includes provisions related to developing solid waste management infrastructure ([sHB 6664](#), as amended, various effective dates).

Among the other solid waste-related acts, a new law requires the establishment of a state-wide stewardship program to manage certain discarded tires. The program must provide free access to a collection system and ensure that discarded tires are resold or recycled ([PA 23-62](#), effective October 1, 2023).

## ***Utility Regulatory Reform***

This session's omnibus bill from the Energy and Technology Committee includes several provisions aimed at changing how the Public Utilities Regulatory Authority (PURA) regulates the state's utility companies. Among other things, these provisions:

1. prohibit certain companies from recovering specified costs through their rates (e.g., costs for participating in PURA's rate-making hearings, lobbying, and membership in industry trade associations);
2. limit the extent to which the companies may use settlements to satisfy the law's requirement for a rate case at least once every four years; and
3. give PURA greater discretion to determine how certain electric distribution company overearnings are returned to customers.

The new law also makes numerous other changes in the energy and utility laws, such as (1) creating a program through which stakeholder groups in PURA proceedings may have certain expenses paid by the company that is subject to the proceeding; (2) requiring the governor to select PURA's chairperson, rather than letting PURA's commissioners elect the chairperson as under prior law; and (3) allowing hardship customers to contract with a retail electric supplier, if the contract is for no more than the standard service rate ([PA 23-102](#), various sections and effective dates, and [HB 6941](#), as amended, §§ 118-121 & 415, various effective dates).

## Fiscal Controls

This session, the legislature made a number of changes to the state’s fiscal “caps” and bond lock laws that are designed to limit state spending or borrowing and increase deposits to the Budget Reserve Fund (BRF). Principally, these changes:

1. increase the BRF’s maximum balance from 15% to 18% of net General Fund appropriations and specify how surplus funds must be diverted when the BRF’s balance is between 15% and 18%;
2. freeze the cap on General Fund and STF appropriations at 98.75% of estimated revenues, beginning in FY 24;
3. align the state’s bonding allocation, issuance, and allotment caps by setting them at \$2.4 billion per fiscal year, beginning in FY 24; and
4. enact a new “bond lock” law that requires the state to comply with these and other fiscal controls (e.g., the volatility cap), except under limited circumstances, through FY 33 unless the General Assembly adopts a resolution by June 30, 2028, not to continue it beyond FY 28 ([PA 23-1](#), §§ 14-18, effective July 1, 2023).

## General Law

### *Cannabis, Medical Marijuana, and Hemp*

New legislation establishes a “high-THC hemp product” category and classifies it as marijuana or cannabis, which subjects it to various licensing and regulatory requirements (e.g., must be sold only by licensed establishments and only to those age 21 or older except under the medical marijuana program). That same law also, among other things, (1) adds more labeling and packaging requirements for cannabis and edible cannabis products, including requiring that packages be tamper- and light-resistant; (2) places more requirements on certain hemp manufacturers and on manufacturer hemp products; and (3) establishes the Office of Cannabis Ombudsman to, among other things, represent the interests of qualifying medical marijuana patients and caregivers ([PA 23-79](#) and [sHB 6700](#), as amended, various effective dates).

### *Artificial Intelligence*

A new law requires the executive and judicial branches to (1) conduct an inventory of all their systems that employ artificial intelligence (AI) and (2) develop and set policies and procedures on developing, procuring, using, and assessing systems that use AI. Beginning February 1, 2024, the act prohibits the executive and judicial branches from implementing any system that uses AI unless they have done an impact assessment to ensure the system will not result in any unlawful

discrimination or disparate impact against specified individuals or groups (e.g., age and race) ([PA 23-16](#), effective July 1, 2023).

## **Housing**

### ***Fair Share Methodology***

A new law requires the Office of Policy and Management (OPM) secretary, in consultation with the Department of Housing (DOH) and DECD commissioners, to establish a methodology for determining each municipality's fair share allocation of affordable housing by generally (1) determining the need for affordable housing units in each of the state's planning regions and (2) fairly allocating this need to each region's municipalities. The OPM secretary must establish the methodology by December 1, 2024, and in doing so, may consult with experts, advocates, statewide organizations representing municipalities, and organizations with expertise in affordable housing, fair housing, and planning and zoning.

The new law also requires the OPM secretary, by December 1, 2024, and in consultation with the DOH and DECD commissioners, to use the methodology to determine the minimum need for affordable housing units for each planning region and a municipal fair share allocation for each region's municipalities. The methodology must generally rely on specified federal data and meet certain requirements. The OPM secretary must submit the fair share allocation methodology to (1) the Housing and Planning and Development committees and (2) each chamber of the General Assembly for approval ([sSB 998](#), § 516, as amended, effective July 1, 2023).

