General Assembly

Bill No. 8002

November Special Session, 2025

LCO No. **10924**

Referred to Committee on No Committee

Introduced by:
REP. RITTER, 1st Dist.
SEN. LOONEY, 11th Dist.
REP. ROJAS, 9th Dist.
SEN. DUFF, 25th Dist.

AN ACT CONCERNING HOUSING GROWTH.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (*Effective January 1, 2026*) (a) For the purposes of this section and sections 2 and 3 of this act:

(1) "Account holder" means an individual who, either individually or jointly with another individual, establishes a first-time homebuyer savings account;

(2) "Allowable closing costs" means the disbursements listed on a settlement statement concerning a transaction involving the purchase of a one-to-four family residence in this state by a qualified beneficiary to serve as the qualified beneficiary's primary residence;

(3) "Commissioner" means the Commissioner of Revenue Services;

(4) "Eligible costs" means the down payment and all allowable closing

costs paid or reimbursed by a qualified beneficiary to purchase a one-to-four family residence in this state to serve as the qualified beneficiary's primary residence;

(5) "Financial institution" means a bank, out-of-state bank, Connecticut credit union, federal credit union or out-of-state credit union, as those terms are defined in section 36a-2 of the general statutes, and any affiliate or third-party provider of such entities;

(6) "First-time homebuyer" means an individual who did not own or purchase, either individually or jointly with another person, a one-to-four family residence prior to the closing date of a real estate transaction involving the purchase of a one-to-four family residence in this state by the individual;

(7) "First-time homebuyer savings account" means an account established by one or more account holders with a financial institution that the account holders designate as an account exclusively containing funds to pay or reimburse eligible costs incurred by the qualified beneficiary of the account;

(8) "One-to-four family residence" means a residential dwelling consisting of not more than four dwelling units, including, but not limited to, a mobile manufactured home, as defined in section 21-64 of the general statutes, or a residential unit in a cooperative, common interest community or condominium, as such terms are defined in section 47-202 of the general statutes;

(9) "Qualified beneficiary" means a first-time homebuyer who (A) is an account holder and designated as the qualified beneficiary of a first-time homebuyer savings account, and (B) resides in the one-to-four family residence in this state that is purchased with the funds deposited in such account; and

(10) "Settlement statement" means the statement of receipts and disbursements for a transaction related to real estate, including, but not

limited to, a statement prescribed pursuant to the Real Estate Settlement Procedures Act of 1974, 12 USC 2601 et seq., as amended from time to time, and any regulations adopted thereunder.

(b) For purposes of implementing the deduction allowed under subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes, as amended by this act, and the credit allowed under section 3 of this act, the commissioner shall prepare forms for (1) the designation of accounts as first-time homebuyer savings accounts, (2) the designation of qualified beneficiaries, and (3) account holders to submit to the commissioner the information described in subparagraph (B) of subdivision (1) of subsection (d) of this section and any additional information that the commissioner reasonably requires pursuant to the provisions of this section.

(c) An individual may establish one or more first-time homebuyer savings accounts with a financial institution. Two individuals may jointly establish and serve as the account holders of a first-time homebuyer savings account, provided such account holders shall file a joint return for the tax imposed under chapter 229 of the general statutes for each taxable year during which such account exists. The account holder or account holders shall, not later than April fifteenth of the taxable year immediately following the taxable year during which such account holder or account holders established a first-time homebuyer savings account, designate the qualified beneficiary of such account. The account holder or account holders of a first-time homebuyer savings account may designate a new qualified beneficiary of the account at any time, provided there shall not be more than one qualified beneficiary of such account at any time. No individual may establish or serve as an account holder of multiple first-time homebuyer savings accounts that have the same qualified beneficiary. A first-time homebuyer savings account shall exclusively contain cash, and there shall be no limit on the amount of contributions made to, or contained in, such accounts. Any person may contribute to a first-time homebuyer savings account, including, but not limited to, employers of the account holder or account holders of such account. If an account holder of a first-time homebuyer savings account leaves employment with an employer that contributed to such account while such account holder was employed by such employer, such employer shall not seek reimbursement of any contribution to such account. The account holder or account holders may invest funds deposited in a first-time homebuyer savings account in money market funds.

(d) (1) Each account holder shall:

(A) Not use any portion of the funds deposited in a first-time homebuyer savings account to pay any administrative fees or expenses, other than service fees imposed by the depository financial institution, for such account; and

(B) Submit to the commissioner such account holder's tax return for each taxable year beginning on or after January 1, 2026, during which a first-time homebuyer savings account established by such account holder exists, along with:

(i) Any information required by the commissioner concerning such first-time homebuyer savings account for purposes of implementing the deduction allowed under subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes, as amended by this act, and the credit allowed under section 3 of this act;

(ii) The Internal Revenue Service Form 1099 issued by the depository financial institution for such first-time homebuyer savings account; and

(iii) If such account holder withdrew funds from such first-time homebuyer savings account during the taxable year that is the subject of such return, a detailed accounting of all eligible costs and ineligible costs paid or reimbursed using such funds during such taxable year and the balance of funds remaining in such account.

(2) Each account holder may withdraw all, or any portion of, the

funds contributed to and deposited in a first-time homebuyer savings account and deposit such funds in another first-time homebuyer savings account established by such account holder at any financial institution.

(e) (1) The commissioner may require that financial institutions furnish certain information about each first-time homebuyer savings account.

(2) No financial institution shall be required to (A) designate an account as a first-time homebuyer savings account, (B) track the use of any funds withdrawn from a first-time homebuyer savings account, or (C) allocate funds in a first-time homebuyer savings account among account holders.

(3) No financial institution shall be liable or responsible for (A) determining whether, or ensuring that, an account holder satisfies the requirements established in this section concerning first-time homebuyer savings accounts or the funds in first-time homebuyer savings accounts are used to pay or reimburse eligible costs, or (B) disclosing or remitting taxes or penalties concerning first-time homebuyer savings accounts unless such disclosure or remittance is required by applicable law.

(4) Upon receiving proof of the death of an account holder and all other information required by any contract governing a first-time homebuyer savings account established by the account holder, the depository financial institution shall distribute the funds in the first-time homebuyer savings account in accordance with the terms of such contract.

(f) (1) Except as provided in subdivision (2) of this subsection and subdivision (2) of subsection (d) of this section, each account holder who withdraws funds from a first-time homebuyer savings account for any reason other than paying or reimbursing the qualified beneficiary of such account for eligible costs incurred by such qualified beneficiary shall be liable to this state for a civil penalty in an amount equal to ten per cent of the withdrawn amount. Such civil penalty shall be collectible by the commissioner. If such funds were deducted by an account holder in accordance with subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes, as amended by this act, then such withdrawn funds shall be considered income.

(2) No account holder shall be liable for a penalty under subdivision (1) of this subsection, nor shall funds withdrawn from a first-time homebuyer savings account be considered income, if the funds withdrawn from the first-time homebuyer savings account:

(A) Are deposited in another first-time homebuyer savings account pursuant to subdivision (2) of subsection (d) of this section;

(B) Are withdrawn due to the death or disability of an account holder who established such account;

(C) Constitute a disbursement of the assets of such account pursuant to a filing for protection under the United States Bankruptcy Code, as amended from time to time; or

(D) Are not claimed as a deduction pursuant to subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes, as amended by this act, by the account holder on a return for the tax imposed under chapter 229 of the general statutes.

(g) The commissioner may adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to implement the provisions of this section.

Sec. 2. Subparagraph (B) of subdivision (20) of subsection (a) of section 12-701 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(B) There shall be subtracted therefrom:

(i) To the extent properly includable in gross income for federal income tax purposes, any income with respect to which taxation by any state is prohibited by federal law;

(ii) To the extent allowable under section 12-718, exempt dividends paid by a regulated investment company;

(iii) To the extent properly includable in gross income for federal income tax purposes, the amount of any refund or credit for overpayment of income taxes imposed by this state, or any other state of the United States or a political subdivision thereof, or the District of Columbia;

(iv) To the extent properly includable in gross income for federal income tax purposes and not otherwise subtracted from federal adjusted gross income pursuant to clause (x) of this subparagraph in computing Connecticut adjusted gross income, any tier 1 railroad retirement benefits;

(v) To the extent any additional allowance for depreciation under Section 168(k) of the Internal Revenue Code for property placed in service after September 27, 2017, was added to federal adjusted gross income pursuant to subparagraph (A)(ix) of this subdivision in computing Connecticut adjusted gross income, twenty-five per cent of such additional allowance for depreciation in each of the four succeeding taxable years;

(vi) To the extent properly includable in gross income for federal income tax purposes, any interest income from obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut;

(vii) To the extent properly includable in determining the net gain or loss from the sale or other disposition of capital assets for federal income tax purposes, any gain from the sale or exchange of obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut, in the income year such gain was recognized;

(viii) Any interest on indebtedness incurred or continued to purchase or carry obligations or securities the interest on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such interest on indebtedness is not deductible in determining federal adjusted gross income and is attributable to a trade or business carried on by such individual;

(ix) Ordinary and necessary expenses paid or incurred during the taxable year for the production or collection of income which is subject to taxation under this chapter but exempt from federal income tax, or the management, conservation or maintenance of property held for the production of such income, and the amortizable bond premium for the taxable year on any bond the interest on which is subject to tax under this chapter but exempt from federal income tax, to the extent that such expenses and premiums are not deductible in determining federal adjusted gross income and are attributable to a trade or business carried on by such individual;

(x) (I) For taxable years commencing prior to January 1, 2019, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than fifty thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than sixty thousand dollars or a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is less than sixty thousand dollars, an amount equal to the Social Security benefits includable for federal income tax purposes;

(II) For taxable years commencing prior to January 1, 2019, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or as a married individual filing separately whose federal adjusted gross income for such taxable year is fifty thousand dollars or more, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income from such taxable year is sixty thousand dollars or more or for a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is sixty thousand dollars or more, an amount equal to the difference between the amount of Social Security benefits includable for federal income tax purposes and the lesser of twenty-five per cent of the Social Security benefits received during the taxable year, or twenty-five per cent of the excess described in Section 86(b)(1) of the Internal Revenue Code;

(III) For the taxable year commencing January 1, 2019, and each taxable year thereafter, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars or a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, an amount equal to the Social Security benefits includable for federal income tax purposes; and

(IV) For the taxable year commencing January 1, 2019, and each taxable year thereafter, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is seventy-five thousand dollars or more, or as a married individual filing separately whose federal adjusted gross income for such taxable year is seventy-five thousand dollars or more, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income from such taxable year is one hundred thousand dollars or more or for a person who files a return under the federal income tax as a head of household whose federal adjusted gross income for such taxable year is one hundred thousand dollars or more, an amount equal to the difference between the amount of Social Security benefits includable for federal income tax purposes and the lesser of twenty-five per cent of the Social Security benefits received during the taxable year, or twenty-five per cent of the excess described in Section 86(b)(1) of the Internal Revenue Code;

(xi) To the extent properly includable in gross income for federal income tax purposes, any amount rebated to a taxpayer pursuant to section 12-746;

(xii) To the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, any distribution to such beneficiary from any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state;

(xiii) To the extent allowable under section 12-701a, contributions to accounts established pursuant to any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state;

(xiv) To the extent properly includable in gross income for federal income tax purposes, the amount of any Holocaust victims' settlement payment received in the taxable year by a Holocaust victim;

(xv) To the extent properly includable in the gross income for federal income tax purposes of a designated beneficiary, as defined in section 3-123aa, interest, dividends or capital gains earned on contributions to accounts established for the designated beneficiary pursuant to the Connecticut Homecare Option Program for the Elderly established by sections 3-123aa to 3-123ff, inclusive;

(xvi) To the extent properly includable in gross income for federal income tax purposes, any income received from the United States government as retirement pay for a retired member of (I) the Armed Forces of the United States, as defined in Section 101 of Title 10 of the United States Code, or (II) the National Guard, as defined in Section 101 of Title 10 of the United States Code;

(xvii) To the extent properly includable in gross income for federal income tax purposes for the taxable year, any income from the discharge of indebtedness in connection with any reacquisition, after December 31, 2008, and before January 1, 2011, of an applicable debt instrument or instruments, as those terms are defined in Section 108 of the Internal Revenue Code, as amended by Section 1231 of the American Recovery and Reinvestment Act of 2009, to the extent any such income was added to federal adjusted gross income pursuant to subparagraph (A)(xi) of this subdivision in computing Connecticut adjusted gross income for a preceding taxable year;

(xviii) To the extent not deductible in determining federal adjusted gross income, the amount of any contribution to a manufacturing reinvestment account established pursuant to section 32-9zz in the taxable year that such contribution is made;

(xix) To the extent properly includable in gross income for federal income tax purposes, (I) for the taxable year commencing January 1, 2015, ten per cent of the income received from the state teachers' retirement system, (II) for the taxable years commencing January 1, 2016, to January 1, 2020, inclusive, twenty-five per cent of the income received from the state teachers' retirement system, and (III) for the taxable year commencing January 1, 2021, and each taxable year thereafter, fifty per cent of the income received from the state teachers' retirement system or, for a taxpayer whose federal adjusted gross income does not exceed the applicable threshold under clause (xx) of this subparagraph, the percentage pursuant to said clause of the income received from the state teachers' retirement system, whichever deduction is greater;

(xx) To the extent properly includable in gross income for federal income tax purposes, except for retirement benefits under clause (iv) of this subparagraph and retirement pay under clause (xvi) of this subparagraph, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a head of household whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, (I) for the taxable year commencing January 1, 2019, fourteen per cent of any pension or annuity income, (II) for the taxable year commencing January 1, 2020, twenty-eight per cent of any pension or annuity income, (III) for the taxable year commencing January 1, 2021, forty-two per cent of any pension or annuity income, and (IV) for the taxable years commencing January 1, 2022, and January 1, 2023, one hundred per cent of any pension or annuity income;

(xxi) To the extent properly includable in gross income for federal income tax purposes, except for retirement benefits under clause (iv) of this subparagraph and retirement pay under clause (xvi) of this subparagraph, any pension or annuity income for the taxable year commencing on or after January 1, 2024, and each taxable year thereafter, in accordance with the following schedule, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, or as a head of household whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars:

Federal Adjusted Gross Income	Deduction
Less than $75,000	100.0%
$75,000 but not over $77,499	85.0%
$77,500 but not over $79,999	70.0%
$80,000 but not over $82,499	55.0%
$82,500 but not over $84,999	40.0%
$85,000 but not over $87,499	25.0%
$87,500 but not over $89,999	10.0%
$90,000 but not over $94,999	5.0%
$95,000 but not over $99,999	2.5%
$100,000 and over	0.0%

(xxii) To the extent properly includable in gross income for federal income tax purposes, except for retirement benefits under clause (iv) of this subparagraph and retirement pay under clause (xvi) of this subparagraph, any pension or annuity income for the taxable year commencing on or after January 1, 2024, and each taxable year thereafter, in accordance with the following schedule for married individuals who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred fifty thousand dollars:

Federal Adjusted Gross Income	Deduction
Less than $100,000	100.0%
$100,000 but not over $104,999	85.0%
$105,000 but not over $109,999	70.0%

$110,000 but not over $114,999	55.0%
$115,000 but not over $119,999	40.0%
$120,000 but not over $124,999	25.0%
$125,000 but not over $129,999	10.0%
$130,000 but not over $139,999	5.0%
$140,000 but not over $149,999	2.5%
$150,000 and over	0.0%

(xxiii) The amount of lost wages and medical, travel and housing expenses, not to exceed ten thousand dollars in the aggregate, incurred by a taxpayer during the taxable year in connection with the donation to another person of an organ for organ transplantation occurring on or after January 1, 2017;

(xxiv) To the extent properly includable in gross income for federal income tax purposes, the amount of any financial assistance received from the Crumbling Foundations Assistance Fund or paid to or on behalf of the owner of a residential building pursuant to sections 8-442 and 8-443;

(xxv) To the extent properly includable in gross income for federal income tax purposes, the amount calculated pursuant to subsection (b) of section 12-704g for income received by a general partner of a venture capital fund, as defined in 17 CFR 275.203(l)-1, as amended from time to time;

(xxvi) To the extent any portion of a deduction under Section 179 of the Internal Revenue Code was added to federal adjusted gross income pursuant to subparagraph (A)(xiv) of this subdivision in computing Connecticut adjusted gross income, twenty-five per cent of such disallowed portion of the deduction in each of the four succeeding taxable years;

(xxvii) To the extent properly includable in gross income for federal income tax purposes, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or as a head of household whose federal adjusted gross income for such taxable year is less than seventy-five thousand dollars, or for a husband and wife who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, for the taxable year commencing January 1, 2023, twenty-five per cent of any distribution from an individual retirement account other than a Roth individual retirement account;

(xxviii) To the extent properly includable in gross income for federal income tax purposes, for a person who files a return under the federal income tax as an unmarried individual whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, or as a married individual filing separately whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, or as a head of household whose federal adjusted gross income for such taxable year is less than one hundred thousand dollars, (I) for the taxable year commencing January 1, 2024, fifty per cent of any distribution from an individual retirement account other than a Roth individual retirement account, (II) for the taxable year commencing January 1, 2025, seventy-five per cent of any distribution from an individual retirement account other than a Roth individual retirement account, and (III) for the taxable year commencing January 1, 2026, and each taxable year thereafter, any distribution from an individual retirement account other than a Roth individual retirement account. The subtraction under this clause shall be made in accordance with the following schedule:

Federal Adjusted Gross Income	Deduction
Less than $75,000	100.0%
$75,000 but not over $77,499	85.0%

T26	$77,500 but not over $79,999	70.0%
T27	$80,000 but not over $82,499	55.0%
T28	$82,500 but not over $84,999	40.0%
T29	$85,000 but not over $87,499	25.0%
T30	$87,500 but not over $89,999	10.0%
T31	$90,000 but not over $94,999	5.0%
T32	$95,000 but not over $99,999	2.5%
T33	$100,000 and over	0.0%

(xxix) To the extent properly includable in gross income for federal income tax purposes, for married individuals who file a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for such taxable year is less than one hundred fifty thousand dollars, (I) for the taxable year commencing January 1, 2024, fifty per cent of any distribution from an individual retirement account other than a Roth individual retirement account, (II) for the taxable year commencing January 1, 2025, seventy-five per cent of any distribution from an individual retirement account other than a Roth individual retirement account, and (III) for the taxable year commencing January 1, 2026, and each taxable year thereafter, any distribution from an individual retirement account other than a Roth individual retirement account. The subtraction under this clause shall be made in accordance with the following schedule:

