AN ACT MITIGATING ADVERSE TAX CONSEQUENCES RESULTING FROM EMPLOYEES WORKING REMOTELY DURING COVID-19, AND CONCERNING THE REMOVAL OF LIENS ON THE PROPERTY OF PUBLIC ASSISTANCE BENEFICIARIES AND A THREE-TIERED GRANTS IN LIEU OF TAXES PROGRAM.

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

Section 1. (Effective from passage) (a) As used in this section, "convenience of the employer rule" means a law or rule that is substantially similar to that set forth in section 12-711 of the general statutes, whether or not reciprocal, and "COVID-19" means the respiratory disease designated by the World Health Organization on February 11, 2020, as coronavirus 19, and any related mutation thereof recognized by said organization as a communicable respiratory disease.

(b) Notwithstanding any provision of title 12 of the general statutes, for the taxable year commencing January 1, 2020:

(1) Any resident who paid income tax to any other state that uses a convenience of the employer rule shall be allowed a credit against such
resident's Connecticut income tax, for the tax paid to such other state on income earned by such resident while working remotely from this state for said taxable year, including while obligated by necessity to work remotely from this state;

(2) Any resident who paid income tax to any other state that has enacted a law or rule requiring a nonresident employee to pay nonresident income tax to such other state on income earned while such nonresident employee was working remotely from this state due to COVID-19 if, immediately prior to March 11, 2020, such nonresident employee was performing such work within such other state, shall be allowed a credit against such resident's Connecticut income tax, for the tax paid to such other state on income earned by such resident while working remotely from this state for said taxable year; and

(3) The Department of Revenue Services shall not consider, in determining whether an employer has nexus with this state for purposes of the imposition of any Connecticut tax, the activities of an employee who worked remotely from this state during said taxable year solely due to COVID-19.

Sec. 2. Section 4a-13 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2021):

For purposes of this section and section 4a-16, as amended by this act, "cash assistance" means payments made to a beneficiary of the aid to families with dependent children program, the state-administered general assistance program, the state supplement program or the temporary family assistance program. The Commissioner of Administrative Services may accept mortgage notes and mortgage deeds in payment of claims due for welfare assistance or institutional care, as defined in section 17b-222, or correctional institutions administered by the Commissioner of Correction, and (2) cash assistance and medical assistance, provided that no such claims shall be due and payable from mortgage notes and mortgage deeds valued at two hundred fifty thousand dollars or less.
unless required under federal law or the provisions of section 18-85c. The commissioner may accept such mortgage notes and mortgage deeds on such terms and conditions as the commissioner deems proper and reasonable, and such encumbrances may be foreclosed in an action brought in a court of competent jurisdiction by the commissioner on behalf of the state. Any such encumbrance shall be released by the commissioner upon payment of the amount by it secured.

Sec. 3. Section 4a-16 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2021):

When any person supported or cared for by the state (1) under a program of [public] cash or medical assistance, [or] (2) in an institution maintained by the Department of Developmental Services or Department of Mental Health and Addiction Services, [or] (3) when an inmate of the Department of Correction, or [when any] (4) as a child committed to the Commissioner of Social Services or Commissioner of Children and Families dies, leaving only personal estate, including personal assets owing and due the estate after death, not exceeding the aggregate value, as described in section 45a-273, as amended by this act, the Commissioner of Administrative Services or the commissioner's authorized representative shall [, upon filing] file with the probate court having jurisdiction of such estate a certificate that the total estate is under the aggregate value, as described in section 45a-273, as amended by this act, and the claim of the state for the cost of any care or support, required to be recovered under federal law or the provisions of 18-85c, together with the expense of last illness not exceeding three hundred seventy-five dollars and funeral and burial expenses in accordance with [section] sections 17b-84 and 17b-131, equals or exceeds the amount of such estate. [,] The commissioner shall be issued a certificate by said court that the commissioner is the legal representative of such estate only for the following purpose. The commissioner shall have authority to claim such estate, the commissioner's receipt for the same to be a valid discharge of the liability of any person turning over the same, and to settle the same by payment of the expense of last illness not exceeding three hundred seventy-five dollars, expense of funeral and burial in
accordance with [section] sections 17b-84 and 17b-131 and the
remainder as partial or full reimbursement of the claim of the state only
for amounts due under the provisions of section 18-85c or federal law
for (A) care [or assistance] rendered to the decedent as described in
subdivisions (2) to (4), inclusive, of this section, or (B) cash or medical
assistance the state is required to recover under federal law. The
commissioner shall file with said probate court a statement of the
settlement of such estate as herein provided.

Sec. 4. Subsection (b) of section 17b-77 of the general statutes is
repealed and the following is substituted in lieu thereof (Effective July 1,
2021):

(b) The Commissioner of Social Services shall notify each applicant
for aid under the state supplement program, medical assistance
program, temporary family assistance program and state-administered
general assistance program of the provisions of sections 17b-93 to 17b-
97, inclusive, as amended by this act, in general terms, at the time of
application for such aid. The commissioner shall notify each person who
may be liable for repayment of such aid, if known, of the provisions of
sections 17b-93 to 17b-97, inclusive, as amended by this act, in general
terms, not later than thirty days after the applicant for such aid is
determined to be eligible for such aid or, if not known at the time the
applicant is determined to be eligible for such aid, [the department shall
give such notice] not later than thirty days after the date on which the
commissioner identifies such person as one who may be liable for
repayment of such aid. The notice shall be (1) written in plain language,
(2) in an easily readable and understandable format, and (3) whenever
possible, in the first language of the applicant or person who may be
liable for repayment of such aid.