### ***Tenant Protections***

This session, the legislature passed a law that, among other things, establishes new tenant protections and expands certain existing protections. Among its most significant changes to tenant protections, the act does the following:

1. allows municipalities to set civil penalties of up to \$2,000 per day against landlords for each violation of municipal rules on maintaining safe and sanitary housing (an increase from the prior limit of \$250);
2. requires landlords to give tenants the opportunity to request and complete a pre-occupancy "walk-through" of a dwelling unit after or at the time of entering into a rental agreement;
3. limits rental application-related fees and payments that landlords may require from prospective tenants;

4. limits late charges that landlords may impose for overdue rent and prohibits (a) rental agreements from requiring any late fees that exceed the limit and (b) landlords from assessing more than one late charge on an overdue rent payment;
5. requires the DOH commissioner to establish a program to incentivize landlord participation in various tenant-based rental assistance programs;
6. requires the Judicial Department to remove from its website certain records or identifying information about eviction proceedings within a specified time period based on an action's disposition; and
7. generally shortens the deadline for landlords to return a tenant's security deposit and interest on deposits under certain circumstances ([sSB 998](#), as amended, various effective dates).

## Insurance

### *Anti-Competitive Health Care Practices*

New legislation seeks to address several anti-competitive health care practices by prohibiting contracts between health carriers (i.e., insurers and HMOs) and health care providers from containing all-or-nothing clauses, anti-steering clauses, anti-tiering clauses, or gag clauses. The same law requires health carriers to disclose how they select providers for different tiers and evaluate providers within each tier ([sHB 6669](#), as amended, §§ 19 & 20, effective July 1, 2024).

### *Step Therapy and Utilization Review Changes*

A new law makes three substantial changes to the state's utilization review law, including for step therapy. Beginning January 1, 2024, the act begins a three-year prohibition on step therapy for drugs used to treat schizophrenia, major depressive disorder, or bipolar disorder. Step therapy generally requires patients to try and fail on less expensive drugs before using higher cost drugs.

Additionally, the new law:

1. 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 previously certified it through utilization review, and
2. shortens several of the maximum timeframes health insurers and other entities may take to respond to certain utilization review requests ([HB 6941](#), as amended, §§ 230-232 & 235-236, various effective dates).

## **Labor and Public Employees**

### ***Workers' Compensation for Post-Traumatic Stress Injuries***

This year, the legislature expanded eligibility for workers' compensation benefits for post-traumatic stress injuries (PTSI) to cover all employees covered by the workers' compensation law. Prior law generally limited eligibility for these benefits to certain first responders (e.g., police officers and firefighters) diagnosed with PTSI as a direct result of certain qualifying events (e.g., witnessing someone's death) that occur in the line of duty. The new law instead allows any employee covered by workers' compensation law to qualify for the benefits if the same qualifying events occur in the course of the employee's employment. The PTSI benefits provided to them are subject to the same procedures and limitations that currently apply to the PTSI benefits for first responders ([PA 23-35](#), effective January 1, 2024).

## **Municipalities**

### ***MRDA and Affordable Housing Development***

In 2019, the legislature created the Municipal Redevelopment Authority (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. This year's bond act authorizes \$60 million in GO bonds to capitalize MRDA ([HB 6942](#), as amended, § 92, effective July 1, 2023).

Separately, the budget and implementer act (1) eliminates a provision in prior law making membership in MRDA mandatory for certain municipalities; (2) allows any municipality outside the Capital Region Development Authority's jurisdiction to work with MRDA; (3) changes the board's membership, including appointee qualifications; and (4) expands MRDA's purposes to include providing financial support and technical assistance to municipalities to develop "housing growth zones" (HGZs). An HGZ is the area of a development district (or a larger area) in which local zoning regulations facilitate substantial new housing development. HGZs are formed around a central business district or passenger transit station ([HB 6941](#), as amended, §§ 203-207, various effective dates).

## **Public Health**

### ***Health Care Costs***

This session, a new law includes various provisions intended to address rising health care and prescription drug costs. For example, the act (1) limits when hospitals and health systems may charge facility fees for on-campus outpatient procedures; (2) requires the state comptroller to



establish a Drug Discount Card Program for state residents and allows him to join with other states or a regional consortium to pool prescription drug purchasing power to lower costs; and (3) makes various changes to the Office of Health Strategy's Certificate of Need program, such as creating additional public notice and enforcement mechanisms.

The federal 340B drug pricing program requires drug manufacturers participating in Medicaid to sell certain outpatient drugs at discounted prices to entities that care for uninsured and low-income patients. Among other things, the new legislation also prohibits contracts between 340B covered entities (including pharmacies under contract with them) and pharmacy benefits managers from containing certain provisions, including lower reimbursement rates than for non-participants ([SHB 6669](#) as amended, various sections and effective dates).