T34	Federal Adjusted Gross Income	Deduction
T35	Less than $100,000	100.0%
T36	$100,000 but not over $104,999	85.0%
T37	$105,000 but not over $109,999	70.0%
T38	$110,000 but not over $114,999	55.0%
T39	$115,000 but not over $119,999	40.0%
T40	$120,000 but not over $124,999	25.0%
T41	$125,000 but not over $129,999	10.0%
T42	$130,000 but not over $139,999	5.0%
T43	$140,000 but not over $149,999	2.5%

T44	$150,000 and over	0.0%

(xxx) To the extent properly includable in gross income for federal income tax purposes, for the taxable year commencing January 1, 2022, the amount or amounts paid or otherwise credited to any eligible resident of this state under (I) the 2020 Earned Income Tax Credit enhancement program from funding allocated to the state through the Coronavirus Relief Fund established under the Coronavirus Aid, Relief, and Economic Security Act, P.L. 116-136, and (II) the 2021 Earned Income Tax Credit enhancement program from funding allocated to the state pursuant to Section 9901 of Subtitle M of Title IX of the American Rescue Plan Act of 2021, P.L. 117-2;

(xxxi) For the taxable year commencing January 1, 2023, and each taxable year thereafter, for a taxpayer licensed under the provisions of chapter 420f or 420h, the amount of ordinary and necessary expenses that would be eligible to be claimed as a deduction for federal income tax purposes under Section 162(a) of the Internal Revenue Code but that are disallowed under Section 280E of the Internal Revenue Code because marijuana is a controlled substance under the federal Controlled Substance Act;

(xxxii) To the extent properly includable in gross income for federal income tax purposes, for the taxable year commencing on or after January 1, 2025, and each taxable year thereafter, any common stock received by the taxpayer during the taxable year under a share plan, as defined in section 12-217ss;

(xxxiii) To the extent properly includable in gross income for federal income tax purposes, the amount of any student loan reimbursement payment received by a taxpayer pursuant to section 10a-19m;

(xxxiv) Contributions to an ABLE account established pursuant to sections 3-39k to 3-39q, inclusive, not to exceed five thousand dollars for each individual taxpayer or ten thousand dollars for taxpayers filing a joint return; [and]

(xxxv) To the extent properly includable in gross income for federal income tax purposes, the amount of any payment received pursuant to subsection (c) of section 3-122a;

(xxxvi) For an account holder, as defined in section 1 of this act, who files a return under the federal income tax as an unmarried individual, a married individual filing separately or a head of household, whose federal adjusted gross income for the taxable year is less than one hundred twenty-five thousand dollars or who files a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for the taxable year is less than two hundred fifty thousand dollars:

(I) To the extent not deductible in determining federal adjusted gross income, for the taxable year commencing January 1, 2027, an amount equal to the contributions deposited during the taxable years commencing January 1, 2026, and January 1, 2027, in a first-time homebuyer savings account established pursuant to subsection (c) of section 1 of this act, less any amounts withdrawn during said taxable years by the account holder from such account under subparagraph (D) of subdivision (2) of subsection (f) of section 1 of this act. The amount claimed under this subclause shall not exceed two thousand five hundred dollars for each such taxable year for an unmarried individual, a married individual filing separately or a head of household and five thousand dollars for each such taxable year for married individuals filing jointly;

(II) To the extent not deductible in determining federal adjusted gross income, for the taxable year commencing January 1, 2028, and each taxable year thereafter, an amount equal to the contributions deposited during the taxable year in a first-time homebuyer savings account established pursuant to subsection (c) of section 1 of this act, less any amounts withdrawn during the taxable year by the account holder from such account pursuant to subparagraph (D) of subdivision (2) of subsection (f) of section 1 of this act. The amount allowed to be claimed under this subclause for the taxable year shall not exceed two thousand five hundred dollars for an unmarried individual, a married individual filing separately or a head of household and five thousand dollars for married individuals filing jointly; and

(III) To the extent properly includable in gross income for federal income tax purposes, for the taxable year commencing January 1, 2027, and each taxable year thereafter, an amount equal to the sum of all interest accrued on a first-time homebuyer savings account, established pursuant to subsection (c) of section 1 of this act, during the taxable year; and

(xxxvii) To the extent properly includable in gross income for federal income tax purposes, for the taxable year commencing January 1, 2027, and each taxable year thereafter, for an account holder who is a qualified beneficiary of a first-time homebuyer savings account, as those terms are defined in section 1 of this act, and who files a return under the federal income tax as an unmarried individual, a married individual filing separately or a head of household, whose federal adjusted gross income for the taxable year is less than one hundred twenty-five thousand dollars or who files a return under the federal income tax as married individuals filing jointly whose federal adjusted gross income for the taxable year is less than two hundred fifty thousand dollars, an amount equal to any withdrawal from such account that is used to pay or reimburse such qualified beneficiary for eligible costs, as defined in section 1 of this act, incurred by the qualified beneficiary.

Sec. 3. (NEW) (*Effective January 1, 2026*) (a) (1) For the taxable or income year commencing on January 1, 2027, but prior to January 1, 2028, there shall be allowed a credit against the tax imposed under chapter 208 or 229 of the general statutes, other than the liability imposed by section 12-707 of the general statutes, for contributions deposited by the employer of an account holder in a first-time homebuyer savings account established pursuant to subsection (c) of section 1 of this act during the taxable or income years commencing on or after January 1, 2026, but prior to January 1, 2028, provided such account holder was employed by such employer at the time such contributions were made.

(2) For the taxable or income year commencing on January 1, 2028, and each taxable or income year thereafter, there shall be allowed a credit against the tax imposed under chapter 208 or 229 of the general statutes, other than the liability imposed by section 12-707 of the general statutes, for contributions deposited by the employer of an account holder in a first-time homebuyer savings account established pursuant to subsection (c) of section 1 of this act during the taxable or income year, provided such account holder was employed by such employer at the time such contributions were made.

(3) The amount of the credit allowed under subdivisions (1) and (2) of this subsection shall be equal to ten per cent of the amount of the contributions made by the taxpayer into the first-time homebuyer savings accounts of account holders of such accounts during the income or taxable year, provided the amount of the credit allowed for any income or taxable year with respect to a specific account holder shall not exceed two thousand five hundred dollars.

(b) If the taxpayer is an S corporation or an entity treated as a partnership for federal income tax purposes, the credit may be claimed by the shareholders or partners of the taxpayer. If the taxpayer is a single member limited liability company that is disregarded as an entity separate from its owner, the credit may be claimed by such limited liability company's owner, provided such owner is a person subject to the tax imposed under chapter 208 or 229 of the general statutes. Any taxpayer claiming the credit shall provide to the Department of Revenue Services documentation supporting such claim in the form and manner prescribed by the Commissioner of Revenue Services.

Sec. 4. (NEW) (*Effective January 1, 2026*) As used in this section and sections 5 and 6 of this act:

(1) "Municipal housing growth plan" means a plan for the adoption of housing growth policies and the development of dwelling units in a municipality prepared and submitted by a municipality pursuant to section 5 of this act;

(2) "Regional housing growth plan" means a plan developed and adopted by a regional council of governments in coordination with the municipalities in the planning region of the council that (A) provides for the adoption of housing growth policies and the development of dwelling units in each municipality in the planning region, and (B) is prepared and submitted to the Secretary of the Office of Policy and Management pursuant to section 6 of this act;

(3) "Affordable housing goal" has the same meaning as provided in section 7 of this act;

(4) "Affordable housing unit" means a dwelling unit that is subject to a covenant or restriction contained in an instrument filed on the land records of the municipality in which such unit is located, provided such covenant or restriction requires such dwelling unit to be sold or rented at, or below, a price that will preserve the unit, for at least forty years after the initial occupation of the unit, as housing for which persons and families pay thirty per cent or less of their annual income where such person or family is considered a low-income household, very low-income household or extremely low-income household;

(5) "Developable land" means land, including any land owned by the state or a political subdivision of the state, including a municipality, that, as of January 1, 2026, can be feasibly developed or redeveloped into a residential development or a mixed-use development, as defined in section 8-13m of the general statutes, provided the feasibility of such development or redevelopment is based on commercially reasonable assumptions. "Developable land" does not include: (A) Land already

committed to a public use or purpose, whether publicly or privately owned; (B) open space, parks and recreation areas that are dedicated to the public or subject to a recorded conservation easement; (C) land that is subject to an enforceable restriction on or prohibition of development, provided any such restriction or prohibition is not imposed by any zoning regulations or ordinance adopted by a municipality; (D) wetlands or watercourses, as defined in chapter 440 of the general statutes; and (E) areas of one-half or more acres of contiguous land that are unsuitable for development due to topographic features, such as steep slopes;

(6) "Dwelling unit" has the same meaning as provided in section 47a-1 of the general statutes;

(7) "Extremely low-income household" means a person or family with an annual income less than or equal to thirty per cent of the median income;

(8) "Very low-income household" means a person or family with an annual income less than or equal to fifty per cent of the median income;

(9) "Low-income household" means a person or family with an annual income less than or equal to eighty per cent of the median income;

(10) "Median income" has the same meaning as provided in section 8-30g of the general statutes, as amended by this act;

(11) "Housing growth program" means the program established pursuant to section 15 of this act;

(12) "Housing growth policies" means (A) policies, practices, ordinances and regulations proposed or adopted by a municipality or regional council of governments that are designed to reduce or remove regulatory constraints on the construction, rehabilitation, repair or maintenance of affordable housing units, including, but not limited to,

zoning regulation amendments, fee waivers, tax fixing agreements, tax abatements and expedited housing development project approval processes, or (B) municipal or regional actions intended to promote the development of affordable housing units, including, but not limited to, (i) seeking funding for the development of affordable housing units or sewer infrastructure, (ii) donating municipal land for such development, and (iii) entering into agreements with developers for developments that include affordable housing units;

(13) "Municipality" has the same meaning as provided in section 7-148 of the general statutes;

(14) "Planning region" has the same meaning as provided in section 4-124i of the general statutes;

(15) "Regional council of governments" means a regional council of governments organized under the provisions of sections 4-124i to 4-124p, inclusive, of the general statutes; and

(16) "Secretary" means the Secretary of the Office of Policy and Management.

Sec. 5. (NEW) (*Effective January 1, 2026*) (a) Each municipality, except for a municipality that has elected to comply with a regional housing growth plan, shall prepare and adopt a municipal housing growth plan for the municipality and shall submit such adopted plan to the Secretary of the Office of Policy and Management according to the following schedule:

(1) Not later than June 1, 2028, and every five years thereafter, for municipalities that are members of the Capitol Region planning region, the Northeastern Connecticut planning region, the Lower Connecticut River Valley planning region, the Northwest Hills planning region and the Southeastern Connecticut planning region; and

(2) After June 1, 2028, but not later than June 1, 2029, and every five

years thereafter, for municipalities that are members of the South Central Connecticut planning region, the Greater Bridgeport planning region, the Naugatuck Valley planning region and the Western Connecticut planning region.

(b) A municipality may elect to comply with the requirements of the regional housing growth plan developed and adopted by the regional council of governments for the planning region in which such municipality is located pursuant to section 6 of this act in lieu of developing and adopting a municipal housing growth plan, provided (1) the municipality elects to comply with such regional housing growth plan not later than thirty days after such municipality receives notice of such municipality's affordable housing goal from such council of governments, and (2) such regional housing growth plan is approved by the municipality's chief executive officer and its planning commission or combined planning and zoning commission.

(c) If a municipality has not elected to comply with a regional housing growth plan pursuant to subsection (b) of this section, prior to the submission of a municipal housing growth plan pursuant to subsection (d) of this section, such municipality shall adopt an affordable housing goal. If such affordable housing goal is different from the affordable housing goal identified by the regional council of governments for such municipality pursuant to section 7 of this act, such municipality shall provide a written explanation to the regional council of governments that specifies the reasons for such difference.

(d) A municipal housing growth plan submitted by a municipality pursuant to this section shall address the following elements in a form and level of detail specified by guidelines issued by the secretary pursuant to subsection (i) of this section:

(1) The plan's consistency with (A) the municipal plan of conservation and development prepared pursuant to section 8-23 of the general statutes, (B) the regional plan of conservation and development

prepared pursuant to section 8-35a of the general statutes, (C) the state plan of conservation and development prepared pursuant to chapter 297 of the general statutes, and (D) any plan adopted by the local water pollution control authority, if applicable;

(2) The identification, to the extent practicable, of specific zones or parcels that may be developed to meet the municipality's affordable housing goal through the process of summary review, as defined in section 8-2r of the general statutes, as amended by this act, together with the maximum allowed residential density for each such area;

(3) The strategies the municipality has adopted or shall adopt to improve the accessibility of affordable housing units for individuals with an intellectual disability or other developmental disabilities;

(4) Strategies a municipality has adopted or shall adopt to promote the development of diverse types of housing units, considering factors such as unit size, number of bedrooms, construction type, density of development and ownership models;

(5) An inventory of developable land within the municipality, using the definition of developable land set forth in section 4 of this act;

(6) An explanation of how the plan conforms to and implements the requirements of subsection (b) of section 8-2 of the general statutes, including addressing significant disparities in housing needs, affirmatively furthering the purposes of the federal Fair Housing Act, 42 USC 3601 et seq., as amended from time to time, and promoting housing choice and economic diversity;

(7) Identification of the projected infrastructure needs, including, but not limited to, projected wastewater capacity, and other improvements needed to meet the municipality's affordable housing goal; and

(8) An implementation schedule for the policies, strategies and other actions identified in the plan that is calculated to achieve the municipal

affordable housing goal.

(e) Any municipality that the secretary has identified to be among the lowest twenty municipalities in adjusted equalized net grand lists per capita, as defined in section 10-261 of the general statutes, as of the fiscal year immediately preceding the date any such municipality's municipal housing growth plan is due pursuant to this section shall prepare a municipal housing growth plan that (1) prioritizes the rehabilitation and preservation of existing affordable housing units, (2) identifies policies to promote the development of new dwelling units without displacing existing residents of the municipality, (3) identifies infrastructure improvements to support existing residents of the municipality, and (4) identifies specific opportunities for the development of new affordable housing units in the municipality. Any municipality that is not among the lowest twenty municipalities in adjusted equalized net grand lists per capita may include the factors described in subdivisions (1) to (4), inclusive, of this subsection in such municipality's municipal housing growth plan.

(f) Not later than ninety days before submitting a proposed municipal housing growth plan to the secretary, each municipality required to submit such a plan pursuant to this section shall submit such proposed plan to the regional council of governments for the planning region in which such municipality is located for review. Such regional council of governments shall review each proposed plan and propose any amendments to the plan, in writing, to the municipality not later than sixty days after receipt of the plan. If a municipality does not accept any such proposed amendment, the municipality shall provide a written explanation to the regional council of governments explaining why the municipality did not accept such proposed amendment.

(g) (1) The Secretary of the Office of Policy and Management shall approve or reject a municipal housing growth plan submitted under this section not later than one hundred twenty days after receipt. If such plan submitted by a municipality is rejected by the secretary, the secretary shall provide written notice of such rejection to the municipality, a statement of the reasons for rejection and the amendments proposed by the secretary required for approval of the plan. The secretary may only reject a plan submitted pursuant to this section if the secretary determines such plan does not conform with the requirements of this section.

(2) If the secretary does not approve or reject the municipal housing growth plan in the time provided by this subsection, the municipality shall submit such plan to the Council on Housing Development established pursuant to section 14 of this act for approval or denial. If the council denies such plan, the council shall provide (A) written notice of such denial to the municipality, (B) a statement of the reasons for denial, and (C) any amendments proposed by the council required for approval of the plan by the council. A municipality may submit an amended municipal housing growth plan to the council for approval or denial not later than thirty days after the receipt of a denial pursuant to subparagraph (A) of this subdivision.

(h) Following approval of a housing growth plan pursuant to this section, a municipality shall adopt and implement the housing growth policies set forth in such plan and shall submit an annual progress report in a form and manner prescribed by the Secretary of the Office of Policy and Management. Eligibility for awards from the housing growth program established pursuant to section 15 of this act shall be conditioned on demonstrated progress toward adopting and implementing housing growth policies and toward the municipality's affordable housing goal.

(i) Not later than March 1, 2026, the Secretary of the Office of Policy and Management, in consultation with the Commissioner of Housing and the regional councils of governments, shall issue publicly available guidelines that specify formats, mapping standards and standardized metrics for annual reporting, including, but not limited to, permits issued, certificates of occupancy and deed-restricted units by income level for both municipal housing growth plans and regional housing growth plans. The secretary may update such guidelines from time to time.

(j) A municipality may hold public informational meetings or other activities to inform residents about any proposed municipal housing growth plan or regional housing growth plan, as applicable, and shall post a copy of any proposed plan or amendment to such plan on the Internet web site of the municipality. If the municipality holds a public hearing, such posting of the proposed plan shall occur at least thirty-five days prior to the public hearing. After adoption of the municipal housing growth plan or regional housing growth plan, the municipality shall file the adopted plan in the office of the town clerk of such municipality and post the plan on the Internet web site of the municipality.

(k) If, at the same time the municipality is required to submit a municipal housing growth plan pursuant to subsection (a) of this section, the municipality is also required to submit a municipal plan of conservation and development pursuant to section 8-23 of the general statutes, the municipal housing growth plan may be included as part of such plan of conservation and development or may be submitted early to coincide with such plan, provided the municipality's next submission shall be five years thereafter.

(l) If a municipality fails to submit a municipal housing growth plan within the time required by this section, (1) the chief executive officer of such municipality shall submit a letter to the secretary that explains the reason for the failure to submit such plan and designates a date by which such plan shall be submitted, provided such date is not later than thirty days from the date such plan was required to be submitted, and (2) such municipality shall be ineligible for a moratorium that has not yet commenced concerning the affordable housing appeals procedure pursuant to subsection (l) of section 8-30g of the general statutes, as amended by this act, until such municipality submits such plan and such plan is approved pursuant to the provisions of this section.