Sec. 5. Section 17b-79 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2021):

(a) For purposes of this section, "cash assistance" means payments
made to a beneficiary of the state supplement program, temporary
family assistance program or the state-administered general assistance program. No person shall be deemed ineligible to receive an award under the state supplement program, medical assistance program, temporary family assistance program, state-administered general assistance program or supplemental nutrition assistance program for himself or herself or for any person for whose support he or she is liable by reason of having an interest in real property, maintained as his or her home, provided the equity in such property [shall] does not exceed the limits established by the commissioner. The commissioner may place a lien against any property to secure the claim of the state for all amounts which it has paid or may thereafter pay to such person or in such person's behalf [under any such program, or] (1) for cash or medical assistance, (2) to or on behalf of any person for whose support he or she is liable, [except for] or (3) for any medical assistance, provided that, for property valued at two hundred fifty thousand dollars or less, the commissioner may only recover amounts due for cash or medical assistance required to be recovered under federal law. Such recovery shall not include property maintained as a home in aid to families of dependent children cases, in which case such lien shall secure the state only for that portion of the assistance grant awarded for amortization of a mortgage or other encumbrance beginning with the fifth month after the original grant for principal payment on any such encumbrance is made, and each succeeding month of such grant thereafter. The claim of the state shall be secured by filing a certificate in the land records of the town or towns in which any such real estate is situated, describing such real estate. Any such lien may, at any time during which the amount secured by such lien remains unpaid, be foreclosed in an action brought in a court of competent jurisdiction by the commissioner on behalf of the state. Any real estate to which title has been taken by foreclosure under this section, or which has been conveyed to the state in lieu of foreclosure, may be sold, transferred or conveyed for the state by the commissioner with the approval of the Attorney General, and the commissioner may, in the name of the state, execute deeds for such purpose. Such lien shall be released by the commissioner upon payment of the amount secured by such lien, or an amount equal to the value of
the beneficiary's interest in such property if the value of such interest is less than the amount secured by such lien, at the commissioner's discretion, and with the advice and consent of the Attorney General, upon a compromise of the amount due to the state. At the discretion of the commissioner, the beneficiary, or, in the case of a husband and wife living together, the survivor of them, as long as he or she lives, or a dependent child or children, may be permitted to occupy such real property.

(b) On and after July 1, 2021, the state shall not recover cash assistance or medical assistance from a lien filed on any property valued at two hundred fifty thousand dollars or less, unless the state is required to recover such assistance under federal law. Any certificate or lien filed under this section by or on behalf of the state on such property prior to July 1, 2021, shall be released by the state if the recovery of such assistance is not required under federal law.

Sec. 6. Section 17b-85 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2021):

If any person receiving an award for the care of any dependent child or children, or any person legally liable for the support of such child or children, or any other person being supported wholly or in part under the provisions of the state supplement program, medical assistance program, temporary family assistance program or state-administered general assistance program or any beneficiary under such provisions or any legally liable relative of such beneficiary, receives property, wages, income or resources of any kind, such person or beneficiary, within ten days after obtaining knowledge of or receiving such property, wages, income or resources, shall notify the commissioner thereof, orally or in writing, unless good cause is established for failure to provide such notice, as determined by the commissioner. No such person or beneficiary shall sell, assign, transfer, encumber or otherwise dispose of any property without the consent of the commissioner unless such property is valued at two hundred fifty thousand dollars or less and such person has not received care or support payments the state is
required to recover under federal law. The provisions of section 17b-137 shall be applicable with respect to any person applying for or receiving an award under such provisions. Except for the supplemental nutrition assistance program, any change in the information which has been furnished on an application form or a redetermination of eligibility form shall also be reported to the commissioner, orally or in writing, within ten days of the occurrence of such change, unless good cause is established for failure to provide such notice, as determined by the commissioner. For participants in the supplemental nutrition assistance program, the commissioner shall establish reporting requirements regarding such changes in information in accordance with applicable federal law, as may be amended from time to time.

