



General Assembly

January Session, 2009

Committee Bill No. 5073

LCO No. 2841

02841HB05073HSG

Referred to Committee on Housing

Introduced by:
(HSG)

AN ACT ESTABLISHING A FIRST-TIME HOMEBUYER SAVINGS PROGRAM.

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

1 Section 1. (NEW) (*Effective July 1, 2009*) (a) The Commissioner of
2 Economic and Community Development, in consultation with the
3 Commissioner of Revenue Services, shall establish a first-time
4 homebuyer savings program whereby graduates of a public or
5 independent institution of higher education in the state, for the period
6 ending ten years after the date of graduation, may elect to have fifty
7 per cent of the amount paid by such graduate for the income tax under
8 chapter 229 of the general statutes in each calendar year segregated by
9 the Commissioner of Revenue Services and deposited into the fund
10 established by section 2 of this act and used for the purchase of the first
11 home of such graduate. Taxes shall be segregated for tax years
12 commencing on January 1, 2010. Payments to a graduate shall equal
13 the amount paid for the income taxes by the graduate. Enrollment in
14 the program shall begin on January 1, 2010.

15 (b) The Commissioner of Economic and Community Development,
16 in consultation with the Commissioner of Revenue Services, shall

17 adopt regulations, in accordance with the provisions of chapter 54 of
18 the general statutes, to carry out the provisions of this section.

19 (c) Not later than December 1, 2009, within available appropriations,
20 the Commissioner of Economic and Community Development shall
21 develop a comprehensive public education program to educate recent
22 graduates of a public or independent institution of higher education in
23 the state about the first-time homebuyer savings program established
24 under this section. The public education program shall include, but not
25 be limited to, information concerning lifetime savings plans and
26 information on the purchase of a house. The department shall begin to
27 implement the outreach program not later than January 1, 2010.

28 (d) Not later than January 1, 2011, and annually thereafter, the
29 Commissioner of Economic and Community Development shall
30 submit a report to the select committee of the General Assembly
31 having cognizance of matters relating to housing on the program
32 established pursuant to this section. Said report shall review the
33 program and may include recommendations for legislation.

34 Sec. 2. (NEW) (*Effective July 1, 2009*) There is created a "Connecticut
35 First-time Homebuyers Fund". Moneys segregated by the
36 Commissioner of Revenue Services pursuant to section 1 of this act
37 shall be deposited in the fund. Amounts deposited in the fund shall be
38 available to the Commissioner of Economic and Community
39 Development for payments to participants in the first-time home buyer
40 program established pursuant to section 1 of this act. The State
41 Treasurer shall invest the proceeds of the fund and investment
42 earnings shall be credited to and become part of the General Fund.
43 Annually, on or before September first, the State Treasurer shall notify
44 the Commissioner of Economic and Community Development of the
45 total amount in the fund. Any balance remaining in the fund at the end
46 of each fiscal year shall be carried forward in the fund for the
47 succeeding fiscal year. Any funds segregated for a participant in the
48 program that are not used in the purchase of a home shall be

49 transferred to the General Fund. Any costs incurred by the State
50 Treasurer in 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, 2009</i>	New section
Sec. 2	<i>July 1, 2009</i>	New section

Statement of Purpose:

To establish a first-time homebuyer savings pilot program creating a mechanism to provide funds to graduates of public or independent institutions of higher education.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: REP. GREEN, 1st Dist.

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