Sec. 6. (NEW) (*Effective January 1, 2026*) (a) Each regional council of governments shall develop and adopt a regional housing growth plan for the planning region of the regional council. Each regional housing growth plan shall be developed and adopted in coordination with the municipalities that are members of the regional council of governments. Each regional council of governments shall submit such adopted plan to the Secretary of the Office of Policy and Management according to the following schedule:

(1) Not later than June 1, 2028, and every five years thereafter, the Capitol Region Council of Governments, the Northeast Connecticut Council of Governments, the Lower Connecticut River Valley Council of Governments, the Northwest Hills Council of Governments and the Southeastern Connecticut Council of Governments;

(2) After June 1, 2028, but not later than June 1, 2029, and every five years thereafter, the South Central Connecticut Council of Governments, the Connecticut Metropolitan Council of Governments, the Naugatuck Valley Council of Governments and the Western Connecticut Council of Governments.

(b) Each regional housing growth plan submitted to the secretary pursuant to this section shall address the following elements in a form and level of detail specified by guidelines issued by the secretary pursuant to subsection (i) of section 5 of this act for each municipality that is located in the planning region for the regional council of governments that has elected to comply with the regional growth plan pursuant to subsection (b) of section 5 of this act:

(1) The housing growth policies each municipality has adopted or shall adopt to reduce specific regulatory barriers to the development of dwelling units in the municipality and to promote the development of additional dwelling units in the municipality;

(2) The plan's consistency with (A) the municipal plans of conservation and development prepared pursuant to section 8-23 of the general statutes; (B) the regional plan of conservation and development prepared pursuant to section 8-35a of the general statutes; (C) the state plan of conservation and development prepared pursuant to chapter 297 of the general statutes; and (D) any applicable plans adopted by a local water pollution control authority;

(3) The identification, to the extent practicable, of specific zones or parcels that may be developed to meet a municipality's affordable housing goal through the process of summary review, as defined in section 8-2r of the general statutes, as amended by this act, together with the maximum allowed residential density for each such area;

(4) The strategies a municipality has adopted or shall adopt to improve the accessibility of affordable housing units for individuals with an intellectual disability or other developmental disabilities;

(5) Strategies a municipality has adopted or shall adopt to promote the development of diverse types of housing units, considering factors such as unit size, number of bedrooms, construction type, density of development and ownership models;

(6) An inventory of developable land within a municipality, using the definition of developable land provided in section 4 of this act;

(7) An explanation of how the plan conforms to and implements the requirements of subsection (b) of section 8-2 of the general statutes, including addressing significant disparities in housing needs, affirmatively furthering the purposes of the federal Fair Housing Act, 42 USC 3601 et seq., as amended from time to time, and promoting housing choice and economic diversity;

(8) Identification of the projected infrastructure needs, including, but not limited to, projected wastewater capacity, and other improvements needed to meet the municipality's affordable housing goal; and

(9) An implementation schedule for the policies, strategies and other actions identified in the plan that are calculated to achieve the affordable housing goals for each municipality in the planning region.

(c) (1) The Secretary of the Office of Policy and Management shall approve or reject a regional housing growth plan submitted by a regional council of governments under this section not later than one hundred twenty days after receipt. If a plan is rejected by the secretary, the secretary shall provide written notice of such rejection to the regional council of governments, a statement of the reasons for rejection and the amendments proposed by the secretary required for approval of the plan. The secretary may only reject a plan submitted pursuant to this section if the secretary deems such plan does not conform with the requirements of this section.

(2) If the secretary does not approve or reject a plan in the time provided by this subsection, a regional council of governments shall submit such plan to the Council on Housing Development established pursuant to section 14 of this act for approval or denial. If the council denies such plan, the council shall provide (A) written notice of such denial to the regional council of governments, (B) a statement of the reasons for denial, and (C) any amendments proposed by the council required for approval of the plan by the council. A regional council of governments may submit an amended regional housing growth plan to the council for approval or denial not later than thirty days after the receipt of a denial pursuant to subparagraph (A) of this subdivision.

(d) A regional council of governments may hold public informational meetings or other activities to inform residents of the planning region about the plan and shall post a copy of any draft plan or amendment to such plan on the Internet web site of the regional council of governments not less than thirty-five days prior to such meeting or activity.

(e) Following the approval of a regional housing growth plan pursuant to this section, each municipality that has elected to comply with the requirements of such regional housing growth plan shall adopt and implement the housing growth policies set forth in such plan and shall submit an annual progress report to the secretary, in a form and manner prescribed by the secretary. Eligibility for awards from the housing growth program established pursuant to section 15 of this act for any such municipality shall be conditioned on demonstrated progress toward adopting and implementing housing growth policies specified in the regional housing growth plan and toward the municipality's affordable housing goal.

(f) If a regional council of governments fails to submit a regional housing growth plan within the time required by subsection (a) of this section, the chairman of such regional council of governments shall submit a letter to the secretary that explains the reason for the failure to submit such plan and designates a date by which such plan shall be submitted, provided such date is not later than thirty days from the date such plan was required to be submitted. Any regional council of governments that fails to submit a plan required pursuant to this section shall be ineligible for any funding provided pursuant to section 4-66k of the general statutes, as amended by this act, until such plan is submitted by the regional council of governments.

Sec. 7. (NEW) (*Effective January 1, 2026*) (a) As used in this section:

(1) "Affordable housing goal" means the number of affordable housing units identified as a development goal for a municipality in a municipal housing growth plan submitted by a municipality pursuant to section 5 of this act or a regional housing growth plan submitted by a regional council of governments pursuant to section 6 of this act if the municipality has elected to comply with such regional housing growth plan;

(2) "Affordable housing unit" has the same meaning as provided in section 4 of this act;

(3) "Commission", "zoning commission" or "zoning authority" means

a zoning commission, planning commission, combined planning and zoning commission, zoning board of appeals or other municipal agency exercising zoning or planning authority;

(4) "Commissioner" means the Commissioner of Housing, unless otherwise specified;

(5) "Dwelling unit" has the same meaning as provided in section 47a-1 of the general statutes;

(6) "Median income" has the same meaning as provided in section 8-30g of the general statutes, as amended by this act;

(7) "Multifamily housing" means a residential building that contains three or more dwelling units;

(8) "Planning region" has the same meaning provided in section 4-124i of the general statutes;

(9) "Recommended affordable housing goal" means the portion of the need for affordable housing units in a planning region, as determined pursuant to this section, that is recommended to a municipality located within such planning region; and

(10) "Secretary" means the Secretary of the Office of Policy and Management.

(b) The Secretary of the Office of Policy and Management shall establish a regional housing needs program to provide municipalities with updated information on anticipated housing needs. Not later than December 1, 2026, and every ten years thereafter, the secretary, in consultation with the Commissioner of Housing, the Commissioner of Economic and Community Development, the regional councils of governments and state-wide organizations and individuals with expertise in affordable housing, fair housing and planning and zoning, as selected by the secretary, shall (1) evaluate the need for housing over the ensuing ten-year period, based on multiple factors, including, but not limited to, (A) housing replacement needs, (B) the availability of affordable and deeply affordable housing, (C) the number of household formations, (D) population demographic changes, and (E) measures of housing cost burden, including, but not limited to, households with incomes at or below thirty per cent of the area median income with housing costs at or above fifty per cent of their income toward housing costs, and (2) determine housing growth targets for the state and for each planning region.

(c) Based on the housing growth targets established under subsection (b) of this section, each regional council of governments shall, not later than June 1, 2027, and every ten years thereafter, develop a regional housing needs assessment that establishes a recommended affordable housing goal for each municipality in the planning region, except for any municipality described in subsection (e) of section 5 of this act, using a methodology that:

(1) Is designed with due consideration for the duty of the state and each municipality to affirmatively further fair housing pursuant to section 8-2 of the general statutes, as amended by this act, and 42 USC 3608, as amended from time to time;

(2) Relies on appropriate regional metrics of need to ensure adequate housing options, including, but not limited to, the number of households at or below thirty per cent of area median income with housing costs at or above fifty per cent of income, overcrowding and other cost-burden indicators, using data from the Comprehensive Housing Affordability Strategy data set published by the United States Department of Housing and Urban Development or a similar source as determined by the secretary;

(3) Uses appropriate factors for fairly allocating need among municipalities, including each municipality's compliance with sections 8-2, as amended by this act, and 8-23 of the general statutes, including (A) the proximity of housing to any current or planned public

transportation project, any commercial or industrial zones in which significant employment opportunities exist, as identified by the regional council of governments, or any downtown area, as defined in section 11 of this act, (B) the availability of developable land, as defined in section 4 of this act, and (C) a municipality's share of multifamily housing stock; and

(4) Applies adjustments such that the recommended affordable housing goal for a municipality increases, relative to other municipalities in the same planning region, if such municipality has (A) a higher equalized net grand list per capita, calculated in accordance with section 10-261a of the general statutes, (B) a higher median income, (C) a lower percentage of its population below the federal poverty threshold, or (D) a lower percentage of its population living in multifamily housing.

(d) Each regional council of governments shall submit its regional housing needs assessment and recommended affordable housing goals developed pursuant to subsection (c) of this section to the Secretary of the Office of Policy and Management for approval or rejection, provided no such assessment or goal shall be rejected solely on the basis that such needs assessment or goal may result in a greater number of dwelling units being developed than the secretary deems adequate. Upon approval by the secretary, each regional council of governments shall (1) publish the affordable housing goal for each municipality located in the planning region for such council of governments on the Internet web site of the regional council of governments, (2) publish its input assumptions and data sources on such Internet web site, and (3) provide notice of such published goal to each such municipality.

(e) No recommended affordable housing goal shall exceed twenty per cent of the occupied dwelling units in such municipality.

(f) Not later than December 1, 2026, and every ten years thereafter, the secretary shall submit the state-wide methodology and the regional allocations prepared pursuant to this section to the joint standing committees of the General Assembly having cognizance of matters relating to planning and development and housing, in accordance with the provisions of section 11-4a of the general statutes, for review.

(g) On or before July 1, 2026, and every five years thereafter, the Geographic Information Systems Office within the Office of Policy and Management, in consultation and coordination with the regional councils of governments, shall develop state-wide data tools for municipalities to use, together with local data, to compile an inventory of developable land, as defined in section 4 of this act.

Sec. 8. (NEW) (*Effective January 1, 2026*) As used in this section and sections 9 and 10 of this act:

(1) "Approved priority housing development zone" means a priority housing development zone for which a final letter of eligibility has been issued by the Commissioner of Housing pursuant to section 10 of this act;

(2) "Developable land" has the same meaning as provided in section 4 of this act;

(3) "Dwelling unit" has the same meaning as provided in section 47a-1 of the general statutes;

(4) "Eligible location" means an area within an existing residential or commercial district that is suitable for development as a priority housing development zone;

(5) "Historic district" means a historic district established pursuant to chapter 97a of the general statutes;

(6) "Priority housing development zone" means a zone adopted by a zoning commission pursuant to this section and sections 9 and 10 of this act as an overlay to one or more existing zones in an eligible location;

(7) "Letter of eligibility" means a preliminary or final letter issued to a municipality by the commissioner;

(8) "Multifamily housing" means a building that contains or will contain three or more residential dwelling units;

(9) "Open space" means land or a permanent interest in land that is used for or satisfies one or more of the criteria listed in subsection (b) of section 7-131d of the general statutes;

(10) "Commissioner" means the Commissioner of Housing, or the commissioner's designee;

(11) "Townhouse housing" means a residential building consisting of single-family dwelling units constructed in a group of three or more attached units in which each unit extends from foundation to roof and has exterior walls on at least two sides; and

(12) "Zoning commission" means a municipal agency designated or authorized to exercise zoning powers under chapter 124 of the general statutes or a special act and includes an agency that exercises both planning and zoning authority.

Sec. 9. (NEW) (*Effective January 1, 2026*) (a) Notwithstanding the provisions of any charter or special act, a zoning commission may adopt regulations, as part of any zoning regulations adopted under section 8-2 of the general statutes, as amended by this act, or any special act, that establish a priority housing development zone in accordance with the provisions of this section.

(b) A priority housing development zone shall satisfy the following requirements:

(1) The zone shall be consistent with the state plan of conservation and development and be located in an eligible location.

(2) The regulations concerning a priority housing development zone

shall be submitted to the commissioner for review in a form and manner prescribed by the commissioner and approved by the commissioner. The commissioner shall condition the approval of such regulations based on the commissioner's determination, in the commissioner's discretion, that the regulations establishing a priority housing development zone are likely to substantially increase the production of new dwelling units necessary to meet housing needs within the zone, including addressing the provisions identified in subdivisions (4) to (6), inclusive, of subsection (b) of section 8-2 of the general statutes, and that such regulations are consistent with the housing growth plan or regional housing growth plan as approved for the municipality in which such zone is located.

(3) The regulations establishing a priority housing development zone shall permit, as of right, multifamily housing, as provided in this section.

(4) The minimum allowable density for a priority housing development zone, per acre of developable land, shall be: (A) Four units per acre for single-family detached housing; (B) six units per acre for duplex or townhouse housing; and (C) ten units per acre for multifamily housing.

(5) The minimum densities prescribed in subdivision (4) of this subsection shall be subject only to site plan or subdivision procedures, submission requirements and approval standards of the municipality and shall not be subject to special permit or special exception procedures, requirements or standards.

(6) A priority housing development zone may consist of one or more subzones, provided each subzone and the zone as a whole comply with the requirements of this section.

(7) A priority housing development zone shall be not less than ten per cent of the total developable land within a municipality.

(8) The regulations establishing a priority housing development zone shall satisfy the provisions set forth in section 8-2 of the general statutes, as amended by this act, including, but not limited to, subdivisions (4) to (6), inclusive, of subsection (b) of said section.

(c) A zoning commission may modify, waive or eliminate dimensional standards contained in the zone or zones that underlie a priority housing development zone in order to support the minimum or desired densities, mix of uses or physical compatibility in the priority housing development zone. Standards subject to modification, waiver or elimination by a zoning commission shall include, but not be limited to, building height, setbacks, lot coverage, parking ratios and road design standards.

(d) The regulations of a priority housing development zone may allow for a mix of business, commercial or other nonresidential uses within a single zone or for the separation of such uses into one or more subzones, provided that the zone as a whole complies with the requirements of this section, and such uses are consistent with as-of-right residential uses and densities required under this section.

(e) A priority housing development zone may overlay all or any part of an existing historic district, and a municipality may establish a historic district within an approved priority housing development zone, provided, if the requirements or regulations of such historic district render the approved priority housing development zone out of compliance with the provisions of this section, the commissioner shall deny or revoke a preliminary or final letter of eligibility and deny or revoke a certificate of affordable housing project completion, as provided in subdivision (4) of subsection (l) of section 8-30g of the general statutes, as amended by this act, as applicable.

(f) The provisions of this section shall not be construed to affect the power of a zoning commission to adopt or amend regulations under chapter 124 of the general statutes or any special act other than as set forth in this section.

Sec. 10. (NEW) (*Effective January 1, 2026*) (a) Any municipality that has adopted a priority housing development zone consistent with this section and sections 8 and 9 of this act may request a final letter of eligibility from the commissioner.

(b) The commissioner may issue a preliminary letter of eligibility upon a municipality's request, provided such municipality has submitted proposed modifications to the municipality's zoning regulations that would allow it to create a priority housing development zone. The commissioner may issue a final letter of eligibility when a municipality has implemented such proposed modifications and is in compliance with the requirements of a priority housing development zone set forth in this section and sections 8 and 9 of this act.

(c) The commissioner shall review such requests not later than ninety days after receipt of such a request. The commissioner may approve, reject or request modifications concerning a priority housing development zone consistent with the requirements of this section and sections 8 and 9 of this act.

(d) If a municipality modifies a priority housing development zone or a new historic district is created within or overlapping such zone after application for or receipt of a letter of eligibility, the municipality, not later than seven days after such modification, shall notify the commissioner of such modification, and the commissioner may deny or rescind such letter of eligibility, as applicable, if the commissioner determines that such modifications do not comply with the requirements of this section and sections 8 and 9 of this act.

(e) If after one year following the date on which a municipality received a final letter of eligibility from the commissioner, the commissioner determines, in the commissioner's discretion, that, considering market conditions in the municipality and the state, there exists a lack of building permits or other indications of progress toward construction of dwelling units in the zone, the commissioner may rescind such final letter of eligibility.

(f) If any letter of eligibility is rescinded pursuant to this section, the commissioner shall also rescind any current certificate of affordable housing completion awarded to the municipality pursuant to subparagraph (B) of subdivision (4) of subsection (l) of section 8-30g of the general statutes, as amended by this act.

Sec. 11. (NEW) (*Effective January 1, 2026*) (a) As used in this section:

(1) "Downtown area" means a central business district or other commercial neighborhood area of a municipality that serves as a center of socioeconomic interaction, characterized by a cohesive core of commercial and mixed-use buildings, often interspersed with civic, religious and residential buildings and public spaces, that are typically arranged along a main street and intersecting side streets and served by public infrastructure;

(2) "Housing growth program" means the program established pursuant to section 15 of this act;

(3) "Transit community middle housing development" means a residential building containing not less than two dwelling units but not more than nine such units, including, but not limited to, townhouses, duplexes, triplexes, perfect sixes and cottage clusters;

(4) "Municipality" has the same meaning as provided in section 7-148 of the general statutes;

(5) "Perfect six" means a three-story residential building with a central entrance containing two dwelling units per story;

(6) "Qualifying bus transit community" means any municipality that contains not less than one regular bus service station operating not less than five days a week within a transit-oriented district adopted by such municipality, provided such transit-oriented district is of reasonable

size, as determined by the secretary, or the secretary's designee, in accordance with the provisions of subsection (e) of this section, and either (A) includes land of such municipality located within a one-half-mile radius of any such station, or (B) is located within a reasonable distance, as determined by the secretary, or the secretary's designee, of any other transit service, a commercial corridor or the downtown area of such municipality;

(7) "Qualifying rapid transit community" means any municipality that contains not less than one rapid transit station or a planned rapid transit station, contained within a transit-oriented district adopted by such municipality, provided such transit-oriented district is of reasonable size, as determined by the secretary, or the secretary's designee, in accordance with subsection (e) of this section, and either (A) includes land of such municipality located within a one-half-mile radius of any such station, or (B) is located within a reasonable distance, as determined by the secretary, or the secretary's designee, of any other transit service, a commercial corridor or the downtown area of such municipality;

(8) "Qualifying transit-oriented community" means any municipality that (A) is a qualifying rapid transit community or qualifying bus transit community, or (B) borders a municipality that has one or more rapid transit stations or regular bus service stations, and that designates a transit-oriented district in or adjacent to a downtown area located in such municipality;

(9) "Rapid transit station" means any public transportation station serving any rail or rapid bus route;

(10) "Regular bus service station" means any fixed location where a bus regularly stops, not less than once every sixty minutes during peak operating hours, for the loading or unloading of passengers along a defined route operating on a fixed schedule;

(11) "Secretary" means the Secretary of the Office of Policy and

Management, or the secretary's designee;

(12) "Transit-oriented district" means a collection of parcels of land in a municipality designated by such municipality and subject to zoning criteria designed to encourage increased density of development, including mixed-use development, consistent with the provisions of this section; and

(13) "Zoning commission" means any zoning commission, planning commission in a municipality that has adopted a planning commission but not a zoning commission or a combined planning and zoning commission.