Sec. 7. Section 17b-93 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2021):

(a) If a beneficiary of aid under the state supplement program, medical assistance program, aid to families with dependent children program, temporary family assistance program or state-administered general assistance program has or acquires property of any kind or interest in any property, estate or claim of any kind, except moneys received for the replacement of real or personal property, the state of Connecticut shall have a claim, subject to subsections (b) and (c) of this section and the provisions of section 17b-94, as amended by this act, which shall have priority over all other unsecured claims and unrecorded encumbrances, against such beneficiary for the full amount paid, [subject to the provisions of section 17b-94, to the beneficiary or on the beneficiary's behalf under said programs;] provided that the state's claim on property valued at two hundred fifty thousand dollars or less shall not exceed the amount the state is required to recover under federal law, and, in addition thereto, the parents of an aid to dependent children beneficiary, a state-administered general assistance beneficiary or a temporary family assistance beneficiary shall be liable to repay, subject to the provisions of section 17b-94, as amended by this act, to the state the full amount of any such aid paid to or on behalf of either parent, his or her spouse, and his or her dependent child or children, as defined
in section 17b-75, to the extent such payments are required to be recovered by the state under federal law or the value of such parent's assets or estate exceeds two hundred fifty thousand dollars. The state of Connecticut shall have a lien against property of any kind or interest in any property, estate or claim of any kind of the parents of an aid to dependent children, temporary family assistance or state administered general assistance beneficiary, in addition and not in substitution of any other state claim, for amounts owing under any order for support of any court or any family support magistrate, including any arrearage under such order, provided household goods and other personal property identified in section 52-352b, real property pursuant to section 17b-79, as amended by this act, as long as such property is used as a home for the beneficiary and money received for the replacement of real or personal property, shall be exempt from such lien.

(b) Any person who received cash benefits under the aid to families with dependent children program, the temporary family assistance program or the state-administered general assistance program, when such person was under eighteen years of age, shall not be liable to repay the state for such assistance.

(c) No claim, except a claim required to be made under federal law, shall be made, or lien applied, against any payment made pursuant to chapter 135, any payment made pursuant to section 47-88d or 47-287, any moneys received as a settlement or award in a housing or employment or public accommodation discrimination case, any court-ordered retroactive rent abatement, including any made pursuant to subsection (e) of section 47a-14h or section 47a-4a, 47a-5 or 47a-57, or any security deposit refund pursuant to subsection (d) of section 47a-21 paid to a beneficiary of assistance under the state supplement program, medical assistance program, aid to families with dependent children program, temporary family assistance program or state-administered general assistance program or paid to any person who has been supported wholly, or in part, by the state, in accordance with section 17b-223, in a humane institution.
(d) Notwithstanding any provision of the general statutes, whenever funds are collected pursuant to this section or section 17b-94, as amended by this act, and the person who otherwise would have been entitled to such funds is subject to a court-ordered current or arrearage child support payment obligation in a IV-D support case, such funds shall first be paid to the state for reimbursement of Medicaid funds granted to such person for medical expenses incurred for injuries related to a legal claim by such person which was the subject of the state's lien and such funds shall then be paid to the Office of Child Support Services for distribution pursuant to the federally mandated child support distribution system implemented pursuant to subsection (j) of section 17b-179. The remainder, if any, shall be paid to the state for payment of previously provided assistance [through the state supplement program, medical assistance program, aid to families with dependent children program, temporary family assistance program or state-administered general assistance program] that the state is required to recover under federal law or, if such recovery is not required under federal law, from an estate that exceeds the value of two hundred fifty thousand dollars.

(e) The Commissioner of Social Services shall adopt regulations, in accordance with chapter 54, establishing criteria and procedures for adjustment of the claim of the state of Connecticut against any parent liable for child support payments under subsection (a) of this section. The purpose of any such adjustment shall be to encourage the positive involvement of noncustodial parents in the lives of their children and to encourage noncustodial parents to begin making regular support payments.

(f) On and after July 1, 2021, the state shall not recover cash assistance or medical assistance from a lien filed on any property valued at two hundred fifty thousand dollars or less, unless the state is required to recover such assistance under federal law. Any certificate or lien filed under this section by or on behalf of the state on such property prior to July 1, 2021, shall be released by the state if the recovery of such assistance is not required under federal law. For purposes of this subsection, cash assistance means payments made to a beneficiary of the
aid to families with dependent children program, the state-administered general assistance program, the state supplement program or the temporary family assistance program.

Sec. 8. Section 17b-94 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2021):

(a) In the case of causes of action of beneficiaries of aid under the state supplement program, medical assistance program, aid to families with dependent children program, temporary family assistance program or state-administered general assistance program, subject to subsections (b) and (c) of section 17b-93, as amended by this act, or of a parent liable to repay the state under the provisions of section 17b-93, as amended by this act, the claim of the state shall be a lien against the proceeds therefrom in the amount of the assistance paid or fifty per cent of the proceeds received by such beneficiary or such parent after payment of all expenses connected with the cause of action, whichever is less, for repayment under section 17b-93, as amended by this act, [and shall have priority] provided the proceeds from the cause of action exceeds two hundred fifty thousand dollars or the state is required to recover all, or a portion of the proceeds, under federal law for the assistance paid. The state's claim shall have priority over all other claims except attorney's fees for said causes, expenses of suit, costs of hospitalization connected with the cause of action by whomever paid over and above hospital insurance or other such benefits, and, for such period of hospitalization as was not paid for by the state, physicians' fees for services during any such period as are connected with the cause of action over and above medical insurance or other such benefits; and such claim shall consist of the total assistance repayment for which claim may be made under said programs under the provisions of this section. The proceeds of such causes of action shall be assignable to the state for payment of the amount due under section 17b-93, as amended by this act, subject to the provisions of this subsection, irrespective of any other provision of law. Upon presentation to the attorney for the beneficiary of an assignment of such proceeds executed by the beneficiary or his conservator or guardian, such assignment shall constitute an irrevocable direction to
the attorney to pay the Commissioner of Administrative Services in accordance with its terms, except if, after settlement of the cause of action or judgment thereon, the Commissioner of Administrative Services does not inform the attorney for the beneficiary of the amount of lien which is to be paid to the Commissioner of Administrative Services within forty-five days of receipt of the written request of such attorney for such information, such attorney may distribute such proceeds to such beneficiary and shall not be liable for any loss the state may sustain thereby.

