

Considerations for Connecticut's New Environmental Cleanup Rules

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Connecticut is transitioning to a new approach to environmental cleanup and property transactions. The **[Release-Based Cleanup Regulations](#)** (RBCRs) will replace the Transfer Act[1], which impacted property sales and redevelopment. Effective March 1, 2026, this shift seeks to align Connecticut with other states' practices and may create opportunities and challenges for property owners, developers, and environmental professionals.

For nearly 40 years, the Transfer Act linked environmental inspections and cleanups to property transfers. While well-intentioned, the system created barriers and could delay transactions or deter sales. As properties languished under the weight of complex regulations, contamination issues frequently went unaddressed. A 2019 study examined the economic effects, noting potential impacts on employment and state and local revenue between 2014-2018.[2]

The RBCRs aim to flip this script by focusing on contamination as it is discovered, rather than tying remediation to property sales. By doing so, the new rules seek to encourage proactive cleanup while freeing up properties for timely transactions.

Changes Under the RBCRs

Under the new rules, owners must report contamination upon discovery and adhere to specific cleanup timelines. This shift could change the landscape of Connecticut property transactions, particularly in areas with historical contamination, like urban and coastal sites.

For buyers, the rules may offer greater flexibility. Inspections are no longer mandatory before a sale, which may expedite some transactions. However, this freedom comes with heightened risk. Buyers should consider the potential liabilities of purchasing contaminated properties, especially without pre-transaction inspections, and consider clearly defining environmental responsibilities in sale agreements.

The RBCRs also introduce new allowances, such as thresholds for minor contamination and exemptions for incidental releases. For example, contamination from routine roadwork or utility projects may no longer trigger immediate regulatory action. Similarly, single-family homeowners are exempt, but landlords of multifamily properties face stricter obligations regarding tenant safety.

For urban properties, which often face environmental challenges, there may be renewed interest under the RBCRs. The Transfer Act's soil removal requirements, which mandated replacing four feet of soil in contaminated areas, could make redevelopment cost prohibitive. The new regulations provide more flexible remediation options, which may enable developers to manage contamination without excessive costs.

Possible Regional Implications of Connecticut's Regulatory Shift

Connecticut's transition from the Transfer Act to Release-Based Cleanup Regulations (RBCRs) exemplifies a shift toward decoupling environmental remediation from property transactions, a model that may influence regulatory frameworks in neighboring states. New Jersey's Site Remediation Reform Act (SRRRA) already reflects a release-based approach by emphasizing site-specific cleanup responsibilities, but the RBCRs may further encourage New Jersey to refine its existing policies. The broader principles underlying the RBCRs—streamlining remediation and balancing environmental and economic priorities—may serve as a model for other states in the region as they consider reforms to improve efficiency in addressing historical contamination.

[1] Connecticut General Statutes §§ 22a-134 through 22a-134e

[2] Connecticut Economic Resource Center, Study on the Impact of the Transfer Act (2019) (finding the Act caused the loss of approximately 7,000 jobs and \$178 million in tax revenue from 2014 to 2018), available at [Hartford Business Journal](#).

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