(b) Any qualifying transit-oriented community shall be eligible to apply for funding from the housing growth program established pursuant to section 15 of this act.

(c) The zoning commission of the municipality shall consult with the inland wetlands agency of the municipality to establish the boundaries of any proposed transit-oriented district within the municipality. If any proposed activity in such proposed district may be a regulated activity, as defined in section 22a-38 of the general statutes, such commission shall collaborate with such agency to determine whether such proposed activity would constitute a regulated activity for which a permit is required.

(d) In determining whether a transit-oriented district is of reasonable size, the secretary, or the secretary's designee, in consultation with the zoning commission of the municipality, shall (1) determine whether the area of such district is adequate to support greater density of development in an equitable manner, as determined by the secretary, or the secretary's designee, considering the geographic characteristics of the municipality; (2) consider municipal and regional housing needs; and (3) not require the inclusion of the following lands in any such district: (A) Special flood hazard areas designated on a flood insurance rate map published by the National Flood Insurance Program, (B) wetlands, as defined in section 22a-38 of the general statutes, (C) land designated for use as a public park, (D) land subject to a conservation restriction or preservation restriction, as such terms are defined in section 47-42a of the general statutes, (E) coastal resources, as defined in section 22a-93 of the general statutes, (F) areas necessary for the protection of drinking water supplies, and (G) areas designated as likely to be inundated during a thirty-year flood event by the Marine Sciences Division of The University of Connecticut pursuant to the division's responsibilities to conduct sea level change scenarios pursuant to subsection (b) of section 25-68o of the general statutes. The zoning commission may consult with any other agency of the municipality to determine whether a transit-oriented district is of reasonable size.

(e) (1) A qualifying transit-oriented community shall allow the following developments as of right in any transit-oriented district: (A) transit community middle housing developments, if such development contains nine or fewer dwelling units; (B) developments that contain ten or more dwelling units where not less than thirty per cent of such units qualify as a set-aside development pursuant to section 8-30g of the general statutes, as amended by this act; and (C) developments on land owned by (i) the municipality in which such land is located, (ii) the public housing authority of the municipality in which such district is located, (iii) any not-for-profit entity, or (iv) any religious organization, as defined in section 49-31k of the general statutes, if such development is composed entirely of units that are subject to a deed restriction that requires, for not less than forty years after the initial occupation of the proposed development, that such units be sold or rented at, or below, a cost in rent or mortgage payments equivalent to not more than thirty per cent of the annual income of individuals and families earning sixty per cent of the median income of the state or the area median income as determined by the United States Department of Housing and Urban Development, whichever is less.

(2) A qualifying transit-oriented community shall allow, as of right, the conversion of any residential development or commercial

development into any development described in subdivision (1) of this subsection on any lot located in a transit-oriented district.

(3) For developments that result in the development of ten or more dwelling units as of right pursuant to subdivision (1) or (2) of this subsection, a municipality may enact zoning regulations that require commercial uses to be permitted on the ground level of any multistory development in accordance with guidance developed by the secretary under subsection (k) of this section, except that provisions of this subdivision shall not apply to dwelling units developed by a religious organization, as defined in section 49-31k of the general statutes.

(4) Notwithstanding the provisions of this subsection, if a proposed development is required to have a public hearing by the inland wetlands agency of the municipality, such proposed development shall receive such public hearing prior to such development's approval.

(f) Each qualifying transit-oriented community shall require that any proposed development within any transit-oriented district that contains ten or more dwelling units that are not allowed as of right under subsection (e) of this section be subject to a deed restriction that requires, for not less than forty years after the initial occupation of the proposed development, that a percentage of dwelling units, as set forth in subsection (g) of this section, be sold or rented at, or below, a cost in rent or mortgage payments equivalent to not more than thirty per cent of the annual income of individuals and families earning sixty per cent of the median income of the state or the area median income as determined by the United States Department of Housing and Urban Development, whichever is less.

(g) The percentage of deed-restricted dwelling units required pursuant to subdivision (1) of subsection (f) of this section shall be determined based upon sales market typologies as described in the most recent Connecticut Housing Finance Authority Housing Needs Assessment as follows:

(1) Ten per cent for any municipality designated High Opportunity/Heating Market;

(2) Ten per cent for any municipality designated High Opportunity/Cooling Market; and

(3) Five per cent for any municipality designated Low Opportunity/Heating Market.

(h) Any municipality that has adopted a transit-oriented district before January 1, 2026, shall be eligible to receive funding from the housing growth program for developments in such district, regardless of whether such municipality is a qualifying transit-oriented community, provided such municipality meets the eligibility criteria for such funding. Nothing in this section shall be construed to (1) require that a municipality that has adopted a transit-oriented district be determined to be a qualifying transit-oriented community, or (2) authorize the secretary to deem a municipality a qualifying transit-oriented community without the approval of such municipality.

(i) Each qualifying transit-oriented community shall be eligible for additional funding pursuant to any program administered by the secretary if such community implements additional zoning criteria, including, but not limited to, higher density development, greater affordability of housing units than is required in subsection (h) of this section, the development of public land or public housing, the implementation of programs to encourage homeownership opportunities within such community and any additional criteria determined by the secretary.

(j) (1) The secretary, in consultation with the Council on Housing Development established pursuant to section 14 of this act, shall develop guidelines concerning transit-oriented districts within qualifying transit-oriented communities, including, but not limited to, prioritizing mixed-use and mixed-income developments; increasing the availability of affordable housing; ensuring appropriate environmental considerations in the development of such districts, with an emphasis on the analysis of any potential impacts on environmental justice communities, as defined in section 22a-20a of the general statutes; increasing ridership of mass transit systems; increasing the feasibility of walking, biking and utilizing other means of mobility other than motor vehicle travel; reducing the need for motor vehicle travel and parking pursuant to subsection (d) of section 8-2 of the general statutes, as amended by this act, and sections 19 and 20 of this act; maximizing the availability of developable land; increasing the economic viability of development projects; reducing the length of time required to approve applications for development; lot size; lot coverage; setback requirements; floor area ratio; height restrictions; and inclusionary zoning requirements. Such guidelines may include model ordinances, regulations or bylaws that may be adopted by a municipality pursuant to section 8-2 of the general statutes, as amended by this act. Except as provided in subdivision (2) of this subsection, any regulations developed by a qualifying transit-oriented community concerning transit-oriented districts within such community shall substantially comply with the guidelines adopted by the secretary. The secretary, or the secretary's designee, may offer technical assistance to any qualifying transit-oriented community concerning the adoption of such regulations.

(2) If a qualifying transit-oriented community seeks to adopt regulations concerning a transit-oriented district that do not substantially comply with the guidelines developed pursuant to subdivision (1) of this subsection, or subsection (e) or (f) of this section, such community shall seek an exemption by submitting an application, in a form and manner prescribed by the secretary, that specifies the reasons such community seeks to adopt regulations that do not substantially comply with the guidelines developed by the secretary, or subsection (e) or (f) of this section, except no community may seek an exemption from the provisions of subsection (e) or (f) of this section unless the secretary determines such community is a qualifying transit-

oriented community pursuant to subsection (h) of this section. Not later than sixty days after the receipt of any such application, the secretary shall approve or deny such exemption in writing. The secretary shall not unreasonably withhold approval for any such exemption.

(3) If an application submitted pursuant to subdivision (2) of this subsection is denied by the secretary, the transit-oriented community that submitted such application may opt out of the provisions of this section and no longer qualify for funding from the housing growth program, provided such community shall return any funding such community had received from such program pursuant to this section.

(k) The secretary, or the secretary's designee, may provide a municipality with an interpretation or written guidance concerning whether zoning regulations adopted or proposed to be adopted by such municipality, concerning a transit-oriented district, comply with the requirements of section 8-2 of the general statutes, as amended by this act. Nothing in this subsection shall be construed to allow the secretary to impose any additional requirement upon any such district or municipality that is not specified in this section or section 8-2 of the general statutes, as amended by this act.

Sec. 12. Subsection (a) of section 8-169tt of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(a) As used in this section, "housing growth zone" means (1) any area within a municipality in which applicable zoning regulations adopted pursuant to section 8-2, as amended by this act, are designed to facilitate substantial development of new dwelling units consistent with subsection (c) of this section, or (2) any transit-oriented district established by a municipality pursuant to section 11 of this act. Any housing growth zone shall encompass an entire development district and may include areas outside such district.

Sec. 13. Section 8-2o of the general statutes is amended by adding subsection (g) as follows (*Effective January 1, 2026*):

(NEW) (g) Notwithstanding any prior action of the municipality to opt out of the provisions of subsections (a) to (d), inclusive, of this section, pursuant to subsection (f) of this section, any owner of real property located within a transit-oriented district, as defined in section 11 of this act, who has owned such real property located within a transit-oriented district in the municipality for not fewer than three years, may construct an accessory apartment on such real property as of right, provided such accessory apartment complies with any structural or architectural requirements imposed by any zoning regulations adopted pursuant to section 8-2, as amended by this act.

Sec. 14. (NEW) (*Effective from passage*) (a) There is established a Council on Housing Development to advise and assist the State Responsible Growth Coordinator in reviewing regulations, developing guidelines and establishing programs concerning the growth of housing in the state, and to approve or modify any municipal housing growth plan or regional housing growth plan if the Secretary of the Office of Policy and Management has not acted on such plan in the time provided in section 5 or 6 of this act, as applicable.

(b) The council shall consist of the following regular members: (1) The Governor, or the Governor's designee; (2) the State Responsible Growth Coordinator; (3) the Secretary of the Office of Policy and Management, or the secretary's designee; (4) the Commissioner of Housing, or the commissioner's designee; (5) the Commissioner of Energy and Environmental Protection, or the commissioner's designee; (6) the Commissioner of Economic and Community Development, or the commissioner's designee; (7) the Commissioner of Transportation, or the commissioner's designee; (8) the executive director of the Connecticut Housing Finance Authority, or the executive director's designee; (9) the executive director of the Connecticut Municipal Development Authority, or the executive director's designee; (10) the president pro tempore of the Senate, or the president's designee; (11) the majority leader of the Senate, or the majority leader's designee; (12) the speaker of the House of Representatives, or the speaker's designee; (13) the majority leader of House of Representatives, or the majority leader's designee; (14) the minority leader of the Senate, or the minority leader's designee; (15) the minority leader of the House of Representatives, or the minority leader's designee; (16) one individual appointed by the chairperson of the majority leaders' roundtable group on affordable housing from the Senate; and (17) one individual appointed by the chairperson of the majority leaders' roundtable group on affordable housing from the House of Representatives.

(c) The chairpersons of the council shall be (1) the president pro tempore of the Senate, or the president's designee, and (2) the speaker of the House of Representatives, or the speaker's designee.

(d) The administrative staff of the Connecticut Municipal Development Authority shall serve as the administrative staff of the council.

(e) The council shall convene not later than January 1, 2026, and meet not less than once every six months thereafter, and more often upon the call of a chairperson, to:

(1) Review and evaluate the plans, programs, regulations and policies of state or quasi-public agencies for opportunities to combine efforts and resources of such agencies to increase housing development;

(2) Develop consistent reporting methods concerning data and documentation related to housing development;

(3) Provide a forum to develop approaches to housing growth that balance both needs for conservation and development, including the need for additional housing and economic growth, the protection of natural resources and the maintenance and support for existing infrastructure;

(4) Review existing discretionary grant programs to make recommendations to state or quasi-public agencies concerning the adherence of such programs with the goals established in the state plan of conservation and development adopted under chapter 297 of the general statutes. Such recommendations shall include, but need not be limited to, methods to increase the development of deed-restricted housing in transit-oriented districts and middle housing, as defined in section 8-1a of the general statutes;

(5) Develop guidelines, in consultation with the Secretary of the Office of Policy and Management and consistent with the requirements of subsection (j) of section 11 of this act, concerning the adoption and development of transit-oriented districts within qualifying transit-oriented communities; and

(6) Review applications for grants-in-aid under the housing growth program established pursuant to section 15 of this act, including any supporting materials submitted by an applicant in connection with such application, that have been submitted by the secretary to the council pursuant to section 15 of this act.

(f) Not later than January 1, 2027, the council shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to planning and development and housing, concerning the recommendations and guidelines developed by the council pursuant to subdivisions (4) and (5) of subsection (e) of this section or any other recommendations of the council. The coordinator shall publish such recommendations and guidelines on the Internet web site of the Office of Policy and Management.

Sec. 15. (NEW) (*Effective January 1, 2026*) (a) Not later than July 1, 2028, the Secretary of the Office of Policy and Management shall establish and administer a housing growth program to provide grants-in-aid to assist municipalities in paying costs related to the construction, improvement or expansion of public infrastructure, including, but not limited to, water lines, sewer lines, roads, bicycle and pedestrian infrastructure and transit infrastructure associated with the development of new dwelling units, as defined in section 47a-1 of the general statutes.

(b) To be eligible to receive funding from the program, a municipality shall be in compliance with the provisions of section 5 of this act regarding its housing growth plan or compliance with a regional housing growth plan, if applicable, and shall demonstrate steps such municipality has taken to implement its housing growth policies, and (1) have been determined to be a qualifying transit-oriented community pursuant to section 11 of this act, (2) have adopted a development district established pursuant to a memorandum of agreement with the Connecticut Municipal Development Authority, or (3) meet additional eligibility criteria to be developed by the secretary.

(c) The secretary, with the approval of the Council on Housing Development established pursuant to section 14 of this act, shall develop eligibility criteria, an application process, evaluation criteria, guidelines for expenditure of grants-in-aid and municipal reporting requirements for the program administered pursuant to this section and shall publish such criteria, application process, guidelines and reporting requirements on the Internet web site of the Office of Policy and Management.

(d) Before approving any application for a grant-in-aid pursuant to this section, the secretary shall forward such application, including any supporting materials submitted in connection with such application, to the Council on Housing Development for review pursuant to section 14 of this act.

(e) Each municipality awarded a grant-in-aid under this section shall refund to the Office of Policy and Management any unexpended amounts upon completion of the project or project for which such grant-in-aid was awarded and amounts not expended in accordance with the guidelines developed pursuant to subsection (c) of this section.

(f) Not later than July 1, 2028, and annually thereafter, the secretary shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to planning and development. Such report shall include information for the preceding fiscal year on each municipality that applied for a grant-in-aid, including, but not limited to, a description of the public infrastructure project or projects for which each such municipality applied for a grant-in-aid, whether such grant-in-aid was awarded, either in whole or in part and the amount of any such grant-in-aid.

Sec. 16. Section 8-2s of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(a) [Any] On and after July 1, 2026, any zoning regulations adopted or amended pursuant to section 8-2, as amended by this act, [may] (1) shall allow for the [as-of-right] development of [any type of middle housing] a transit community middle housing development, as defined in section 11 of this act, or a mixed-use development, on any lot that [allows for residential use,] is zoned for commercial [use] or mixed-use development, subject only to summary review, as defined in section 8-2r, as amended by this act, and (2) may allow for the development of a transit community middle housing development on any lot that allows for residential use subject only to such summary review.

(b) Any municipality that adopts zoning regulations that allow for the [as-of-right] development of a transit community middle housing development as described in subdivision (2) of subsection (a) of this section shall be awarded one-quarter housing unit-equivalent point pursuant to subdivision (6) of subsection (l) of section 8-30g, as amended by this act, for each [dwelling] unit of such middle housing, [as defined in section 47a-1,] for which a certificate of occupancy has been issued by the municipality.

(c) No municipality that has (1) adopted zoning regulations that allow for the [as-of-right] development of a transit community middle housing development as described in subdivision (2) of subsection (a) of this section, (2) been awarded housing unit-equivalent points pursuant to subsection (b) of this section, and (3) qualified for a moratorium from the affordable housing appeals procedure under subsection (l) of section 8-30g, as amended by this act, based in part on housing unit-equivalent points awarded pursuant to subsection (b) of this section shall repeal or substantially modify such zoning regulations concerning [the as-of-right] such development of such middle housing during the period of such moratorium.

Sec. 17. Subsection (a) of section 8-2r of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(a) For the purposes of this section, (1) "summary review" means able to be approved in accordance with the terms of a zoning regulation or regulations, including, but not limited to, requirements concerning setbacks, lot size and building frontage, applicable to a proposed development, and without requiring that a public hearing be held, a variance, special permit or special exception be granted or some other discretionary zoning action be taken, other than a determination that a site plan is in conformance with applicable zoning regulations and that public health and safety will not be substantially impacted, (2) "dwelling unit" has the same meaning as provided in section 47a-1, (3) "multifamily housing" has the same meaning as provided in section 8-13m, and (4) "nursing home" has the same meaning as provided in section 19a-490.