(b) In the case of an inheritance of an estate by a beneficiary of aid under the state supplement program, medical assistance program, aid to families with dependent children program, temporary family assistance program or state-administered general assistance program, subject to subsections (b) and (c) of section 17b-93, as amended by this act, or by a parent liable to repay the state under the provisions of section 17b-93, as amended by this act, fifty per cent of the assets of the estate payable to the beneficiary or such parent or the amount of such assets equal to the amount of assistance paid, provided the value of the estate exceeds two hundred fifty thousand dollars, or is otherwise required to be recovered by the state under federal law, whichever is less, shall be assignable to the state for payment of the amount due under section 17b-93, as amended by this act. The state shall have a lien against such assets in the applicable amount specified in this subsection. The Court of Probate shall accept any such assignment executed by the beneficiary or parent or any such lien notice if such assignment or lien notice is filed by the Commissioner of Administrative Services with the court prior to the distribution of such inheritance, and to the extent of such inheritance not already distributed, the court shall order distribution in accordance with such assignment or lien notice. If the Commissioner of Administrative Services receives any assets of an estate pursuant to any such assignment, the commissioner shall be subject to the same duties and liabilities concerning such assigned assets as the beneficiary or parent.

(c) On and after July 1, 2021, the state shall not recover cash assistance
or medical assistance from a lien filed on any property or estate valued
at two hundred fifty thousand dollars or less, unless the state is required
to recover such assistance under federal law. Any certificate or lien filed
under this section by or on behalf of the state on such property or estate
prior to July 1, 2021, shall be released by the state if the recovery of such
assistance is not required under federal law. For purposes of this
subsection, cash assistance means payments made to a beneficiary of the
aid to families with dependent children program, the state-administered
general assistance program, the state supplement program or the
temporary family assistance program.

Sec. 9. Section 17b-95 of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2021):

(a) For purposes of this section, "cash assistance" means payments
made to a beneficiary under the state supplement program, aid to
families with dependent children program, temporary family assistance
program or state-administered general assistance program. Subject to
the provisions of subsection (b) of this section, upon the death of a
parent of a child who has, at any time, been a beneficiary under the
program of aid to families with dependent children, the temporary
family assistance program or the state-administered general assistance
program, or upon the death of any person who has at any time been a
beneficiary of aid under the state supplement program, medical
assistance program, aid to families with dependent children program,
temporary family assistance program or state-administered general
assistance program, except as provided in subsection (b) of section 17b-93, as amended by this act, the state shall have a claim against such
parent's or [person's] beneficiary's estate for all [amounts paid on behalf
of each such child or for the support of either parent or such child or
such person under the state supplement program, medical assistance
program, aid to families with dependent children program, temporary
family assistance program or state-administered general assistance
program] cash assistance or medical assistance for which the state has
not been reimbursed, to the extent that (1) the amount which the
surviving spouse, parent or dependent children of the decedent would
otherwise take from such estate is not needed for their support, (2) the
value of the estate exceeds two hundred fifty thousand dollars, or (3) the
state is required to recover such assistance under federal law.
Notwithstanding the provisions of this subsection, effective for services
provided on or after January 1, 2014, no state claim pursuant to this
section shall be made against the estate of a recipient of medical
assistance under the Medicaid Coverage for the Lowest Income
Populations program, established pursuant to Section
1902(a)(10)(A)(i)(VIII) of the Social Security Act, as amended from time
to time, except to the extent required by federal law.

(b) In the case of any person dying after October 1, 1959, the claim for
medical payments, even though such payments were made prior
thereto, shall be restricted to medical disbursements actually made for
care of such deceased beneficiary.

(c) Claims pursuant to this section shall have priority over all
unsecured claims against such estate, except (1) expenses of last sickness
not to exceed three hundred seventy-five dollars, (2) funeral and burial
expenses in accordance with [section] sections 17b-84 and 17b-131, and
(3) administrative expenses, including [probate fees and taxes, and] (A)
taxes, and (B) probate fees, including fiduciary fees not exceeding the
following commissions on the value of the whole estates accounted for
by such fiduciaries: On the first two thousand dollars or portion thereof,
five per cent; on the next eight thousand dollars or portion thereof, four
per cent; on the excess over ten thousand dollars, three per cent. Upon
petition by any fiduciary, the Probate Court, after a hearing thereon,
may authorize compensation in excess of the above schedule for
extraordinary services. Notice of any such petition and hearing shall be
given to the Commissioner of Administrative Services in Hartford at
least ten days in advance of such hearing. The allowable funeral and
burial payment [herein] as provided in this section shall be reduced by
the amount of any prepaid funeral arrangement. Any amount paid from
the estate under this section to any person which exceeds the limits
provided [herein] in this section shall be repaid to the estate by such
person, and such amount may be recovered in a civil action with interest.
at six per cent from the date of demand.

