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2024 Legislative Session Report for the Connecticut Marine Trades Association (CMTA)
June 18, 2024

The 2024 Legislative Session adjourned at midnight on Wednesday, May 8, after the General Assembly passed dozens of bills on the final days. Below is a summary of legislation that our team worked on for the members of the Connecticut Marine Trades Association (CMTA).

The legislature considered many proposals with 2,000 bills introduced and about 200 bills being sent to Governor Lamont. On each bill, he has the option of 1) signing it into law, 2) vetoing it to be sent back to the legislature for potential override action, or 3) allowing it to become law without his signature. Ultimately, the vast majority of bills did not pass, although a number of significant proposals were enacted in the areas of the recreational marine industry. In the end, 173 bills were signed by the governor, and 2 bills were vetoed.

American Rescue Plan Act (ARPA) Allocation Plan and State Bonding/School Construction Bill

In the last two weeks of the 2024 legislative session, the legislature negotiated with the Governor and passed an American Rescue Plan Act (ARPA) allocation plan, House Bill 5523, which passed the House 103-48 and the Senate 26-10. Now Public Act 24–81, the bill was signed by Governor Lamont on May 30, 2024.

The legislature also crafted a bond package, House Bill 5524, which passed the House 134-9 with 8 absent/not voting and the Senate 35-1. The bill is now Public Act No. 24-151, and was signed by the Governor on June 6, 2024.

While the legislature did not pass a traditional budget adjustment and chose to keep the original $26 billion biennium budget passed in 2023 intact, the ARPA allocation took the place of that more traditional budget adjustment typically adopted during even-numbered year legislative sessions.

Highlighted ARPA Investments:

- $80 million to the Connecticut State Colleges & Universities system
- $50 Million to the states Nonprofit Providers
- $27 million for Early Childcare
- $26.2 million to expand behavioral health services for children and similar programs/services.

Link to OLR Bill Analysis of H.B. 5523, as amended by House “A” - https://www.cga.ct.gov/2024/BA/PDF/2024HB-05523-R01-BA.PDF

Link to Public Act No. 24-81: https://www.cga.ct.gov/2024/ACT/PA/PDF/2024PA-00081-R00HB-05523-PA.PDF

Highlighted Bonding:

- Increased bonding to $4.4 billion
- Up to $122 million for the University of Connecticut
- $15 million grant program for Nonprofits serving unhoused individuals

Link to OLR Bill Analysis of H.B. 5524 - https://www.cga.ct.gov/2024/BA/PDF/2024HB-05524-R00-BA.PDF

Link to Public Act No. 24-151: https://www.cga.ct.gov/2024/ACT/PA/PDF/2024PA-00151-R00HB-05524-PA.PDF

Together, these two bills comprise the major fiscal legislation of the 2024 legislative session.

Small Harbors and Marina Dredging

The government relations team worked on a major accomplishment; the General Assembly passed CMTA's small harbor improvement projects bill. This forward-looking legislation establishes a specific account where funds for small harbor improvements, including dredging projects and marina infrastructure repair, can be expended. A similar account exists in statute for the large harbors, but funding is limited to federal dredging projects. House Bill 5189, *An Act Concerning a Small Harbor Improvement Projects Account*, passed both chambers. The bill passed the Senate 36 yea to 0 nay and the House 148 yea to 1 nay and 2 absent and not voting. We will be working with the Governor's office to schedule a bill signing ceremony on this during the summer.

Retaining the CT Port Authority as a Quasi-Public Independent Entity

In another win, CMTA's government relations team took the lead urging legislators to keep the Connecticut Port Authority as a quasi-public independent entity. House Bill 5047 was introduced at the behest of the governor to merge it with the Connecticut Airport Authority as a subsidiary. The team believed that this could reduce the focus and attention to critical marine issues. CMTA testified at the March 15 pubic hearing against the proposal. The committee agreed, and sent the bill with substitute language to the House floor where the bill saw no further action.

Protecting the 2.99 Percent Sales Tax on Boats

CMTA's government relations team also advocated to retain the 2.99 sales and use tax rate on boat sales. Once again during this session, there were legislators and policy groups who sought to flatten the state's tax structure by eliminating special tax provisions such as the 2.99 sales tax rate on vessels. The leadership held off having any votes on this for another year. We expect the advocates will be back next year when a new biennial budget is proposed and the 2.99 sales tax rate remains a target.

