



General Assembly

January Session, 2021

Raised Bill No. 816

LCO No. 1706



Referred to Committee on AGING

Introduced by:
(AGE)

AN ACT ESTABLISHING A REVOLVING LOAN FUND TO ASSIST ELDERLY HOMEOWNERS.

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

1 Section 1. (NEW) (*Effective October 1, 2021*) (a) For purposes of this
2 section, "elderly homeowner" means any owner of real property liable
3 for property taxes under chapter 203 of the general statutes who (1) is
4 sixty-five years of age or older on the date of application for a loan under
5 this section, (2) has resided in the municipality levying such property
6 taxes for a period of not less than ten years before the date of such
7 application, and (3) has qualifying income in the tax year immediately
8 preceding the date of application for a loan under this section that does
9 not exceed the income limits set forth in section 12-170aa of the general
10 statutes, as adjusted annually.

11 (b) There is established a revolving loan fund to be known as the
12 "Elderly Homeowner Property Tax Revolving Loan Fund" which shall
13 be a separate nonlapsing account within the General Fund. The fund
14 shall contain any moneys required by law to be deposited in the fund,
15 including, but not limited to, payments of principal and interest on loans

16 made from the fund. The fund shall be administered by the Secretary of
17 the Office of Policy and Management and shall be used to (1) make loans
18 at the prevailing rate of interest pursuant to subsection (c) of this section,
19 and (2) pay reasonable and necessary expenses incurred by the secretary
20 in administering loans under this section. Investment earnings credited
21 to the fund shall become part of the assets of the fund. Any balance
22 remaining in the fund at the end of any fiscal year shall be carried
23 forward in the fund for the fiscal year next succeeding. Payments of
24 principal or interest on a loan made pursuant to this section shall be paid
25 to the State Treasurer for deposit in the fund.

26 (c) (1) Notwithstanding section 12-172 of the general statutes, the
27 state, acting through and in the discretion of the Secretary of the Office
28 of Policy and Management and within available appropriations, may
29 provide loans to elderly homeowners who apply, on a form prescribed
30 by the secretary, provided (A) the elderly homeowner has failed to pay
31 taxes levied against the elderly homeowner's property under chapter
32 203 of the general statutes for not less than the two assessment years
33 preceding the date of application for a loan under this section, (B) the
34 real property subject to tax is not otherwise encumbered, and (C) the
35 principal amount of such loan does not exceed the amount of taxes
36 levied against the real property. The secretary may impose asset limits
37 as a condition of eligibility for loans provided pursuant to this section.

38 (2) If the state provides a loan under this section, the Secretary of the
39 Office of Policy and Management shall have a lien on the real property
40 subject to taxes in the amount of such loan, plus interest at the prevailing
41 rate of interest. Such lien shall have priority over all other liens on such
42 real property except a municipal property tax lien.

43 (3) Any financial assistance provided under this section shall not
44 disqualify the elderly homeowner from receiving benefits for which
45 such elderly homeowner is eligible under the provisions of section 12-
46 129b, 12-129c, 12-129n or 12-170aa of the general statutes.

47 (d) The Secretary of the Office of Policy and Management may adopt

48 regulations, in accordance with the provisions of chapter 54 of the
49 general statutes, to specify application procedures and priorities for
50 providing low-cost loans pursuant to this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2021</i>	New section

AGE

Joint Favorable C/R

APP