(d) For purposes of this section, all sums due on or after July 1, 2003, to any individual after the death of a [public] cash assistance or medical assistance beneficiary from whom the state is required to recover such assistance under federal law, pursuant to the terms of an annuity contract purchased at any time with assets of [a public assistance] such beneficiary, shall be deemed to be part of the estate of the deceased beneficiary and shall be payable to the state by the recipient of such annuity payments to the extent necessary [to achieve full reimbursement of any public assistance benefits paid to, or on behalf of, the deceased beneficiary] under federal law, irrespective of any provision of law. The recipient of beneficiary payments from any such annuity contract shall be solely liable to the state of Connecticut for reimbursement of [public assistance] cash assistance and medical assistance benefits paid to, or on behalf of, the deceased beneficiary that the state is required to recover under federal law and, for annuity contracts with payments exceeding two hundred fifty thousand dollars, all amounts due the state, regardless of federal law, to the extent of any payments received by such recipient pursuant to the annuity contract.

(e) On and after July 1, 2021, the state shall not recover cash assistance or medical assistance from a lien filed on any property or estate valued at two hundred fifty thousand dollars or less, unless the state is required to recover such assistance under federal law. Any certificate or lien filed under this section by or on behalf of the state on such property or estate prior to July 1, 2021, shall be released by the state if the recovery of such assistance is not required under federal law.

Sec. 10. Section 17b-224 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2021):

A patient who is receiving or has received care in a state humane institution, his estate or both shall be liable to reimburse the state for any unpaid portion of per capita cost, [to the same extent as the liability of a public assistance beneficiary under sections 17b-93 and 17b-95,] subject
to the same protection of a surviving spouse or dependent child as is
provided in section 17b-95, as amended by this act, [and subject to the
same limitations and the same assignment and lien rights as provided
in section 17b-94] provided the unpaid portion is required to be
recovered under federal law or the value of the patient's assets or estate
exceeds two hundred fifty thousand dollars.

Sec. 11. Section 12-18b of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2021):

(a) For purposes of this section:

(1) "College and hospital property" means all real property described
in subsection (a) of section 12-20a;

(2) "District" [means any district, as defined] has the same meaning
as provided in section 7-324;

[(3) "Qualified college and hospital property" means college and
hospital property described in subparagraph (B) of subdivision (2) of
subsection (b) of this section;

(4) "Qualified state, municipal or tribal property" means state,
municipal or tribal property described in subparagraphs (A) to (G),
inclusive, of subdivision (1) of subsection (b) of this section;

(5) "Municipality" means any town, city, borough, consolidated town
and city and consolidated town and borough;

(6) "Select college and hospital property" means college and hospital
property described in subparagraph (A) of subdivision (2) of subsection
(b) of this section;

(7) "Select payment in lieu of taxes account" means the account
established pursuant to section 12-18c;

(8) "Select state property" means state property described in
subparagraph (H) of subdivision (1) of subsection (b) of this section;]
(3) "Equalized net grand list per capita" means the grand list of a municipality upon which taxes were levied for the general expenses of such municipality three years prior to the fiscal year in which a grant under this section is to be paid, equalized in accordance with the provisions of section 10-261a and divided by the total population of such municipality;

(4) "Municipality" means any town, city, borough, consolidated town and city and consolidated town and borough;

(9) "State, municipal or tribal property" means all real property described in subsection (a) of section 12-19a;

(10) "Tier one districts or municipalities" means the ten districts or municipalities with the highest percentage of tax exempt property on the list of municipalities prepared by the Secretary of the Office of Policy and Management pursuant to subsection (c) of this section and having a mill rate of twenty-five mills or more;

(11) "Tier two districts or municipalities" means the next twenty-five districts or municipalities after tier one districts or municipalities with the highest percentage of tax exempt property on the list of municipalities prepared by the Secretary of the Office of Policy and Management pursuant to subsection (c) of this section and having a mill rate of twenty-five mills or more;

(12) "Tier three districts or municipalities" means all districts and municipalities not included in tier one districts or municipalities or tier two districts or municipalities;

(13) "Tier one municipalities" means the ten municipalities with the highest percentage of tax exempt property on the list of municipalities prepared by the Secretary of the Office of Policy and Management pursuant to subsection (c) of this section and having a mill rate of twenty-five mills or more;

(14) "Tier two municipalities" means the next twenty-five
municipalities after tier one municipalities with the highest percentage
of tax exempt property on the list of municipalities prepared by the
Secretary of the Office of Policy and Management pursuant to
subsection (c) of this section and having a mill rate of twenty-five mills
or more;

(15) "Tier three municipalities" means all municipalities not included
in tier one municipalities or tier two municipalities; and

(16) "Mill rate" means the mill rate on real property and personal
property other than motor vehicles]

(6) "Tier one municipalities" means municipalities with an equalized
net grand list per capita of less than one hundred thousand dollars per
capita;

(7) "Tier two municipalities" means municipalities with an equalized
net grand list per capita of one hundred thousand dollars to two
hundred thousand dollars per capita; and

(8) "Tier three municipalities" means municipalities with an
equalized net grand list per capita of greater than two hundred
thousand dollars per capita.