Boats Exempted from Right-to-Repair Bill

CMTA's government relations succeeded in exempting boats from a wide-ranging right-to-repair provision in Senate Bill 3, *An Act Concerning Consumer Protection*. Although the bill passed the Senate, due to concerns raised, the bill was not passed by the House on the final night of the session.

CT Port Authority Reports

House Bill 5523, the ARPA bill, Public Act No. 24-81, referenced earlier in this update, includes a provision that will require the CT Port Authority to provide a quarterly report to the Appropriations committee and Transportation committee that includes a summary of activities on dredging and small harbor improvements. These reports will be key for the public and stakeholders to track progress on this matter.

Protecting Previously Allocated Funds for Dredging

A priority of the CMTA's government relations team this session was to protect the remaining funds allocated to dredging activities that were included, with the support of Senate Appropriations chair Sen. Cathy Osten, in the Fiscal Year 2023 budget. Of the original $3 million, $2.25 million remain unspent and need to be obligated in some manner. At our request, Senator Osten has facilitated a meeting with stakeholders, including CMTA, to review options for adding to the current dredging needs assessment that is being conducted by the U.S. Army Corps of Engineers (USACE) with 50 percent funding ($750,000) from the CT Port Authority. Sen. Osten has been a true leader in ensuring that the $2.25 million in funding will remain available for dredging projects.

Other Bills of Significance

- A major priority of the Senate Democratic Caucus and the AFL-CIO was to expand the state's paid sick leave law. Right now, companies with 50 or more employees must provide paid sick leave of up to 40 hours annually. The employee threshold is phased down over the next three years. The new trigger will be 25 employees in 2025, 11 employees in 2026 and one employee in 2027. A business coalition led by the CT Business & Industry Association (CBIA) advocated against adoption of the proposal. The ultimate votes in the House and Senate were largely party-line, with Republicans voting "nay" on the proposition. Virtually all businesses in the state will eventually need to follow the paid sick rules.

  Link to the OLR Bill Analysis HB 5005 (as amended by House "B"):
  https://www.cga.ct.gov/2024/BA/PDF/2024HB-05005-R010617-BA.PDF

  Link to H.B. 5005, *An Act Expanding Sick Days in the State*, Public Act 24-8:
  https://www.cga.ct.gov/2024/ACT/PA/PDF/2024PA-00008-R00HB-05005-PA.PDF

- Senate Bill 424 would lower the driving and boating while impaired threshold from .08 to .05 percent alcohol by weight. The bill died on the Senate calendar.

- House Bill 5222, Public Act No. 24-10, *An Act Establishing A No-Wake Zone On The Pawcatuck River And Authorizing The Purchase Of Certain Riparian Buffers,* allows the DEEP to use funds available for stormwater infrastructure to acquire conservation easements along streams and rivers in the state.

Link to OLR Bill Analysis HB 5222 (as amended by House “A”):
https://www.cga.ct.gov/2024/BA/PDF/2024HB-05222-R010630-BA.PDF

Link to Public Act No. 24-10: https://www.cga.ct.gov/2024/ACT/PA/PDF/2024PA-00010-R00HB-05222-PA.PDF

There will be a Special Session held with the Senate convening on June 26 and the House meeting on June 27. The call will be limited to taking up a commercial property car tax assessment issue that had been stalled in the regular session. This is needed to avoid what otherwise would be upcoming tax increases on these commercial vehicles. A tweak will be made to banking regulations as well.

Finally, we want to join CMTA and welcome Eric Dussault of Old Saybrook to his new position as Maritime Development Manager with the CT Port Authority. Eric Dussault is a veteran of the U.S. Coast Guard, and we look forward to working with him.

We want to thank Tasha Cusson, CMTA president, Bob Petzold, CMTA legislative chair, the CMTA board and Jen Kawecki, managing director, for their support and assistance during the legislative session. This great team effort helped to make the 2024 legislative session a real success for the CT Marine Trades Association and the recreational boating industry.