



General Assembly

January Session, 2007

Amendment

LCO No. 7527

HB0549007527HDO

Offered by:
REP. GREEN, 1st Dist.

To: Subst. House Bill No. 5490 File No. 693 Cal. No. 337

"AN ACT ESTABLISHING A FIRST-TIME HOMEBUYER SAVINGS PROGRAM."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective July 1, 2007*) (a) The Commissioner of
4 Economic and Community Development, in consultation with the
5 Commissioner of Revenue Services, shall establish a first-time
6 homebuyer savings pilot program whereby graduates of a high school
7 or a public or independent institution of higher education in the state,
8 for the period ending ten years after the date of graduation, may elect
9 to have fifty per cent of the amount paid for the income tax under
10 chapter 229 of the general statutes in each calendar year segregated by
11 the Commissioner of Revenue Services and deposited into the fund
12 established by section 2 of this act for use in the purchase of a first
13 home by the graduate. Taxes shall be segregated for tax years
14 commencing on January 1, 2008.

15 (b) The pilot program shall consist of five hundred participants, fifty

16 per cent of whom shall have graduated from a high school in the state
17 and fifty per cent of whom shall have graduated from a public or
18 independent institution of higher education in the state. Enrollment
19 shall begin on January 1, 2008. If there are more than five hundred
20 applicants for the program, the Commissioner of Economic and
21 Community Development shall conduct a lottery to select the
22 participants. Applicants not selected shall be placed on a waiting list
23 for the program.

24 (c) The Commissioner of Economic Development, in consultation
25 with the Commissioner of Revenue Services, shall adopt regulations in
26 accordance with the provisions of chapter 54 of the general statutes to
27 carry out the provisions of this section.

28 (d) Not later than December 1, 2007, within available
29 appropriations, the Commissioner of Economic and Community
30 Development shall develop a comprehensive public education
31 program to educate recent graduates of a high school or a public or
32 independent institution of higher education in the state about the first-
33 time homebuyer savings pilot program established under this section.
34 The public education program shall include, but not be limited to,
35 information concerning lifetime savings plans and information on the
36 purchase of a house. The department shall begin to implement the
37 outreach program not later than January 1, 2008.

38 (e) Not later than January 1, 2009, and annually thereafter, the
39 Commissioner of Economic and Community Development shall
40 submit a report to the select committee of the General Assembly
41 having cognizance of matters relating to housing on the pilot program
42 established pursuant to this section. Said report shall analyze the
43 strengths and shortcomings of the pilot program and may include
44 recommendations for legislation.

45 Sec. 2. (NEW) (*Effective July 1, 2007*) There is created a "Connecticut
46 First-time Homebuyers Fund". Moneys segregated by the
47 Commissioner of Revenue Services pursuant to section 1 of this act

48 shall be deposited in the fund. Amounts deposited in the fund shall be
 49 available to the Commissioner of Economic and Community
 50 Development for payments to participants in the first-time home buyer
 51 program established pursuant to section 1 of this act. The State
 52 Treasurer shall invest the proceeds of the fund and the investment
 53 earnings shall be credited to and become part of the General Fund.
 54 Annually, on or before September first, the Treasurer shall notify the
 55 Commissioner of Economic and Community Development of the total
 56 amount in the fund. Any balance remaining in the fund at the end of
 57 each fiscal year shall be carried forward in the fund for the succeeding
 58 fiscal year. Any funds segregated for a participant in the program that
 59 are not used in the purchase of a home shall be transferred to the
 60 General Fund. Any costs incurred by the State Treasurer in
 61 administering the fund shall be paid from the fund."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007</i>	New section
Sec. 2	<i>July 1, 2007</i>	New section