(b) Notwithstanding the provisions of sections 12-19a and 12-20a, all
funds appropriated for state grants in lieu of taxes shall be payable to
municipalities and districts pursuant to the provisions of this section.
On or before January first, annually, the Secretary of the Office of Policy
and Management shall determine the amount due, as a state grant in
lieu of taxes, to each municipality and district in this state wherein
college and hospital property is located and to each municipality in this
state wherein state, municipal or tribal property, except that which was
acquired and used for highways and bridges, but not excepting
property acquired and used for highway administration or maintenance
purposes, is located.

(1) The grant payable to any municipality for state, municipal or tribal
property under the provisions of this section in the fiscal year ending June 30, 2017, and each fiscal year thereafter shall be equal to the total of:

(A) One hundred per cent of the property taxes that would have been paid with respect to any facility designated by the Commissioner of Correction, on or before August first of each year, to be a correctional facility administered under the auspices of the Department of Correction or a juvenile detention center under direction of the Department of Children and Families that was used for incarcerative purposes during the preceding fiscal year. If a list containing the name and location of such designated facilities and information concerning their use for purposes of incarceration during the preceding fiscal year is not available from the Secretary of the State on August first of any year, the Commissioner of Correction shall, on said date, certify to the Secretary of the Office of Policy and Management a list containing such information;

(B) One hundred per cent of the property taxes that would have been paid with respect to that portion of the John Dempsey Hospital located at The University of Connecticut Health Center in Farmington that is used as a permanent medical ward for prisoners under the custody of the Department of Correction. Nothing in this section shall be construed as designating any portion of The University of Connecticut Health Center John Dempsey Hospital as a correctional facility;

(C) One hundred per cent of the property taxes that would have been paid on any land designated within the 1983 Settlement boundary and taken into trust by the federal government for the Mashantucket Pequot Tribal Nation on or after June 8, 1999;

(D) Subject to the provisions of subsection (c) of section 12-19a, sixty-five per cent of the property taxes that would have been paid with respect to the buildings and grounds comprising Connecticut Valley Hospital and Whiting Forensic Hospital in Middletown;

(E) With respect to any municipality in which more than fifty per cent
of the property is state-owned real property, one hundred per cent of
the property taxes that would have been paid with respect to such state-
owned property;

(F) Forty-five per cent of the property taxes that would have been
paid with respect to all municipally owned airports; except for the
exemption applicable to such property, on the assessment list in such
municipality for the assessment date two years prior to the
commencement of the state fiscal year in which such grant is payable.
The grant provided pursuant to this section for any municipally owned
airport shall be paid to any municipality in which the airport is located,
except that the grant applicable to Sikorsky Airport shall be paid one-
half to the town of Stratford and one-half to the city of Bridgeport;

(G) Forty-five per cent of the property taxes that would have been
paid with respect to any land designated within the 1983 Settlement
boundary and taken into trust by the federal government for the
Mashantucket Pequot Tribal Nation prior to June 8, 1999, or taken into
trust by the federal government for the Mohegan Tribe of Indians of
Connecticut, provided the real property subject to this subparagraph
shall be the land only, and shall not include the assessed value of any
structures, buildings or other improvements on such land; and

(H) Forty-five per cent of the property taxes that would have been
paid with respect to all other state-owned real property.

(2) (A) The grant payable to any municipality or district for college
and hospital property under the provisions of this section in the fiscal
year ending June 30, 2017, and each fiscal year thereafter shall be equal
to the total of seventy-seven per cent of the property taxes that, except
for any exemption applicable to any college and hospital property under
the provisions of section 12-81, would have been paid with respect to
college and hospital property on the assessment list in such municipality
or district for the assessment date two years prior to the commencement
of the state fiscal year in which such grant is payable; and

(B) Notwithstanding the provisions of subparagraph (A) of this
subdivision, the grant payable to any municipality or district with respect to a campus of the United States Department of Veterans Affairs Connecticut Healthcare Systems shall be one hundred per cent.

(c) The Secretary of the Office of Policy and Management shall list municipalities, boroughs and districts based on (1) the percentage of real property on the 2012 grand list of each municipality that is exempt from property tax under any provision of the general statutes other than that property described in subparagraph (A) of subdivision (1) of subsection (b) of this section, and (2) for the fiscal year ending June 30, 2022, and each fiscal year thereafter, the equalized net grand list per capita of each municipality. Boroughs and districts shall have the same ranking as the town, city, consolidated town and city or consolidated town and borough in which such borough or district is located.