Sec. 18. Subsection (d) of section 8-2 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2026*):

(d) Zoning regulations adopted pursuant to subsection (a) of this section shall not:

(1) (A) Prohibit the operation in a residential zone of any family child care home or group child care home located in a residence, or (B) require any special zoning permit or special zoning exception for such operation;

(2) (A) Prohibit the use of receptacles for the storage of items designated for recycling in accordance with section 22a-241b or require that such receptacles comply with provisions for bulk or lot area, or similar provisions, except provisions for side yards, rear yards and front yards; or (B) unreasonably restrict access to or the size of such receptacles for businesses, given the nature of the business and the volume of items designated for recycling in accordance with section 22a-241b, that such business produces in its normal course of business, provided nothing in this section shall be construed to prohibit such regulations from requiring the screening or buffering of such receptacles for aesthetic reasons;

(3) Impose conditions and requirements on manufactured homes, including mobile manufactured homes **[**, having as their narrowest dimension twenty-two feet or more and**]** built in accordance with federal manufactured home construction and safety standards or on lots containing such manufactured homes, including mobile manufactured home parks, if those conditions and requirements are substantially different from conditions and requirements imposed on (A) single-family dwellings; (B) lots containing single-family dwellings; or (C) multifamily dwellings, lots containing multifamily dwellings, cluster developments or planned unit developments;

(4) (A) Prohibit the continuance of any nonconforming use, building or structure existing at the time of the adoption of such regulations; (B) require a special permit or special exception for any such continuance; (C) provide for the termination of any nonconforming use solely as a result of nonuse for a specified period of time without regard to the intent of the property owner to maintain that use; or (D) terminate or deem abandoned a nonconforming use, building or structure unless the

property owner of such use, building or structure voluntarily discontinues such use, building or structure and such discontinuance is accompanied by an intent to not reestablish such use, building or structure. The demolition or deconstruction of a nonconforming use, building or structure shall not by itself be evidence of such property owner's intent to not reestablish such use, building or structure;

(5) Prohibit the installation, in accordance with the provisions of section 8-1bb, of temporary health care structures for use by mentally or physically impaired persons if such structures comply with the provisions of said section, unless the municipality opts out in accordance with the provisions of subsection (j) of said section;

(6) Prohibit the operation in a residential zone of any cottage food operation, as defined in section 21a-62b;

(7) Establish for any dwelling unit a minimum floor area that is greater than the minimum floor area set forth in the applicable building, housing or other code;

(8) Place a fixed numerical or percentage cap on the number of dwelling units that constitute multifamily housing over four units, middle housing or mixed-use development that may be permitted in the municipality;

(9) Require **[**more than one parking space for each studio or one-bedroom dwelling unit or more than two parking spaces for each dwelling unit with two or more bedrooms, unless the municipality opts out in accordance with the provisions of section 8-2p**]** a minimum number of off-street motor vehicle parking spaces for any residential development except as provided in section 19 of this act; or

(10) Be applied to deny any land use application, including for any site plan approval, special permit, special exception or other zoning approval, on the basis of (A) a district's character, unless such character is expressly articulated in such regulations by clear and explicit physical

standards for site work and structures, or (B) the immutable characteristics, source of income or income level of any applicant or end user, other than age or disability whenever age-restricted or disability-restricted housing may be permitted.

Sec. 19. (NEW) (*Effective July 1, 2026*) (a) Except as provided in subsections (b) and (d) of this section, no zoning enforcement officer, planning commission, zoning commission or combined planning and zoning commission shall reject an application for any residential development solely on the basis that such development fails to conform with any requirement for off-street motor vehicle parking spaces unless such officer or commission finds that a lack of such parking spaces will have a specific adverse impact on public health and safety that cannot be mitigated through approval conditions that have no substantial adverse impact on the viability of such development.

(b) A municipality may require a minimum number of off-street motor vehicle parking spaces for a residential development that contains more than sixteen dwelling units, as defined in section 47a-1 of the general statutes, provided any such municipality shall allow the proposed developer of such development to submit to the zoning enforcement officer, planning commission, zoning commission or combined planning and zoning commission a parking needs assessment that conforms with the requirements of subsection (c) of this section. Such officer or commission shall condition the approval of such development on the construction of off-street parking spaces not exceeding: (1) One such space for each studio or one-bedroom dwelling and two such spaces for each dwelling unit with two or more bedrooms, or (2) the number of such spaces recommended for the development by the parking needs assessment submitted pursuant to this section, whichever results in the least required number of off-street parking spaces.

(c) A parking needs assessment submitted pursuant to subsection (b) of this section shall be paid for by the proposed developer and shall include an analysis of (1) available existing public and private parking that may be used by residents of the proposed development, (2) public transportation options that may be used by residents of the proposed development that mitigate the need for off-street parking, (3) projected future needs for off-street parking for such proposed development, and (4) any relevant local traffic, parking or safety study.

(d) Notwithstanding the provisions of this section, any municipality, as defined in section 7-148 of the general statutes, may adopt not more than two conservation and traffic mitigation districts in which the municipality may require a minimum number of off-street motor vehicle parking spaces for a residential development that contains fewer than sixteen dwelling units, provided (1) no such district shall be larger than four per cent of a municipality's land area, (2) a municipality shall submit a property description of any such district adopted by the municipality to the Secretary of the Office of Policy and Management upon the adoption of such district, (3) any such zones may be contiguous, and (4) the municipality shall allow the proposed developer of such development to submit to the zoning enforcement officer, planning commission, zoning commission or combined planning and zoning commission a parking needs assessment that conforms with the requirements of subsection (c) of this section. If a parking needs assessment is submitted pursuant to subdivision (4) of this subsection, such officer or commission shall condition the approval of such development on the construction of off-street parking spaces not exceeding one such space for each studio or one-bedroom dwelling and two such spaces for each dwelling unit with two or more bedrooms, or the number of such spaces recommended for the development by the parking needs assessment submitted pursuant to this section, whichever results in the least required number of off-street parking spaces.

(e) Not later than ninety days after the receipt of a property description of a conservation and traffic mitigation district adopted pursuant to subdivision (2) of subsection (d) of this section, the secretary shall prepare and submit a report concerning such district to the Council on Housing Development established pursuant to section 14 of this act.

Sec. 20. (NEW) (*Effective July 1, 2026*) On and after July 1, 2026, any regulations adopted by a municipality pursuant to zoning authority granted by a special act shall comply with the provisions of subdivision (9) of subsection (d) of section 8-2, as amended by this act, section 8-2s, as amended by this act, section 19 of this act and section 49 of this act.

Sec. 21. Section 8-2c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

Notwithstanding the provisions of any special act, any town, city or borough having zoning authority pursuant to this chapter or any special act or planning authority pursuant to chapter 126 or any special act may, by regulation of the authority exercising zoning or planning power, provide that an applicant may be allowed to pay a fee to the town, city or borough in lieu of any requirement to provide parking spaces in connection with any [use of land pursuant to any zoning or planning regulations adopted by such zoning or planning authority] residential or mixed-used development that contains sixteen or more dwelling units, as defined in section 47a-1, or any commercial development. Such regulation shall provide that no such fee shall be accepted by the town, city or borough unless the authority exercising zoning or planning power has found and declared that the number of parking spaces which would be required in connection with such use of land pursuant to any existing planning or zoning regulation: (1) Would result in an excess of parking spaces for such use of land or in the area surrounding such use of land; or (2) could not be physically located on the parcel of land for which such use is proposed and such regulation shall further provide that the amount of such fee shall be determined in accordance with a formula or schedule of fees set forth in such regulations and that no such fee shall be imposed or paid without the consent of the applicant and the zoning or planning authority, as the case may be. In any case in which a fee is proposed to be accepted in lieu of a parking requirement because the number of parking spaces required could not be physically located on the parcel of land for which such use is proposed, a two-thirds vote of the zoning or planning authority shall be necessary to consent to such payment. Such regulations may also limit the areas of such town, city or borough in which such payments shall be accepted by the town, city or borough. Any such payment to the town, city or borough shall be deposited in a fund established by the town, city or borough pursuant to this section. Such fund shall be used solely for the acquisition, development, expansion or capital repair of municipal parking facilities, traffic or transportation related capital projects, the provision or operating expenses of transit facilities designed to reduce reliance on private automobiles and capital programs to facilitate carpooling or vanpooling. The proceeds of such fund shall not be used for operating expenses of any kind, except operating expenses of transit facilities, or be considered a part of the municipal general fund. Expenditures from such fund shall be authorized in the same manner as any other capital expenditure of the town, city or borough. Any income earned by any moneys on deposit in such fund shall accrue to the fund.

Sec. 22. Subsection (f) of section 8-2o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(f) Notwithstanding the provisions of subsections (a) to (d), inclusive, of this section, the zoning commission or combined planning and zoning commission, as applicable, of a municipality, by a two-thirds vote, may initiate the process by which such municipality opts out of the provisions of said subsections regarding the allowance of accessory apartments, provided such commission: (1) First holds a public hearing in accordance with the provisions of section 8-7d on such proposed opt-out, (2) affirmatively decides to opt out of the provisions of said subsections within the period of time permitted under section 8-7d, (3) states **[**upon its**]** in the records of such commission the reasons for such decision, and (4) publishes notice of such decision in a newspaper having a substantial circulation in the municipality not later than fifteen days after such decision has been rendered. Thereafter, the municipality's legislative body or, in a municipality where the legislative body is a town meeting, [its] such municipality's board of selectmen, by a two-thirds vote, may complete the process by which such municipality opts out of the provisions of subsections (a) to (d), inclusive, of this section, except that, on and after January 1, 2023, no municipality may opt out of the provisions of said subsections.

Sec. 23. (*Effective from passage*) The Commissioner of Housing shall, within available appropriations, develop and administer a pilot program to provide portable showers and laundry facilities to persons experiencing homelessness. Such program shall be implemented in not fewer than three municipalities and shall provide not less than three portable shower trailers and not less than three traveling laundry trucks. The commissioner may contract with one or more nonprofit organizations to administer the program. Not later than January 1, 2027, the commissioner shall submit a report on the success of the pilot program, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to housing. The pilot program shall terminate on January 1, 2027.

Sec. 24. Subsection (b) of section 8-3 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(b) Such regulations and boundaries shall be established, changed or repealed only by a majority vote of all the members of the zoning commission, except as otherwise provided in this chapter. In making its decision, the commission shall take into consideration the plan of conservation and development, prepared pursuant to section 8-23, and shall state on the record its findings on consistency of the proposed establishment, change or repeal of such regulations and boundaries with such plan. If a protest against a proposed change is filed at or before a hearing with the zoning commission, signed by the owners of [twenty] (1) fifty per cent or more of the area of the lots included in such proposed change, (2) fifty per cent or more of the owners of the lots included in such area, or (3) fifty per cent or more of the lots within five hundred feet in all directions of the property included in the proposed change, such change shall not be adopted except by a majority vote [of two-thirds] of all the members of the commission.

Sec. 25. (NEW) (*Effective January 1, 2026*) The Secretary of the Office of Policy and Management may, within available appropriations, establish a program to provide grants to regional councils of governments for the development of projects related to public transit infrastructure, bicycle infrastructure or pedestrian infrastructure.

Sec. 26. (NEW) (*Effective January 1, 2026*) (a) For the purposes of this section, "municipality" has the same meaning as provided in section 7-148 of the general statutes and "hostile architecture" means any building or structure that is designed or intended primarily for the purpose of preventing a person experiencing homelessness from sitting or lying in the building or on the structure at street level, provided "hostile architecture" does not include design elements intended to prevent individuals from skateboarding or rollerblading or to prevent vehicles from entering certain areas.

(b) On and after January 1, 2026, no municipality shall install or construct hostile architecture in any publicly accessible building or on any publicly accessible real property owned by the municipality.

(c) Upon receipt of written notice from any person alleging that a building or structure violates the provisions of subsection (b) of this section, a municipality shall investigate such alleged violation. If, after such investigation, the municipality determines that such building or structure is hostile architecture in violation of the provisions of subsection (b) of this section, the municipality shall remove such building or structure not later than ninety days after making such determination.

(d) The provisions of this section shall not apply to any hostile architecture installed or constructed prior to January 1, 2026.

Sec. 27. (NEW) (*Effective January 1, 2026*) (a) For the purposes of this section, "middle housing" has the same meaning as provided in section 8-1a of the general statutes, "housing authority" has the same meaning as provided in section 8-39 of the general statutes, and "municipality" has the same meaning as provided in section 7-148 of the general statutes.

(b) The Commissioner of Housing shall, within available bond authorizations, develop and administer a middle housing development grant program to support housing authorities in expanding the availability of middle housing in municipalities with a population of fifty thousand or less, as determined by the most recent decennial census. The commissioner shall develop and issue a request for proposals from housing authorities for purposes of this program.

(c) The commissioner may award grants under the middle housing development grant program to housing authorities to provide assistance for predevelopment, construction or rehabilitation of middle housing developments or to provide assistance for a land or building acquisition for the purposes of developing middle housing developments.

Sec. 28. (*Effective January 1, 2026*) (a) As used in this section:

(1) "Authority" means any of the public corporations created by section 8-40 of the general statutes;

(2) "Commissioner" means the Commissioner of Housing;

(3) "Department" means the Department of Housing;

(4) "Direct rental assistance" means a cash payment made to, or on behalf of, a recipient for the purpose of securing or maintaining housing;

(5) "Direct rental assistance program" or "program" means a program

managed by a nonprofit provider to provide direct rental assistance to, or on behalf of, a recipient;

(6) "Recipient" means an individual or household determined by a nonprofit provider to be eligible for its direct rental assistance program; and

(7) "Nonprofit provider" means (A) a nonprofit corporation incorporated pursuant to chapter 602 of the general statutes or any predecessor statutes thereto, having as one of its purposes philanthropy or the ownership or operation of housing, or (B) an authority.

(b) The commissioner, each authority, or one or more authorities acting jointly, may, within available appropriations or funding, provide financial assistance in the form of grants-in-aid to any nonprofit provider for the purpose of administering a direct rental assistance program, provided such program (1) conforms with the requirements of subsections (c) and (d) of this section, (2) is approved by the Commissioner of Social Services pursuant to subsection (e) of this section, and (3) is limited in duration to not later than July 1, 2028.

(c) Any nonprofit provider seeking a grant-in-aid to operate a program pursuant to this section shall develop a proposal to (1) implement program operations, (2) determine recipient eligibility, (3) process direct rental assistance payments, (4) establish privacy policies and procedures and collect data concerning the operation of the program pursuant to such policies and procedures, and (5) report on program operations to the commissioner. Such nonprofit provider shall submit such proposal to the commissioner or participating authority in a form and manner to be prescribed by the commissioner.

(d) (1) Recipients in any direct rental assistance program shall be limited to individuals or families who are (A) eligible for a rental assistance program certificate pursuant to section 8-345 of the general statutes, and (B) currently on the waiting list of the federal Housing Choice Voucher Program, 42 USC 1437f(o), as amended from time to time.

(2) Direct rental assistance provided by a nonprofit provider shall not exceed the greater of (A) the maximum rent levels established by the commissioner pursuant to section 8-345 of the general statutes, or (B) the fair market rent established for the federal Housing Choice Voucher Program pursuant to 42 USC 1437f(o), as amended from time to time.

(3) Any nonprofit provider that implements a program pursuant to this section shall comply with state housing policy and program eligibility requirements.

(e) (1) The commissioner or any authority that receives a proposal to operate a program pursuant to this section shall submit such proposal to the Commissioner of Social Services for review. The Commissioner of Social Services shall review any submitted proposal and approve or reject such proposal in accordance with the provisions of this subsection. In reviewing any such proposal, the Commissioner of Social Services shall ensure that any direct rental assistance provided under such program does not adversely affect a recipient's eligibility for, or the amount of, any benefit provided under a state-administered public assistance program, including any program administered by a state or municipal agency that receives federal funding or assistance.

(2) The Commissioner of Social Services shall disregard any direct rental assistance received by a recipient pursuant to this section, or by a member of the recipient's household, to the extent such assistance is provided as part of a direct rental assistance program established pursuant to this section. Such disregard shall apply for the duration of the recipient's participation in such program and may be reauthorized by the Commissioner of Social Services.

(3) If the Commissioner of Social Services determines that a federal, state or local waiver or approval is necessary to authorize such income disregards under applicable benefits programs, the Commissioner of Social Services shall request and promptly pursue any such waiver or

approval.

(4) The Commissioner of Social Services shall approve a proposal submitted pursuant to this subsection and deemed by the commissioner to be complete upon (A) obtaining waivers or approvals pursuant to subdivision (3) of this subsection, or (B) determining that such waivers or approvals are not required.

(f) (1) No nonprofit provider shall initiate the provision of direct rental assistance under a program pursuant to this section until the Commissioner of Social Services has approved such provider's proposal pursuant to this subsection.

(2) A nonprofit provider shall provide each recipient participating in a program pursuant to this section with written notice, prior to the provision of direct rental assistance, informing such recipient of any potential impact of participation in the pilot program on the recipient's current or future eligibility for federal or state benefits. Such notice shall include contact information for the recipient to obtain additional information or guidance regarding such impacts.

(g) The commissioner may provide financial or technical support to any nonprofit provider operating a direct rental assistance program pursuant to this section.

(h) Any data collected from a recipient pursuant to policies and procedures implemented pursuant to this section shall be confidential and exempt from disclosure under the Freedom of Information Act, as defined in section 1-200 of the general statutes, except to the extent such information is included on an aggregated basis in the report required by subsection (i) of this section.

(i) Not later than July 1, 2029, any nonprofit provider that implements a program pursuant to this section shall submit a report to the commissioner concerning the implementation and outcomes of the program. The commissioner shall compile and submit any such report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to housing. Any such report shall include, but need not be limited to: (1) An analysis of the number of recipients served by the program disaggregated by demographics, including household size, income level and housing insecurity status, (2) the impact of the program on recipients, including any changes in housing stability, ability to relocate to another housing unit, household income and access to employment or educational opportunities, (3) a cost-effective analysis comparing the pilot program to the federal Housing Choice Voucher Program, 42 USC 1437f(o), as amended from time to time, and the state rental assistance program, (4) any feedback from recipients and landlords participating in the program, and (5) any recommendations for the continuation, expansion or modification of the program.

(j) Any program established pursuant to this section shall terminate not later than July 1, 2028. Any recipient who continues to require housing assistance at the conclusion of any such program may be issued a rental assistance program certificate, if available. Participation in any program pursuant to this section shall not affect a recipient's status on the federal Housing Choice Voucher Program, 42 USC 1437f(o), as amended from time to time, or state rental assistance program waiting list, and any recipient who is issued a federal or state voucher may elect to exit any such program at the time payment under the voucher begins. A recipient shall no longer be eligible to receive direct rental assistance under a direct rental assistance program during receipt of a rental assistance program certificate, a federal Housing Choice Voucher pursuant to 42 USC 1437f(o), as amended from time to time, or any other housing subsidy that partially or fully subsidizes such recipient's rental obligation. Any nonprofit provider administering a program pursuant to this section shall reallocate any unexpended funds or vacated program slots resulting from a recipient's exit or ineligibility to another eligible recipient, in accordance with the criteria established by the nonprofit provider for purposes of implementing the program.

Sec. 29. Section 1 of special act 21-26 is amended to read as follows (*Effective January 1, 2026*):

(a) Not later than June 15, **[**2022**]** 2026, the Commissioner of Housing, in consultation with the Commissioner of Education and housing, civil rights and education advocates, shall **[**establish**]** reestablish the Open Choice Voucher pilot program. Such pilot program shall designate twenty rental assistance program certificates under section 8-345 of the general statutes over a period of two years, for use by families who (1) qualify as low income under the rental assistance program, (2) have participated for at least one year in the interdistrict public school attendance program, established under section 10-266aa of the general statutes, **[**in the Hartford region,**]** and (3) would like to move to the town where their child participating in the interdistrict public school attendance program attends school.