## ***Opioid Use***

This year, the legislature took additional steps to combat opioid misuse and substance use disorder. Among other things, the new laws include provisions that:

1. require DMHAS, by July 1, 2027, to create a pilot program establishing harm reduction centers where people with substance use disorder can access counseling and various other services and receive fentanyl or xylazine test strips ([PA 23-97](#), §§ 3-4, effective upon passage);
2. create an Opioid Antagonist Bulk Purchase Fund, which DMHAS must use to give opioid antagonists to eligible entities, including municipalities and emergency medical services (EMS) organizations, and correspondingly requires EMS personnel to give kits with opioid antagonists and a related fact sheet to certain patients ([PA 23-97](#), § 5, effective October 1, 2023);
3. require the Department of Transportation (DOT) to conduct a public awareness campaign on the dangers of driving while under the influence of opioids and other substances ([PA 23-116](#), § 8, effective upon passage);
4. allow prescribing practitioners and pharmacists to work with various entities (e.g., law enforcement and school boards) to increase the public's access to opioid antagonists, such as by making them available in vending machines and needle exchange machines ([PA 23-52](#), § 12, effective upon passage); and
5. expand 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, giving priority to departments that do not currently have a supply of them ([HB 6941](#), as amended, § 193, effective July 1, 2023).

## ***Reproductive Health Care***

This session, the legislature adopted several measures on access to reproductive health care and related issues. These include provisions that:

1. authorize pharmacists to dispense emergency or hormonal contraception to patients under certain conditions ([PA 23-52](#), § 3, effective upon passage);
2. require pharmacists to give patients a list of nearby pharmacies that dispense medication to terminate a pregnancy if the pharmacy does not have a supply of the medication ([PA 23-52](#), § 4, effective upon passage);
3. generally (a) prohibit health care providers from being disciplined or adversely affected by Connecticut licensing agencies, institutional employers, and professional liability insurers due to other states' disciplinary actions for certain reproductive health care services, and (b) limit these employers or insurers from taking these adverse actions not involving other states' discipline ([PA 23-128](#), effective upon passage);
4. require the Board of Regents for Higher Education and the UConn Board of Trustees, by January 1, 2024, to establish and update as needed a plan to provide reproductive health care services by licensed health care provider to students who live on residential campuses ([PA 23-41](#), effective July 1, 2023); and
5. require UConn Health Center to develop an endometriosis data and biorepository program to enable and promote research on early detection and ways to manage the condition in adolescents and adults ([HB 6941](#), as amended, § 140, effective July 1, 2023).

Among other things, another new law prohibits certain health insurance policies, beginning January 1, 2024, from discriminating between people on the basis of gender identity or expression, sexual orientation, or age with respect to health insurance coverage for medically necessary infertility diagnosis and treatment. It also revises the allowed parameters for a policy to cover infertility-related expenses to conform to the federal Affordable Care Act ([PA 23-127](#), §§ 11 & 12, effective October 1, 2023).

## **Social Services**

### ***HUSKY Expansion for Children***

This session, the legislature expanded access to HUSKY health benefits for children who meet program income limits but are ineligible due to immigration status. It did so by increasing the maximum age of eligibility from 12 to 15 years old beginning July 1, 2024. As under existing law, children will continue to receive benefits until they are 19, as long as they continue to meet eligibility requirements. The act also requires the DSS commissioner to study the costs and benefits

of further extending HUSKY eligibility to anyone ages 25 and younger who would qualify if not for their immigration status ([HB 6941](#), as amended, §§ 298-300, effective upon passage).

### ***Intellectual or Developmental Disabilities (IDD)***

This year, the legislature passed a law to evaluate and expand support and services for people with IDD. For this population, the new law includes provisions on education, public safety and emergency services, workforce issues, disability rights, agency staffing and information sharing, transportation, and housing.

Among other things, the act requires OPM to (1) analyze employee assistance programs for people with IDD, (2) recommend new statutory definitions for IDD, (3) work on an online portal to share information across state agencies to improve service delivery, and (4) establish statewide coordinators for programs and services for people with autism spectrum disorder (ASD) and other IDDs. The act also requires state agencies to reduce waiting lists for Medicaid waivers that provide services to people with IDD or ASD. It also makes May 23 “Intellectual and Developmental Disabilities Awareness and Advocacy Day” ([PA 23-137](#), various sections and effective dates).

### ***Medicaid Reimbursement for Community Health Workers (CHWs)***

A new law requires the DSS commissioner to design and implement a program to provide Medicaid reimbursement to certified community health workers. The commissioner must consult with CHWs when developing the plan and annually report to the Human Services Committee and the Council on Medical Assistance Program Oversight (MAPOC) until the program is fully implemented ([sSB 989](#), as amended, § 4, effective upon passage).