[(d) For the fiscal year ending June 30, 2017, if the total of grants payable to each municipality and district in accordance with the provisions of subsection (b) of this section exceeds the amount appropriated for the purposes of said subsection (b) for said fiscal year: (1) The amount of the grant payable to each municipality for state, municipal or tribal property and to each municipality or district for college and hospital property shall be reduced proportionately, provided the percentage of the property taxes payable to a municipality or district with respect to such property shall not be lower than the percentage paid to the municipality or district for such property for the fiscal year ending June 30, 2015; and (2) certain municipalities and districts shall receive an additional payment in lieu of taxes grant payable from the Municipal Revenue Sharing Fund established in section 4-66p. The total amount of the grant payment is as follows:

<table>
<thead>
<tr>
<th>T1</th>
<th>Municipality/District</th>
<th>Grant Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>T2</td>
<td>Ansonia</td>
<td>19,652</td>
</tr>
<tr>
<td>T3</td>
<td>Bridgeport</td>
<td>3,095,669</td>
</tr>
<tr>
<td>T4</td>
<td>Chaplin</td>
<td>10,692</td>
</tr>
<tr>
<td>T5</td>
<td>Danbury</td>
<td>593,619</td>
</tr>
<tr>
<td>T6</td>
<td>Deep River</td>
<td>1,876</td>
</tr>
<tr>
<td>T8</td>
<td>Derby</td>
<td>132,817</td>
</tr>
<tr>
<td>T9</td>
<td>East Granby</td>
<td>9,474</td>
</tr>
<tr>
<td>T10</td>
<td>East Hartford</td>
<td>205,669</td>
</tr>
<tr>
<td>T11</td>
<td>Hamden</td>
<td>593,967</td>
</tr>
<tr>
<td>T12</td>
<td>Hartford</td>
<td>11,883,205</td>
</tr>
<tr>
<td>T13</td>
<td>Killingly</td>
<td>44,593</td>
</tr>
<tr>
<td>T14</td>
<td>Ledyard</td>
<td>2,881</td>
</tr>
<tr>
<td>T15</td>
<td>Litchfield</td>
<td>13,303</td>
</tr>
<tr>
<td>T16</td>
<td>Mansfield</td>
<td>2,516,331</td>
</tr>
<tr>
<td>T17</td>
<td>Meriden</td>
<td>248,303</td>
</tr>
<tr>
<td>T18</td>
<td>Middletown</td>
<td>695,770</td>
</tr>
<tr>
<td>T19</td>
<td>Montville</td>
<td>25,080</td>
</tr>
<tr>
<td>T20</td>
<td>New Britain</td>
<td>1,995,060</td>
</tr>
<tr>
<td>T21</td>
<td>New Haven</td>
<td>14,584,940</td>
</tr>
<tr>
<td>T22</td>
<td>New London</td>
<td>1,297,919</td>
</tr>
<tr>
<td>T23</td>
<td>Newington</td>
<td>169,211</td>
</tr>
<tr>
<td>T24</td>
<td>North Canaan</td>
<td>4,203</td>
</tr>
<tr>
<td>T25</td>
<td>Norwich</td>
<td>248,588</td>
</tr>
<tr>
<td>T26</td>
<td>Plainfield</td>
<td>15,417</td>
</tr>
<tr>
<td>T27</td>
<td>Simsbury</td>
<td>20,731</td>
</tr>
<tr>
<td>T28</td>
<td>Stafford</td>
<td>41,189</td>
</tr>
<tr>
<td>T29</td>
<td>Stamford</td>
<td>528,332</td>
</tr>
<tr>
<td>T30</td>
<td>Suffield</td>
<td>51,434</td>
</tr>
<tr>
<td>T31</td>
<td>Wallingford</td>
<td>58,914</td>
</tr>
<tr>
<td>T32</td>
<td>Waterbury</td>
<td>3,141,669</td>
</tr>
<tr>
<td>T33</td>
<td>West Hartford</td>
<td>202,308</td>
</tr>
<tr>
<td>T34</td>
<td>West Haven</td>
<td>324,832</td>
</tr>
<tr>
<td>T35</td>
<td>Windham</td>
<td>1,193,950</td>
</tr>
<tr>
<td>T36</td>
<td>Windsor</td>
<td>9,241</td>
</tr>
<tr>
<td>T37</td>
<td>Windsor Locks</td>
<td>31,122</td>
</tr>
<tr>
<td>T38</td>
<td>Borough of Danielson (Killingly)</td>
<td>2,135</td>
</tr>
<tr>
<td>T39</td>
<td>Borough of Litchfield</td>
<td>137</td>
</tr>
<tr>
<td>T40</td>
<td>Middletown: South Fire District</td>
<td>1,121</td>
</tr>
<tr>
<td>T41</td>
<td>Plainfield - Plainfield Fire District</td>
<td>296</td>
</tr>
<tr>
<td>T42</td>
<td>West Haven First Center (D1)</td>
<td>1,136</td>
</tr>
<tr>
<td>T43</td>
<td>West Haven: Allingtown FD (D3)</td>
<td>50,751</td>
</tr>
<tr>
<td>T44</td>
<td>West Haven: West Shore FD (D2)</td>
<td>33,544</td>
</tr>
</tbody>
</table>