(b) The Commissioner of Housing shall develop procedures for landlord recruitment, family recruitment, housing search assistance and counseling for such pilot program. As existing rental assistance certificates become available, the commissioner shall make ten rental assistance certificates available during the school year commencing in **[**2022**]** 2026 and ten additional rental assistance certificates during the school year commencing in **[**2023**]** 2027 for such pilot program. All participants in the pilot program shall have access to the residence mobility counseling program established under section 8-348 of the general statutes.

(c) The Commissioner of Housing shall submit an interim report and final report concerning such pilot program, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to housing and education. The commissioner shall submit the interim report on or before August 31, **[**2022**]** 2026, and a final report on or before August 31, **[**2023**]** <u>2027</u>. Each report shall include, but need not be limited to: (1) A summary of program implementation, including efforts to inform and educate families about the program, recruit landlords and provide search assistance and counseling, and (2) assessment of program utilization rates, waiting list numbers, and the racial, ethnic and household composition and income demographics of the program participants and those on the waiting list. The final report shall include an assessment of program performance during the pilot period based on available data, including, but not limited to, data concerning both the implementation of the program by the Department of Housing and the use of the program, and any recommendations the commissioner may have regarding future implementation or an extension of the pilot program.

Sec. 30. Section 4-66k of the general statutes, as amended by section 5 of public act 25-110, is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(a) There is established an account to be known as the "regional planning incentive account", which shall be a separate, nonlapsing account. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be expended by the Secretary of the Office of Policy and Management for the purposes of first providing funding to regional planning organizations in accordance with the provisions of this section, next providing grants for the support of regional election advisors pursuant to section 9-229c and then providing grants under the regional performance incentive program established pursuant to section 4-124s.

(b) <u>(1)</u> For the fiscal year ending June 30, 2014, funds from the regional planning incentive account shall be distributed to each regional planning organization, as defined in section 4-124i of the general statutes, revision of 1958, revised to January 1, 2013, in the amount of one hundred twenty-five thousand dollars. Any regional council of governments that is comprised of any two or more regional planning organizations that voluntarily consolidate on or before December 31, 2013, shall receive an additional payment in an amount equal to the amount the regional planning organizations would have received if such regional planning organizations had not voluntarily consolidated.

[(c)**]** (2) For the fiscal years ending June 30, 2015, to June 30, 2021, inclusive, funds from the regional planning incentive account shall be distributed to each regional council of governments formed pursuant to section 4-124j, in the amount of one hundred twenty-five thousand dollars plus fifty cents per capita, using population information from the most recent federal decennial census. Any regional council of governments that is comprised of any two or more regional planning organizations, as defined in section 4-124i of the general statutes, revision of 1958, revised to January 1, 2013, that voluntarily consolidated on or before December 31, 2013, shall receive a payment in the amount of one hundred twenty-five thousand dollars for each such regional planning organization that voluntarily consolidated on or before said date.

[(d) (1)**]** (3) For the fiscal years ending June 30, 2022, and June 30, 2023, funds from the regional planning incentive account shall be distributed to each regional council of governments formed pursuant to section 4-124j, in the amount of one hundred eighty-five thousand five hundred dollars plus sixty-eight cents per capita, using population information from the most recent federal decennial census.

[(2)**]** (4) For the fiscal **[**year**]** years ending June 30, 2024, and **[**each fiscal year thereafter**]** June 30, 2025, funds from the regional planning incentive account shall be distributed to **[**the**]** each regional council of governments formed pursuant to section 4-124j, in the amount totaling seven million dollars. Such funds shall be distributed under a formula determined by the Secretary of the Office of Policy and Management in consultation with the regional **[**council**]** councils of governments, that includes (A) a base payment amount payable to each such regional council, and (B) a per capita payment amount to each such regional council based upon population data for each such regional council from the most recent federal decennial census. [Such formula shall be reviewed and updated every five years after the initial adoption of such formula.]

(5) For the fiscal year ending June 30, 2026, and each fiscal year thereafter, funds from the regional planning incentive account shall be distributed to each regional council of governments formed pursuant to section 4-124j as follows: (A) An amount totaling seven million dollars shall be distributed pursuant to a formula determined and updated every five years by the Secretary of the Office of Policy and Management in consultation with the regional councils of governments that includes (i) a base payment amount payable to each such regional council, and (ii) a per capita payment amount to each such regional council based upon population data for each such regional council from the most recent federal decennial census, (B) each such regional council shall receive two hundred thousand dollars, for the purpose of funding positions within each such regional council and costs associated with providing technical support and legal services for the planning and development of additional housing in each such regional council's region, and (C) each such regional council shall receive two hundred thousand dollars, for the purpose of funding a regional stormwater management and flood mitigation coordinator position or a regional municipal solid waste and recycling coordinator position and associated costs.

[(3)] (c) Not later than July 1, 2021, and annually thereafter, each regional council of governments shall submit to the secretary a proposal for expenditure of the funds described in [subdivision (1) of this] subsection (b) of this section. Such proposal may include, but need not be limited to, a description of [(A)] (1) functions, activities or services currently performed by the state or municipalities that may be provided in a more efficient, cost-effective, responsive or higher quality manner by such council, a regional educational service center or similar regional entity; [(B)] (2) anticipated cost savings relating to the sharing of government services, including, but not limited to, joint purchasing; **[**(C)**]** (3) the standardization and alignment of various regions of the state; or **[**(D)**]** (4) any other initiatives that may facilitate the delivery of services to the public in a more efficient, cost-effective, responsive or higher quality manner. Notwithstanding the provisions of this section, the secretary may, in consultation with the regional councils of governments, provide for the distribution of funds from the regional planning incentive account to the regional councils of governments on a prorated basis for the fiscal year ending June 30, 2026.

Sec. 31. Section 3-129g of the general statutes is amended by adding subsection (k) as follows (*Effective January 1, 2026*):

(NEW) (k) With regard to any action brought pursuant to this section against a person for a pattern or practice of conduct in violation of section 46a-64, 46a-64c, 46a-81d or 46a-81e, or, as a result of an investigation conducted pursuant to this section, of a potential violation of section 46a-64, 46a-64c, 46a-81d or 46a-81e, the Attorney General may petition the superior court for the judicial district in which the violation or alleged violation occurred for any relief available under subsection (b) of section 46a-89, in addition to any relief as described in subsection (a) or (c) of this section.

Sec. 32. (NEW) (*Effective January 1, 2026*) (a) As used in this section:

(1) "Revenue management device" means a device commonly known as revenue management software that uses one or more programmed or automated processes to perform calculations of nonpublic competitor data concerning local or state-wide rents or occupancy levels, for the purpose of advising a landlord on (A) whether to leave a unit vacant; or (B) the amount of rent that the landlord may obtain for a unit. "Revenue management device" includes a product that incorporates a revenue management device, but does not include: (i) A report that publishes existing rental data in an aggregated manner but does not recommend rental rates or occupancy levels for future leases; or (ii) a product used

for the purpose of establishing rent or income limits in accordance with the affordable housing program guidelines of a local, state or federal program.

(2) "Nonpublic competitor data" means information that is not available to the general public, including information about actual rent amounts, occupancy levels, lease start and end dates and other similar data, regardless of whether the information is (A) attributable to a specific competitor or anonymized, and (B) derived from or otherwise provided by another person that competes in the same or a related market.

(b) It shall be an unlawful practice in violation of chapter 624 of the general statutes for any person to use a revenue management device to set rental rates or occupancy levels for residential dwelling units.

(c) Any violation of subsection (b) of this section shall be subject to the investigation and enforcement provisions of chapter 624 of the general statutes.

Sec. 33. (*Effective from passage*) The Secretary of the Office of Policy and Management shall, within available appropriations and in coordination with the Council on Housing Development established pursuant to section 14 of this act and the Commissioner of Energy and Environmental Protection, conduct a state-wide wastewater capacity study that evaluates the capacity, flows, physical conditions, regulatory compliance and vulnerabilities to natural hazards of publicly and privately owned wastewater infrastructure. In conducting the study, the secretary shall identify areas underserved by wastewater infrastructure and existing wastewater capacity limitations and make recommendations for efficient investments in wastewater infrastructure to support housing and economic development while protecting public and environmental health, and shall identify areas with excess wastewater capacity. Not later than July 1, 2026, the secretary shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, on the secretary's findings and recommendations to the joint standing committees of the General Assembly having cognizance of matters relating to planning and development, housing, economic development and the environment. The secretary shall also submit such report to the Council on Housing Development.

Sec. 34. (*Effective January 1, 2026*) (a) The Commissioner of Housing shall, within available bond authorizations, develop and administer a program to provide funding for proposed projects that create employment opportunities in the construction industry to develop affordable housing.

(b) On and after July 1, 2026, an eligible project sponsor may submit an application, in a form and manner provided by the commissioner, to receive funds from the program for a proposed project. The commissioner shall establish criteria for awarding funds pursuant to this section. Such criteria for awarding funds pursuant to this section shall include, but need not be limited to, a requirement that (1) an applicant secure coinvestment funding in the proposed project by a union pension fund or comingled fund of union pension fund investments with a demonstrated record of successful investment in the construction of affordable housing, (2) the proposed project be covered by a project labor agreement, and (3) an applicant be committed to workforce training by adhering to state-registered apprenticeship standards and apprenticeship readiness programs.

(c) All housing built with funds received from the program established pursuant to this section shall remain affordable, through the use of deeds containing covenants or restrictions that require such housing to be sold or rented at, or below, prices that will preserve the unit as housing, for a period of not less than forty years, for which persons and families pay thirty per cent or less of income, where such income is less than or equal to eighty per cent of the state median income or other means selected by the commissioner.

(d) The commissioner shall not approve financing for a proposed project later than three years after the Department of Housing is allocated funds for the program established pursuant to this section.

Sec. 35. Section 7-148b of the general statutes, as amended by section 1 of public act 25-121, is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(a) For purposes of this section and sections 7-148c to 7-148f, inclusive, "seasonal basis" means housing accommodations rented for a period or periods aggregating not more than one hundred twenty days in any one calendar year, [and] "rental charge" includes any fee or charge in addition to rent that is imposed or sought to be imposed upon a tenant by a landlord, and "municipality" means a town, city or consolidated town and city.

(b) Any [town, city or borough] municipality may, and [any town, city or borough] each municipality with a population of [twenty-five] fifteen thousand or more, as determined by the most recent decennial census, shall, through its legislative body, adopt an ordinance that (1) creates a fair rent commission, (2) establishes or joins the municipality in a joint fair rent commission pursuant to subsection (d) of this section, or (3) joins the municipality in a regional fair rent commission pursuant to subsection (e) of this section. Any such commission shall make studies and investigations, conduct hearings and receive complaints relative to rental charges on housing accommodations, except those accommodations rented on a seasonal basis, within its jurisdiction, which term shall include mobile manufactured homes and mobile manufactured home park lots, in order to control and eliminate excessive rental charges on such accommodations, and to carry out the provisions of sections 7-148b to 7-148f, inclusive, as amended by this act, section 47a-20 and subsection (b) of section 47a-23c. The commission, for such purposes, may compel the attendance of persons at hearings, issue subpoenas and administer oaths, issue orders and continue, review, amend, terminate or suspend any of its orders and decisions. The commission may be empowered to retain legal counsel to advise it. All hearings conducted pursuant to this section shall be open to the public.

(c) Any [town, city or borough] municipality required to create a fair rent commission pursuant to subsection (b) of this section shall adopt an ordinance creating [such] a fair rent commission, or joining a joint fair rent commission or regional fair rent commission, on or before [July 1, 2023] January 1, 2028. No municipality required to create a fair rent commission pursuant to subsection (b) of this section that has created a fair rent commission prior to January 1, 2026, shall abolish such commission before January 1, 2028, unless such municipality joins a joint fair rent commission or regional fair rent commission pursuant to this section. Not later than thirty days after the adoption of such ordinance, the chief executive officer of such [town, city or borough] municipality shall (1) notify the Commissioner of Housing that such commission has been created or joined by such municipality, and (2) transmit a copy of the ordinance adopted by the [town, city or borough] municipality to the commissioner.

(d) [Any two] Two or more [towns, cities or boroughs not subject to the requirements of subsection (b) of this section] contiguous municipalities may, [through their legislative bodies, create] by concurrent ordinances adopted by their legislative bodies, establish a joint fair rent commission. Any municipality that is contiguous to a municipality that is a member of an existing joint fair rent commission may become a member of such joint fair rent commission upon the adoption of an ordinance by such municipality's legislative body. Any municipality that is a member of a joint fair rent commission may, by vote of its legislative body, elect to withdraw from such commission, provided such withdrawing municipality creates its own fair rent commission or joins another joint fair rent commission or regional fair rent commission in compliance with the requirements of this section.

(e) A regional council of governments formed pursuant to section 4-124j may establish a regional fair rent commission. Any municipality that is a member of such council may join such regional fair rent commission upon the adoption of an ordinance by such municipality's legislative body. Any regional fair rent commission shall prescribe a form and manner in which complaints to such commission shall be made.

(f) Upon the request of a party to a matter pending before a regional fair rent commission, a meeting or a portion of a meeting during which the participation of such party is required shall be conducted by means of electronic equipment, as defined in section 1-200, in conjunction with an in-person meeting of such commission.

(g) Except as otherwise provided by law, a regional fair rent commission shall not be liable for damages to person or property caused by: (A) Acts or omissions of any employee, officer or agent which constitute criminal conduct, fraud, actual malice or wilful misconduct; or (B) negligent acts or omissions which require the exercise of judgment or discretion as an official function of the authority expressly or impliedly granted by law.

[(e)**]** (h) Any **[**town, city or borough**]** municipality that creates a fair rent commission pursuant to this section shall make any bylaws adopted by such fair rent commission publicly available on the Internet web site of such **[**town, city or borough**]** municipality.

Sec. 36. (*Effective January 1, 2026*) The Connecticut Housing Finance Authority shall, as part of the homeownership loan program, and within the resources allocated by the State Bond Commission to the Department of Housing for the purposes of said program, expand the pilot program known as the Smart Rate Pilot Interest Rate Reduction Program to provide additional mortgage borrowers who are eligible for such pilot program with the benefits provided pursuant to the pilot program.

Sec. 37. Subsection (a) of section 47a-23 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January*

1, 2026):

(a) When the owner or lessor, or the owner's or lessor's legal representative, or the owner's or lessor's attorney-at-law, or in-fact, desires to obtain possession or occupancy of any land or building, any apartment in any building, any dwelling unit, any trailer, or any land upon which a trailer is used or stands, and (1) when a rental agreement or lease of such property, whether in writing or by parol, terminates for any of the following reasons: (A) By lapse of time; (B) by reason of any expressed stipulation therein; (C) violation of the rental agreement or lease or of any rules or regulations adopted in accordance with section 47a-9 or 21-70; (D) nonpayment of rent within the grace period provided for residential property in section 47a-15a<u>, as amended by this act,</u> or 21-83<u>, as amended by this act, except this subparagraph shall not apply if the owner or lessor's online rental payment system prevents such payment of rent within the grace period provided for residential property in section 47a-15a, as amended by this act, or 21-83, as amended by this act</u>; (E) nonpayment of rent when due for commercial property; (F) violation of section 47a-11 or subsection (b) of section 21-82; (G) nuisance, as defined in section 47a-32, or serious nuisance, as defined in section 47a-15 or 21-80; or (2) when such premises, or any part thereof, is occupied by one who never had a right or privilege to occupy such premises; or (3) when one originally had the right or privilege to occupy such premises but such right or privilege has terminated; or (4) when an action of summary process or other action to dispossess a tenant is authorized under subsection (b) of section 47a-23c for any of the following reasons: (A) Refusal to agree to a fair and equitable rent increase, as defined in subsection (c) of section 47a-23c, (B) permanent removal by the landlord of the dwelling unit of such tenant from the housing market, or (C) bona fide intention by the landlord to use such dwelling unit as such landlord's principal residence; or (5) when a farm employee, as described in section 47a-30, or a domestic servant, caretaker, manager or other employee, as described in subsection (b) of section 47a-36, occupies such premises furnished by the employer and fails to vacate such premises after employment is terminated by such employee or the employer or after such employee fails to report for employment, such owner or lessor, or such owner's or lessor's legal representative, or such owner's or lessor's attorney-at-law, or in-fact, shall give notice to each lessee or occupant to quit possession or occupancy of such land, building, apartment or dwelling unit, at least three days before the termination of the rental agreement or lease, if any, or before the time specified in the notice for the lessee or occupant to quit possession or occupancy.

Sec. 38. Section 47a-15a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(a) If rent is unpaid when due and the tenant fails to pay rent within nine days thereafter or, in the case of a one-week tenancy, within four days thereafter, the landlord may terminate the rental agreement in accordance with the provisions of sections 47a-23 to 47a-23b, inclusive, as amended by this act, except that such nine-day or four-day time period shall be extended an additional five days if a landlord's online rental payment system prevents the payment of rent when due. Any extension of such time periods shall apply only for the week or month, as applicable, when such rental payment system prevents the payment of rent when due. For purposes of this section, "grace period" means the nine-day or four-day time periods or the extension of such time periods identified in this subsection, as applicable.

(b) If a rental agreement contains a valid written agreement to pay a late charge in accordance with subsection (a) of section 47a-4 a landlord may assess a tenant such a late charge on a rent payment made subsequent to the grace period in accordance with this section. Such late charge may not exceed the lesser of (1) five dollars per day, up to a maximum of fifty dollars, or (2) five per cent of the delinquent rent payment or, in the case of a rental agreement paid in whole or in part by a governmental or charitable entity, five per cent of the tenant's share of the delinquent rent payment. The landlord may not assess more than one late charge upon a delinquent rent payment, regardless of how long the rent remains unpaid.