### ***Temporary Family Assistance***

TFA is the state’s cash assistance program, funded in part through the federal Temporary Assistance for Needy Families (TANF) block grant. The budget and implementer act expands eligibility for TFA by (1) extending the program’s time limit from 21 to 36 months, (2) raising the asset limit, and (3) disregarding income for certain households ([HB 6941](#), as amended, §§ 279-285, effective upon passage).

## **Taxes**

The FY 24-25 budget and implementer act makes a number of state tax changes ([HB 6941](#), as amended, various sections and effective dates). We highlight some of the most significant changes below.

## ***Business Taxes***

Among its business tax changes, the act:

1. extends the 10% corporation business tax surcharge for three additional years to the 2023, 2024, and 2025 income years;
2. makes the pass-through entity tax optional and changes the method for calculating the tax base;
3. (a) increases the human capital investment tax credit from 5% to 10% for most eligible investments and to 25% for eligible child care-related expenditures and (b) allows corporations to use the 25% human capital investment credits to reduce up to 70% of their corporation business tax liability; and
4. creates a new tax credit for eligible theater productions performed at qualifying facilities in Connecticut.

## ***Fuel Taxes***

The budget and implementer act sets the diesel fuel tax rate at 49.2 cents per gallon in FY 24 (i.e., the same rate that applied in FY 23), rather than the rate determined by the Department of Revenue Services according to the statutory calculation. It also exempts aviation fuel sales from the petroleum products gross earning tax starting in FY 24, and, starting in FY 26, subjects these sales to a new aviation fuel tax at 15 cents per gallon.

## ***Income Tax***

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

The act also extends eligibility for the pension and annuity and individual retirement account (IRA) exemptions to taxpayers with incomes 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. It gradually reduces the exemptions for these taxpayers until they fully phase out at \$100,000 or \$150,000 as applicable.

The act also increases the earned income tax credit from 30.5% to 40% of the federal credit, starting with the 2023 tax year.

## **Transportation**

### ***Automated Traffic Enforcement***

In response to a recent rise in traffic deaths, the legislature passed a law allowing municipalities to use speed and red light cameras if they (1) adopt an ordinance meeting the law's requirements and (2) have a speed and red light camera plan approved by DOT every three years. DOT must develop guidelines and evaluation criteria that ensure cameras are installed only where they are likely to improve traffic safety and that their distribution is equitable.

Under the new law, municipalities must (1) hold a public hearing on camera plans and receive legislative body approval before submitting them to DOT for approval and (2) notify the public about a camera's location through public awareness campaigns, signage, and mobile navigation apps. Municipalities may charge a fine of up to \$50 for a first violation and \$75 for subsequent violations, and any revenue received must be used for transportation infrastructure and mobility improvements or to pay the cameras' operating costs. The new law also addresses ticket issuance and processing, data privacy, and data reporting, among other provisions ([PA 23-116](#), §§ 10-14 & 16-18, most provisions effective October 1, 2023).

### ***Transportation Sector Carbon Dioxide Reduction Target***

Starting by October 1, 2030, a new law requires DOT, in consultation with DEEP, to biennially establish a transportation carbon reduction target for the state that sets the maximum amount of carbon dioxide emissions allowed from the transportation sector. DOT must develop a plan to ensure that transportation projects included in its Statewide Transportation Improvement Program do not exceed the emissions reduction target, and the department must determine the methodology for calculating the carbon dioxide emissions expected from projects. Starting by January 1, 2025, DOT must begin reporting on its work to develop the plan and implement the reduction target ([PA 23-135](#), § 32, effective July 1, 2023).

### ***Wrong-Way Driving Countermeasures***

A new law addresses the recent uptick in wrong-way driving accidents and deaths. Among other things, it requires DOT to expand its installation of systems that alert drivers with flashing lights when they are going the wrong way to at least 120 additional exit ramps that the department determines are high-risk for wrong-way driving incidents. The new law also addresses wrong-way driving public awareness and education by requiring that information on how to reduce wrong-way driving incidents and actions drivers should take when encountering a wrong-way driver be included in (1) a DOT public awareness campaign and (2) driver education program curriculum ([PA 23-51](#), most provisions effective October 1, 2023).

This year's bond act also authorizes up to \$20 million in special tax obligation (STO) bonds in each of FYs 24 and 25 (\$40 million total) for purchasing, installing, and implementing advanced wrong-way driving technology and other wrong-way driving countermeasures ([HB 6942](#), as amended, §§ 40 & 46, effective July 1, 2023, for FY 24 authorization and July 1, 2024, for FY 25 authorization).

## **Veterans' and Military Affairs**

### ***U.S. Space Force***

This year, the legislature incorporated the United State Space Force and its personnel (i.e., Guardians) into definitions of armed forces and veterans throughout statute to ensure existing laws and benefits applied to the branch and current or future Guardians in the state ([PA 23-71](#), effective October 1, 2023).