Sec. 39. Section 21-83 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(a) An owner and a resident may include in a rental agreement terms and conditions not prohibited by law, including rent, term of the agreement and other provisions governing the rights and obligations of the parties. No rental agreement shall contain the following:

(1) Any provision by which the resident agrees to waive or forfeit rights or remedies under this chapter and sections 47a-21, 47a-23 to 47a-23b, inclusive, as amended by this act, 47a-26 to 47a-26h, inclusive, 47a-35 to 47a-35b, inclusive, 47a-41a, 47a-43 and 47a-46, or under any section of the general statutes or any municipal ordinance, unless such section or ordinance expressly states that such rights may be waived;

(2) Any provision which permits the owner to terminate the rental agreement for failure to pay rent unless such rent is unpaid when due and the resident fails to pay rent within (A) nine days thereafter, or (B) fourteen days thereafter if an online rental payment system prevented the payment of rent when due;

(3) Any provision which permits the owner to collect a penalty fee for late payment of rent without allowing the resident a minimum of nine days beyond the due date in which to remit or which provides for the payment of rent in a reduced amount if such rent is paid prior to the expiration of such grace period;

(4) Any provision which permits the owner to charge a penalty for late payment of rent in excess of five per cent of the total rent due for the mobile manufactured home space or lot or four per cent of the total rent due for the mobile manufactured home and mobile manufactured home space or lot;

(5) Any provision which allows the owner to increase the total rent or change the payment arrangements during the term of the rental agreement;

(6) Any provision allowing the owner to charge an amount in excess of one month's rent for a security deposit or to retain the security deposit upon termination of the rental agreement if the resident has paid his rent in full as of the date of termination and has caused no damage to the property of the owner or to waive the resident's right to the interest on the security deposit pursuant to section 47a-21;

(7) Any provision allowing the owner to charge an entrance fee to a resident assuming occupancy;

(8) Any provision authorizing the owner to confess judgment on a claim arising out of the rental agreement;

(9) Any provision which waives any cause of action against or indemnification from an owner, by a resident for any injury or harm caused to such resident, his family or his guests, or to his property, or the property of his family or his guests resulting from any negligence of the owner, his agents or his assigns in the maintenance of the premises or which otherwise agrees to the exculpation or limitation of any liability of the owner arising under law or to indemnify the owner for that liability or the costs connected therewith;

(10) Any provision permitting the owner to dispossess the resident without resort to court order;

(11) Any provision consenting to the distraint of the resident's property for rent;

(12) Any provision agreeing to pay the owner's attorney's fees in excess of fifteen per cent of any judgment against the resident in any action in which money damages are awarded;

(13) Any provision which denies to the resident the right to treat as a

breach of the agreement, a continuing violation by the owner, substantial in nature, of any provision set forth in the rental agreement or of any state statute unless the owner discontinues such violation within a reasonable time after written notice is given by the resident by registered or certified mail.

(b) A provision prohibited by this chapter included in a rental agreement is unenforceable.

Sec. 40. Section 29-195 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(a) Each elevator or escalator shall be thoroughly inspected by a department elevator inspector at least once **[**each**]** every eighteen months, except (1) elevators located in private residences shall be inspected upon the request of the owner, and (2) as provided in subsection (b) of this section. More frequent inspections of any elevator or escalator shall be made if the condition thereof indicates that additional inspections are necessary or desirable.

(b) Each elevator at a privately owned multifamily housing project, as defined in section 29-453a, shall be thoroughly inspected by an elevator inspector employed or engaged by the department at least once every twelve months. For each such inspection, such inspector shall submit a report to the State Building Inspector that describes the status of each elevator at such housing project, describes the status of any elevator repair and estimates the duration of time during which any inoperable elevator at such housing project is expected to remain inoperable.

Sec. 41. Subsection (l) of section 8-30g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(l) (1) Except as provided in subdivision (2) of this subsection, the affordable housing appeals procedure established under this section shall not be applicable to an affordable housing application filed with a commission during a moratorium, which shall commence after (A) a certification of affordable housing project completion issued by the commissioner is published in the Connecticut Law Journal, or (B) notice of a provisional approval is published pursuant to subdivision (4) of this subsection. Any such moratorium shall be for a period of four years, except that for any municipality that has (i) twenty thousand or more dwelling units, as reported in the most recent United States decennial census, and (ii) previously qualified for a moratorium in accordance with this section, any subsequent moratorium shall be for a period of five years. Any moratorium that is in effect on October 1, 2002, is extended by one year.

(2) Such moratorium shall not apply to (A) affordable housing applications for assisted housing in which ninety-five per cent of the dwelling units are restricted to persons and families whose income is less than or equal to sixty per cent of the median income, (B) other affordable housing applications for assisted housing containing forty or fewer dwelling units, or (C) affordable housing applications which were filed with a commission pursuant to this section prior to the date upon which the moratorium takes effect.

(3) Eligible units completed before a moratorium has begun, but that were not counted toward establishing eligibility for such moratorium, may be counted toward establishing eligibility for a subsequent moratorium. Eligible units completed after a moratorium has begun may be counted toward establishing eligibility for a subsequent moratorium.

(4) (A) **[**The**]** Except as provided in subparagraph (B) of this subdivision, the commissioner shall issue a certificate of affordable housing project completion for the purposes of this subsection upon finding that there has been completed within the municipality one or more affordable housing developments which create housing unit-equivalent points equal to (i) the greater of two per cent of all dwelling

units in the municipality, as reported in the most recent United States decennial census, or seventy-five housing unit-equivalent points, or (ii) for any municipality that has (I) adopted **[**an affordable housing**]** a municipal housing growth plan or has elected to comply with a regional housing growth plan in accordance with the provisions of section **[**8-30j**]** 6 of this act, (II) twenty thousand or more dwelling units, as reported in the most recent United States decennial census, and (III) previously qualified for a moratorium in accordance with this section, one and one-half per cent of all dwelling units in the municipality, as reported in the most recent United States decennial census.

(B) If a municipality has received a final letter of eligibility from the commissioner pursuant to section 10 of this act, the commissioner shall issue a certificate of affordable housing completion to such municipality at such time as, upon application, the commissioner determines, in the commissioner's discretion, that the municipality is in compliance with the following conditions: The municipality remains in compliance with all requirements for a final letter of eligibility, and there has been completed within the municipality one or more affordable housing developments that create housing unit-equivalent points equal to (i) the greater of one and three-quarter per cent of all dwelling units in the municipality, as reported in the most recent United States decennial census, or sixty-five housing unit-equivalent points, or (ii) for any municipality that (I) has adopted a municipal housing growth plan or has elected to comply with a regional housing growth plan in accordance with the provisions of section 5 of this act, (II) has twenty thousand or more dwelling units, as reported in the most recent United States decennial census, and (III) previously qualified for a moratorium in accordance with this section, one and one-half per cent of all dwelling units in the municipality, as reported in the most recent United States decennial census.

[(B)**]** (C) A municipality may apply for a certificate of affordable housing project completion pursuant to this subsection by applying in writing to the commissioner, and including documentation showing that the municipality has accumulated the required number of points within the applicable time period. Such documentation shall include the location of each dwelling unit being counted, the number of points each dwelling unit has been assigned, and the reason, pursuant to this subsection, for assigning such points to such dwelling unit. Upon receipt of such application, the commissioner shall promptly cause a notice of the filing of the application to be published in the Connecticut Law Journal, stating that public comment on such application shall be accepted by the commissioner for a period of thirty days after the publication of such notice. Not later than ninety days after the receipt of such application, the commissioner shall either approve or reject such application. Such approval or rejection shall be accompanied by a written statement of the reasons for approval or rejection, pursuant to the provisions of this subsection. If the application is approved, the commissioner shall promptly cause a certificate of affordable housing project completion to be published in the Connecticut Law Journal. If the commissioner fails to either approve or reject the application within such ninety-day period, such application shall be deemed provisionally approved, and the municipality may cause notice of such provisional approval to be published in a conspicuous manner in a daily newspaper having general circulation in the municipality, in which case, such moratorium shall take effect upon such publication. The municipality shall send a copy of such notice to the commissioner. Such provisional approval shall remain in effect unless the commissioner subsequently acts upon and rejects the application, in which case the moratorium shall terminate upon notice to the municipality by the commissioner.

(5) For the purposes of this subsection, "elderly units" are dwelling units whose occupancy is restricted by age, "family units" are dwelling units whose occupancy is not restricted by age, and "resident-owned mobile manufactured home park" has the same meaning as provided in subsection (k) of this section.

(6) For the purposes of this subsection, housing unit-equivalent points shall be determined by the commissioner as follows: (A) No

points shall be awarded for a unit unless its occupancy is restricted to persons and families whose income is equal to or less than eighty per cent of the median income, except that (i) unrestricted units in a set-aside development shall be awarded one-quarter point each, [;] and (ii) dwelling units in transit community middle housing developments developed [as of right] pursuant to subdivision (2) of subsection (a) of section 8-2s, as amended by this act, shall be awarded one-quarter point each; [.] (B) [Family] family units restricted to persons and families whose income is equal to or less than eighty per cent of the median income shall be awarded one point if an ownership unit and one and one-half points if a rental unit; [.] (C) [Family] family units restricted to persons and families whose income is equal to or less than sixty per cent of the median income shall be awarded one and one-half points if an ownership unit and two points if a rental unit; [.] (D) [Family] family units restricted to persons and families whose income is equal to or less than forty per cent of the median income shall be awarded two points if an ownership unit and two and one-half points if a rental unit; [.] (E) [Elderly] elderly units restricted to persons and families whose income is equal to or less than eighty per cent of the median income shall be awarded one-half point; [.] (F) [A] a set-aside development containing family units which are rental units shall be awarded additional points equal to twenty-two per cent of the total points awarded to such development, provided the application for such development was filed with the commission prior to July 6, 1995; [.] (G) [A] a mobile manufactured home in a resident-owned mobile manufactured home park shall be awarded points as follows: (i) One and one-half points when occupied by persons and families with an income equal to or less than eighty per cent of the median income, [;] (ii) two points when occupied by persons and families with an income equal to or less than sixty per cent of the median income, [;] and (iii) one-fourth point for the remaining units; and (H) any unit described in subparagraphs (A) to (G), inclusive, of this subdivision shall be awarded an additional one-quarter point, provided such unit was constructed by or in conjunction with a housing authority, as defined in section 8-40, of a neighboring

<u>municipality</u>.

(7) Points shall be awarded only for dwelling units which (A) were newly-constructed units in an affordable housing development, as that term was defined at the time of the affordable housing application, for which a certificate of occupancy was issued after July 1, 1990, (B) were newly subjected after July 1, 1990, to deeds containing covenants or restrictions which require that, for at least the duration required by subsection (a) of this section for set-aside developments on the date when such covenants or restrictions took effect, such dwelling units shall be sold or rented at, or below, prices which will preserve the units as affordable housing for persons or families whose income does not exceed eighty per cent of the median income, or (C) are located in a resident-owned mobile manufactured home park.

(8) Points shall be subtracted, applying the formula in subdivision (6) of this subsection, for any affordable dwelling unit which, on or after July 1, 1990, was affected by any action taken by a municipality which caused such dwelling unit to cease being counted as an affordable dwelling unit.

(9) A newly-constructed unit shall be counted toward a moratorium when it receives a certificate of occupancy. A newly-restricted unit shall be counted toward a moratorium when its deed restriction takes effect.

(10) The affordable housing appeals procedure shall be applicable to affordable housing applications filed with a commission after a three-year moratorium expires, except (A) as otherwise provided in subsection (k) of this section, or (B) when sufficient unit-equivalent points have been created within the municipality during one moratorium to qualify for a subsequent moratorium.

(11) The commissioner shall, within available appropriations, adopt regulations in accordance with chapter 54 to carry out the purposes of this subsection. Such regulations shall specify the procedure to be followed by a municipality to obtain a moratorium, and shall include

the manner in which a municipality is to document the units to be counted toward a moratorium. A municipality may apply for a moratorium in accordance with the provisions of this subsection prior to, as well as after, such regulations are adopted.

Sec. 42. (*Effective from passage*) The majority leaders' roundtable group on affordable housing, established pursuant to section 2-139 of the general statutes, shall review the potential issues and benefits of changing the exemption threshold provided in subsection (k) of section 8-30g of the general statutes from a percentage of certain dwelling units located in a municipality to (1) a flat numerical value, or (2) an alternative model, including models adopted in other states concerning the calculation of affordable housing need. Not later than February 1, 2026, the roundtable group shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, on its findings and any recommendations to the joint standing committee of the General Assembly having cognizance of matters relating to housing.

Sec. 43. (*Effective January 1, 2026*) The Commissioner of Housing shall, within available resources, establish and administer an Affordable Housing Real Estate Investment Trust pilot program. Such pilot program shall be for the purpose of providing grants to housing authorities, as defined in section 8-39 of the general statutes, the Connecticut Housing Finance Authority, or any nonprofit entity selected by the commissioner, for the purpose of acquiring dwelling units, as defined in section 47a-1 of the general statutes, and implementing affordable housing deed restrictions, as defined in section 12-81bb of the general statutes, on such units, provided such units are located in municipalities in the state with populations of at least one hundred thirty thousand but less than one hundred forty thousand, as determined by the most recent federal decennial census. Participation in such pilot program shall be by application, submitted in a form and manner prescribed by the commissioner. For the purposes of this section, "municipality" has the same meaning as provided in section 7-148 of the general statutes.

Sec. 44. Section 8-68d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

Each housing authority shall submit a report to the Commissioner of Housing and the chief executive officer of the municipality in which the authority is located and post such report on the housing authority's Internet web site not later than **[**, annually.**]** July 1, 2026, and thereafter annually on March first. The report shall contain (1) an inventory of all existing housing owned or operated by the authority, including the total number, types and sizes of rental units and the total number of occupancies and vacancies in each housing project or development, and a description of the condition of such housing, (2) a description of any new construction projects being undertaken by the authority and the status of such projects, (3) the number and types of any rental housing sold, leased or transferred during the period of the report which is no longer available for the purpose of low or moderate income rental housing, (4) the results of the authority's annual audit conducted in accordance with section 4-231 if required by said section, (5) the rental price levels by income group, as defined in section 8-37aa, of rental units owned or operated by the housing authority, (6) the number of rental units at each such respective rental price level, displayed as a per cent of the area median income, for each respective housing project or development owned or operated by the housing authority, (7) the annual change in the rental price level of rental units owned or operated by the housing authority, (8) the dates when rental units qualified as affordable, (9) the number of individuals on the waiting list for any rental units owned or operated by the authority, and **[**(5)**]** (10) such other information as the commissioner may require by regulations adopted in accordance with the provisions of chapter 54.

Sec. 45. (NEW) (*Effective January 1, 2026*) (a) Not later than October 1, 2026, and annually thereafter, the owner of a mobile manufactured home park, as defined in section 21-64 of the general statutes, shall submit a report to the local fire marshal disclosing the water capacity and flow of each fire hydrant located in such park.

(b) If the local fire marshal finds, after reviewing the report submitted pursuant to subsection (a) of this section, that any fire hydrant located in the mobile manufactured home park has insufficient water capacity or flow, or is otherwise not in working order, the local fire marshal shall report such local fire marshal's finding (1) in the form of a complaint to the Department of Consumer Protection, and (2) to the Mobile Manufactured Home Advisory Council established under section 21-84a of the general statutes.

Sec. 46. Section 10-285a of the general statutes, as amended by section 143 of public act 25-174, is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(a) (1) The percentage of school building project grant money a local board of education may be eligible to receive, under the provisions of section 10-286, shall be assigned by the Commissioner of Administrative Services in accordance with the percentage calculated by the Commissioner of Education as follows: (A) For grants approved pursuant to section 10-283 for which application is made on and after July 1, 1991, and before July 1, 2011, (i) each town shall be ranked in descending order from one to one hundred sixty-nine according to such town's adjusted equalized net grand list per capita, as defined in section 10-261; and (ii) based upon such ranking, a percentage of not less than twenty nor more than eighty shall be determined for each town on a continuous scale; (B) for grants approved pursuant to section 10-283 for which application is made on and after July 1, 2011, and before July 1, 2017, (i) each town shall be ranked in descending order from one to one hundred sixty-nine according to such town's adjusted equalized net grand list per capita, as defined in section 10-261, and (ii) based upon such ranking, (I) a percentage of not less than ten nor more than seventy shall be determined for new construction or replacement of a school building for each town on a continuous scale, and (II) a percentage of not less than twenty nor more than eighty shall be determined for renovations, extensions, code violations, roof replacements and major alterations of an existing school building and the new construction or replacement of a school building when a town or regional school district can demonstrate that a new construction or replacement is less expensive than a renovation, extension or major alteration of an existing school building for each town on a continuous scale; (C) for grants approved pursuant to section 10-283 for which application is made on and after July 1, 2017, and before June 1, 2022, (i) each town shall be ranked in descending order from one to one hundred sixty-nine according to the adjusted equalized net grand list per capita, as defined in section 10-261, of the town two, three and four years prior to the fiscal year in which application is made, (ii) based upon such ranking, (I) a percentage of not less than ten nor more than seventy shall be determined for new construction or replacement of a school building for each town on a continuous scale, and (II) a percentage of not less than twenty nor more than eighty shall be determined for renovations, extensions, code violations, roof replacements and major alterations of an existing school building and the new construction or replacement of a school building when a town or regional school district can demonstrate that a new construction or replacement is less expensive than a renovation, extension or major alteration of an existing school building for each town on a continuous scale; (D) except as otherwise provided in subdivision (2) of this subsection, for grants approved pursuant to section 10-283 for which application is made on and after June 1, 2022, (i) each town shall be ranked in descending order from one to one hundred sixty-nine according to the adjusted equalized net grand list per capita, as defined in section 10-261, of the town two, three and four years prior to the fiscal year in which application is made, and (ii) based upon such ranking, (I) a percentage of not less than ten nor more than seventy shall be determined for new construction or replacement of a school building for each town on a continuous scale, and (II) a percentage of not less than twenty nor more than eighty shall be determined for renovations, extensions, code violations, roof replacements and major alterations of an existing school building and the new construction or replacement of a school building when a town or regional school district can demonstrate that a new construction or replacement is less expensive than a renovation, extension or major alteration of an existing school building for each town on a continuous scale; and (E) except as otherwise provided in subdivision (2) of this subsection, for grants approved pursuant to section 10-283 for which application is made on and after July 1, 2024, (i) each town shall be ranked in descending order from one to one hundred sixty-nine according to the adjusted equalized net grand list per capita, as defined in section 10-261, of the town two, three and four years prior to the fiscal year in which application is made, and (ii) based upon such ranking, (I) a percentage of not less than ten nor more than eighty shall be determined for new construction or replacement of a school building for each town on a continuous scale, and (II) a percentage of not less than twenty nor more than eighty shall be determined for renovations, extensions, code violations, roof replacements and major alterations of an existing school building and the new construction or replacement of a school building when a town or regional school district can demonstrate that a new construction or replacement is less expensive than a renovation, extension or major alteration of an existing school building for each town on a continuous scale.

(2) For grants approved pursuant to section 10-283 for which application is made prior to July 1, 2047, the percentage of school building project grant money a local board of education for (A) any town with a total population of eighty thousand or greater may be eligible to receive shall be the greater of the percentage calculated pursuant to subdivision (1) of this subsection or sixty per cent, and (B) the town of Cheshire shall be the greater of the percentage calculated pursuant to subdivision (1) of this subsection or fifty per cent.

(b) (1) Except as otherwise provided in subdivision (2) of this subsection, the percentage of school building project grant money a regional board of education may be eligible to receive under the provisions of section 10-286 shall be determined by its ranking. Such ranking shall be determined by (A) multiplying the total population, as defined in section 10-261, of each town in the district by such town's ranking, as determined in subsection (a) of this section, (B) adding together the figures determined under subparagraph (A) of this subdivision, and (C) dividing the total computed under subparagraph (B) of this subdivision by the total population of all towns in the district. The ranking of each regional board of education shall be rounded to the next higher whole number and each such board shall receive the same reimbursement percentage as would a town with the same rank plus ten per cent, except that no such percentage shall exceed eighty-five per cent.

(2) Any board of education of a regional school district established or expanded on or after July 1, 2016, that submits an application for a school building project (A) not later than ten years after the establishment or expansion of such regional school district, and (B) that is related to such establishment or expansion, may be eligible to receive a percentage of school building project grant money, under the provisions of section 10-286, as follows: The reimbursement percentage of the town in such regional school district with the greatest reimbursement percentage, as determined in subsection (a) of this section, plus ten per cent.

(c) The percentage of school building project grant money a regional educational service center may be eligible to receive shall be determined by its ranking. Such ranking shall be determined by (1) multiplying the population of each member town in the regional educational service center by such town's ranking, as determined in subsection (a) of this section; (2) adding together the figures for each town determined under subdivision (1) of this subsection, and (3) dividing the total computed under subdivision (2) of this subsection by the total population of all member towns in the regional educational service center. The ranking of each regional educational service center shall be rounded to the next higher whole number and each such center shall receive the same reimbursement percentage as would a town with the same rank.

(d) The percentage of school building project grant money a cooperative arrangement pursuant to section 10-158a, may be eligible to receive shall be determined by its ranking. Such ranking shall be determined by (1) multiplying the total population, as defined in section 10-261, of each town in the cooperative arrangement by such town's ranking, as determined in subsection (a) of this section, (2) adding the products determined under subdivision (1) of this subsection, and (3) dividing the total computed under subdivision (2) of this subsection by the total population of all towns in the cooperative arrangement. The ranking of each cooperative arrangement shall be rounded to the next higher whole number and each such cooperative arrangement shall receive the same reimbursement percentage as would a town with the same rank plus ten percentage points.

(e) (1) If an elementary school building project for a new building or for the expansion of an existing building includes space for an early childhood care and education program that provides services for children from birth to five years, the percentage determined pursuant to this section shall be increased by fifteen percentage points, but shall not exceed one hundred per cent, for the portion of the building used primarily for such purpose. Recipient districts shall maintain such early childhood care and education program for at least ten years.

(2) The percentage determined pursuant to this section for any school building project for a building or facility that will be used exclusively by a local or regional board of education for an early childhood care and education program that provides services for children from birth to five years shall be increased by fifteen percentage points, but shall not exceed one hundred per cent. Recipient districts shall maintain such early childhood care and education program for at least twenty years.

(f) The percentage determined pursuant to this section for a school building project grant for the expansion, alteration or renovation of an existing public school building to convert such building for use as a lighthouse school, as defined in section 10-266cc, shall be increased by ten percentage points.

(g) The percentage determined pursuant to this section for a school building project grant shall be increased by the percentage of the total projected enrollment of the school attributable to the number of spaces made available for out-of-district students participating in the program established pursuant to section 10-266aa, provided the maximum increase shall not exceed ten percentage points.

(h) Subject to the provisions of section 10-285d, if an elementary school building project for a school in a priority school district or for a priority school is necessary in order to offer a full-day kindergarten program or a full-day preschool program or to reduce class size pursuant to section 10-265f, the percentage determined pursuant to this section shall be increased by fifteen percentage points, but shall not exceed one hundred per cent, for the portion of the building used primarily for such full-day kindergarten program, full-day preschool program or such reduced size classes. Recipient districts that receive an increase pursuant to this subsection in support of a full-day preschool program**[**,**]** shall maintain full-day preschool enrollment for at least ten years.

(i) For all projects authorized on or after July 1, 2007, all attorneys' fees and court costs related to litigation shall be eligible for state school construction grant assistance only if the grant applicant is the prevailing party in any such litigation.

(j) The percentage determined pursuant to this section for a school building project grant for a diversity school, approved pursuant to section 10-286h, shall be increased by ten percentage points.

[(k) On and after July 1, 2024, for applications submitted pursuant to subsection (a) of section 10-283, the percentage of school building project grant money a local or regional board of education may be eligible to receive shall be increased by five percentage points if, prior to December first of the year in which the board submits an application for a grant, such board submits a written determination issued by the

Commissioner of Housing within such year finding that the municipality in which the school building project is to occur has been deemed to be an inclusive municipality. As used in this subsection, "inclusive municipality" means any municipality that: (1) Has a total population, as defined in section 10-261, that is greater than six thousand; (2) has less than ten per cent of its housing units determined by the commissioner to be affordable; (3) has adopted and maintains zoning regulations that (A) promote fair housing, as determined by the commissioner, (B) provide a streamlined process for the approval of the development of multifamily housing of three units or more, (C) permit mixed-use development, and (D) allow accessory dwelling units; and (4) has constructed new affordable housing units that (A) are restricted, through deeds, covenants or other means, to individuals or families whose income is eighty per cent or less of the state median income, and (B) equal at least one per cent of such town's total housing units in the three years immediately preceding the submission of an application under this section.**]**

[(l)**]** (k) If a school building project for a new building or for the renovation or expansion of an existing building includes plans for the expansion or creation of in-district special education programming and services, the percentage determined pursuant to this section shall be increased by fifteen percentage points, but shall not exceed one hundred per cent, for the portion of the project used primarily for such purpose, provided the portion of such school building project that will be used primarily for such in-district special education programming and services shall be a part of a school building that is being used to provide a program of general education for nonspecial education students and is a part of the school building being constructed or renovated or expanded; and, provided further, any additional funding received by the local or regional board of education resulting from and related to the inclusion of such plans for the expansion or creation of in-district special education programming and services shall be expended for such construction or renovation or expansion.

(l) On and after July 1, 2026, for applications submitted pursuant to subsection (a) of section 10-283, the reimbursement percentage of school building project that a local or regional board of education or an endowed academy approved pursuant to section 10-34 shall be increased by five percentage points, provided such increase shall not result in a reimbursement percentage exceeding one hundred per cent, if the municipality (1) is in compliance with the provisions of section 5 of this act regarding its housing growth plan or compliance with a regional housing growth plan, as applicable, and has demonstrated steps such municipality has taken to implement its housing growth policies, (2) is a qualifying transit-oriented community pursuant to section 11 of this act, or (3) has adopted a development district established pursuant to a memorandum of agreement with the Connecticut Municipal Development Authority.

Sec. 47. (NEW) (*Effective January 1, 2026*) (a) On and after July 1, 2028, the Secretary of the Office of Policy and Management shall establish and administer a program to provide loans for any municipality that seeks to develop an eligible water quality project, as defined in section 22a-475 of the general statutes, for sewer collection and conveyance system improvements. To be eligible to receive such a loan, a municipality that seeks to develop any such project shall comply with the criteria set forth in subsections (b) and (c) of this section. No loan provided pursuant to this section shall exceed one hundred per cent of the eligible water quality project costs. Notwithstanding any section of chapter 446k of the general statutes, any such loan shall be made at an interest rate of one and one-half per cent per annum for a term of twenty years.

(b) To be eligible for a loan pursuant to this section, a municipality shall:

(1) Have a population of not more than fifty thousand people;

(2) Obtain a letter from the Office of Policy and Management that confirms the proposed project is consistent with the state's plan of

conservation and development; and

(3) Demonstrate that the eligible sewer collection and conveyance system improvement is or will be funded, designed and constructed in a manner that complies with applicable state and federal statutes and regulations.

(c) In addition to the requirements of subsection (b) of this section, to be eligible to receive a loan pursuant to this section, a municipality shall:

(1) Demonstrate, to the satisfaction of the secretary, that the municipality has taken steps to implement an approved housing growth plan or regional housing growth plan, in accordance with section 5 of this act; or

(2) Be a qualifying transit-oriented community pursuant to section 11 of this act; or

(3) Have an adopted development district established pursuant to a memorandum of agreement with the Connecticut Municipal Development Authority.

Sec. 48. Section 8-37r of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(a) There shall be a Department of Housing, which shall be the lead agency for all matters relating to housing. The department head shall be the Commissioner of Housing, who shall be appointed by the Governor in accordance with the provisions of sections 4-5 to 4-8, inclusive, **[**with**]** <u>and shall have</u> the powers and duties **[**therein**]** prescribed <u>in said sections</u>. **[**Said**]** <u>The</u> commissioner shall be responsible at the state level for all aspects of policy, development, redevelopment, preservation, maintenance and improvement of housing and neighborhoods. **[**Said**]** <u>The</u> commissioner shall be responsible for developing strategies to encourage the provision of housing in the state, including housing for very low, low and moderate income families.

(b) The Department of Housing shall constitute a successor to the functions, powers and duties of the Department of Economic Development relating to housing, community development, redevelopment and urban renewal as set forth in chapters 128, 129, 130, 135 and 136 in accordance with the provisions of sections 4-38d, 4-38e and 4-39. The Department of Housing is designated a public housing agency **[**for the purpose of administering the Section 8 existing certificate program and the housing voucher program**]** pursuant to the Housing Act of 1937.

[(c) The commissioner shall, in consultation with the interagency council on affordable housing established pursuant to section 8-37nnn, review the organization and delivery of state housing programs and submit a report with recommendations, in accordance with the provisions of section 11-4a, not later than January 15, 2013, to the joint standing committees of the General Assembly having cognizance of matters relating to housing and appropriations.**]**

[(d)**]** (c) Any order or regulation of the Department of Housing or Department of Economic and Community Development that is in force on January 1, 2013, shall continue in force and effect as an order or regulation until amended, repealed or superseded pursuant to law.

[(e)**]** (d) On and after July 1, 2017, the Department of Housing shall constitute a successor department, in accordance with the provisions of sections 4-38d, 4-38e and 4-39, to the Department of Children and Families with respect to the homeless youth program as set forth in section 17a-62a.

(e) The commissioner shall have the power to (1) develop a housing project, as defined in section 8-39, on land owned or otherwise under the control of the state, (2) sell or lease any such project developed by the commissioner upon terms and conditions that the commissioner deems appropriate, (3) sell or lease any dwelling unit, as defined in section 47-1, that is part of any such housing project developed by the commissioner, and (4) provide for the management of any such project developed by the commissioner upon terms and conditions that the commissioner deems appropriate. If any such project is to be sold or leased pursuant to subdivision (2) of this subsection, the commissioner shall grant a right of first refusal to any housing authority, as defined in section 8-39, whose area of operation, as defined in section 8-39, includes such project. The commissioner shall provide written notice of the execution of a purchase agreement concerning any such project to any such housing authority, and if such housing authority elects to exercise its right of first refusal concerning such project, such housing authority shall provide written notice of such election to the commissioner not less than sixty days after receipt of the commissioner's notice concerning the execution of a purchase agreement concerning the project. If a housing authority has declined to exercise such right by failure to timely act on such right or written notice to the commissioner, the commissioner shall give preference in the sale or lease of such project to a nonprofit entity. If a dwelling unit is sold or leased in any such project pursuant to subdivision (3) of this subsection, the commissioner shall comply with the order of priorities set forth in section 8-76 applicable to such unit.

(f) Before exercising the authority to develop a housing project pursuant to this section, the commissioner shall submit a report to the Council on Housing Development established pursuant to section 14 of this act concerning the process for identifying real property (1) suitable for such development, including that such development is consistent with a municipal housing growth plan or a regional housing growth plan, as such terms are defined in section 4 of this act, (2) the geographic location of such real property, (3) income targets of the population to be served by such development, (4) any priorities for tenant selection concerning such development, if any, and (5) any other preferences or factors applied or considered by the commissioner regarding individuals or households that may reside in such development.

Sec. 49. Subsection (g) of section 1 of public act 25-164 is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(g) A municipality that adopts or has adopted zoning regulations pursuant to section 8-2 of the general statutes, as amended by this act, that allow for the conversion or partial conversion of any commercial building into a residential development pursuant to this section shall be given priority funding by the Commissioner of Economic and Community Development under the greyfield revitalization program established pursuant to section [99] 112 of [senate bill 1247 of the current session] public act 25-174.

Sec. 50. Subdivision (10) of section 8-169hh of the general statutes, as amended by section 102 of public act 25-168, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(10) "Joint member entity" means two or more municipalities that together opt to join the Connecticut Municipal Development Authority in accordance with section 8-169*ll*, provided no such municipality is [considered part of the capital region, as defined in section 32-600] the city of Hartford or the town of East Hartford;

Sec. 51. Subsection (c) of section 7-148rr of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(c) For the purposes of this section, a municipal function shall include, but not be limited to, administrative and regulatory activities described in chapters 93, 96a and 100, sections 7-148b, as amended by this act, 7-148g, 7-148p, 8-3, as amended by this act, 12-136, 22-331, 22-340, 22a-36 to 22a-45, inclusive, and 29-251 to 29-371, inclusive, and planning activities described in sections 8-23 [, 8-30j] and 19a-181b.

Sec. 52. Subsection (a) of section 8-30g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(a) As used in this section: [and section 8-30j:]

(1) "Affordable housing development" means a proposed housing development which is (A) assisted housing, or (B) a set-aside development;

(2) "Affordable housing application" means any application made to a commission in connection with an affordable housing development by a person who proposes to develop such affordable housing;

(3) "Assisted housing" means housing which is receiving, or will receive, financial assistance under any governmental program for the construction or substantial rehabilitation of low and moderate income housing, and any housing occupied by persons receiving rental assistance under chapter 319uu or Section 1437f of Title 42 of the United States Code;

(4) "Commission" means a zoning commission, planning commission, planning and zoning commission, zoning board of appeals or municipal agency exercising zoning or planning authority;

(5) "Municipality" means any town, city or borough, whether consolidated or unconsolidated;

(6) "Set-aside development" means a development in which not less than thirty per cent of the dwelling units will be conveyed by deeds containing covenants or restrictions which shall require that, for at least forty years after the initial occupation of the proposed development, such dwelling units shall be sold or rented at, or below, prices which will preserve the units as housing for which persons and families pay thirty per cent or less of their annual income, where such income is less than or equal to eighty per cent of the median income. In a set-aside development, of the dwelling units conveyed by deeds containing covenants or restrictions, a number of dwelling units equal to not less than fifteen per cent of all dwelling units in the development shall be sold or rented to persons and families whose income is less than or equal to sixty per cent of the median income and the remainder of the dwelling units conveyed by deeds containing covenants or restrictions shall be

sold or rented to persons and families whose income is less than or equal to eighty per cent of the median income;

(7) "Median income" means, after adjustments for family size, the lesser of the state median income or the area median income for the area in which the municipality containing the affordable housing development is located, as determined by the United States Department of Housing and Urban Development; and

(8) "Commissioner" means the Commissioner of Housing.

Sec. 53. Sections 4-68ii, 8-2p, 8-30j and 8-446a of the general statutes are repealed. (*Effective January 1, 2026*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	*January 1, 2026*	New section
Sec. 2	*January 1, 2026*	12-701(a)(20)(B)
Sec. 3	*January 1, 2026*	New section
Sec. 4	*January 1, 2026*	New section
Sec. 5	*January 1, 2026*	New section
Sec. 6	*January 1, 2026*	New section
Sec. 7	*January 1, 2026*	New section
Sec. 8	*January 1, 2026*	New section
Sec. 9	*January 1, 2026*	New section
Sec. 10	*January 1, 2026*	New section
Sec. 11	*January 1, 2026*	New section
Sec. 12	*January 1, 2026*	8-169tt(a)
Sec. 13	*January 1, 2026*	8-2o(g)
Sec. 14	*from passage*	New section
Sec. 15	*January 1, 2026*	New section
Sec. 16	*July 1, 2026*	8-2s
Sec. 17	*January 1, 2026*	8-2r(a)
Sec. 18	*July 1, 2026*	8-2(d)
Sec. 19	*July 1, 2026*	New section
Sec. 20	*July 1, 2026*	New section
Sec. 21	*January 1, 2026*	8-2c
Sec. 22	*January 1, 2026*	8-2o(f)

Sec. 23	*from passage*	New section
Sec. 24	*January 1, 2026*	8-3(b)
Sec. 25	*January 1, 2026*	New section
Sec. 26	*January 1, 2026*	New section
Sec. 27	*January 1, 2026*	New section
Sec. 28	*January 1, 2026*	New section
Sec. 29	*January 1, 2026*	SA 21-26, Sec. 1
Sec. 30	*January 1, 2026*	4-66k
Sec. 31	*January 1, 2026*	3-129g(k)
Sec. 32	*January 1, 2026*	New section
Sec. 33	*from passage*	New section
Sec. 34	*January 1, 2026*	New section
Sec. 35	*January 1, 2026*	7-148b
Sec. 36	*January 1, 2026*	New section
Sec. 37	*January 1, 2026*	47a-23(a)
Sec. 38	*January 1, 2026*	47a-15a
Sec. 39	*January 1, 2026*	21-83
Sec. 40	*January 1, 2026*	29-195
Sec. 41	*January 1, 2026*	8-30g(l)
Sec. 42	*from passage*	New section
Sec. 43	*January 1, 2026*	New section
Sec. 44	*January 1, 2026*	8-68d
Sec. 45	*January 1, 2026*	New section
Sec. 46	*January 1, 2026*	10-285a
Sec. 47	*January 1, 2026*	New section
Sec. 48	*January 1, 2026*	8-37r
Sec. 49	*from passage*	PA 25-164, Sec. 1(g)
Sec. 50	*from passage*	8-169hh(10)
Sec. 51	*January 1, 2026*	7-148rr(c)
Sec. 52	*January 1, 2026*	8-30g(a)
Sec. 53	*January 1, 2026*	Repealer section