(e) (1) For the fiscal years ending June 30, 2018, and June 30, 2019, if the total of grants payable to each municipality and district in accordance with the provisions of subsection (b) of this section exceeds
the amount appropriated for the purposes of said subsection (b) for said
fiscal years: (A) The amount of the grant payable to each municipality
for state, municipal or tribal property and to each municipality or
district for college and hospital property shall be reduced
proportionately, provided the percentage of the property taxes payable
to a municipality or district with respect to such property shall not be
lower than the percentage paid to the municipality or district for such
property for the fiscal year ending June 30, 2015; and (B) certain
municipalities and districts shall receive an additional payment in lieu
of taxes grant payable from the select payment in lieu of taxes account.
The total amount of the grant payment is as follows:

<table>
<thead>
<tr>
<th>T45</th>
<th>Municipality/District</th>
<th>Grant Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>T46</td>
<td>Ansonia</td>
<td>20,543</td>
</tr>
<tr>
<td>T47</td>
<td>Bridgeport</td>
<td>3,236,058</td>
</tr>
<tr>
<td>T48</td>
<td>Chaplin</td>
<td>11,177</td>
</tr>
<tr>
<td>T49</td>
<td>Danbury</td>
<td>620,540</td>
</tr>
<tr>
<td>T50</td>
<td>Deep River</td>
<td>1,961</td>
</tr>
<tr>
<td>T51</td>
<td>Derby</td>
<td>138,841</td>
</tr>
<tr>
<td>T52</td>
<td>East Granby</td>
<td>9,904</td>
</tr>
<tr>
<td>T53</td>
<td>East Hartford</td>
<td>214,997</td>
</tr>
<tr>
<td>T54</td>
<td>Hamden</td>
<td>620,903</td>
</tr>
<tr>
<td>T55</td>
<td>Hartford</td>
<td>12,422,113</td>
</tr>
<tr>
<td>T56</td>
<td>Killingly</td>
<td>46,615</td>
</tr>
<tr>
<td>T57</td>
<td>Ledyard</td>
<td>3,012</td>
</tr>
<tr>
<td>T58</td>
<td>Litchfield</td>
<td>13,907</td>
</tr>
<tr>
<td>T59</td>
<td>Mansfield</td>
<td>2,630,447</td>
</tr>
<tr>
<td>T60</td>
<td>Meriden</td>
<td>259,564</td>
</tr>
<tr>
<td>T61</td>
<td>Middletown</td>
<td>727,324</td>
</tr>
<tr>
<td>T62</td>
<td>Montville</td>
<td>26,217</td>
</tr>
<tr>
<td>T63</td>
<td>New Britain</td>
<td>2,085,537</td>
</tr>
<tr>
<td>T64</td>
<td>New Haven</td>
<td>15,246,372</td>
</tr>
<tr>
<td>T65</td>
<td>New London</td>
<td>1,356,780</td>
</tr>
<tr>
<td>T66</td>
<td>Newington</td>
<td>176,884</td>
</tr>
<tr>
<td>T67</td>
<td>North Canaan</td>
<td>4,393</td>
</tr>
<tr>
<td>T68</td>
<td>Norwich</td>
<td>259,862</td>
</tr>
<tr>
<td>T69</td>
<td>Plainfield</td>
<td>16,116</td>
</tr>
<tr>
<td>T70</td>
<td>Simsbury</td>
<td>21,671</td>
</tr>
<tr>
<td>T71</td>
<td>Stafford</td>
<td>43,057</td>
</tr>
<tr>
<td>T72</td>
<td>Stamford</td>
<td>552,292</td>
</tr>
</tbody>
</table>
T73  Suffield          53,767
T74  Wallingford      61,586
T75  Waterbury        3,284,145
T76  West Hartford    211,483
T77  West Haven       339,563
T78  Windham          1,248,096
T79  Windsor          9,660
T80  Windsor Locks    32,533
T81  Borough of Danielson (Killingly) 2,232
T82  Borough of Litchfield  143
T83  Middletown: South Fire District 1,172
T84  Plainfield - Plainfield Fire District 309
T85  West Haven First Center (D1) 1,187
T86  West Haven: Allingtown FD (D3) 53,053
T87  West Haven: West Shore FD (D2) 35,065

(2) For the fiscal year ending June 30, 2020, and each fiscal year thereafter, if the total of grants payable to each municipality and district in accordance with the provisions of subsection (b) of this section exceeds the amount appropriated for the purposes of said subsection (b) for said fiscal years:

(A) The amount of the grant payable to each municipality for qualified state, municipal or tribal property and to each municipality or district for qualified college and hospital property shall be reduced proportionately, provided the percentage of the property taxes payable to a municipality or district with respect to such property shall not be lower than the percentage paid to the municipality or district for such property for the fiscal year ending June 30, 2015;

(B) The amount of the grant payable to each municipality or district for select college and hospital property shall be reduced as follows: (i) Tier one districts or municipalities shall each receive a grant in lieu of taxes equal to forty-two per cent of the property taxes that, except for any exemption applicable to any college and hospital property under the provisions of section 12-81, would have been paid to such municipality or district with respect to select college and hospital property; (ii) tier two districts or municipalities shall each receive a
grant in lieu of taxes equal to thirty-seven per cent of the property taxes
that, except for any exemption applicable to any college and hospital
property under the provisions of section 12-81, would have been paid
to such municipality or district with respect to select college and
hospital property; and (iii) tier three districts or municipalities shall each
receive a grant in lieu of taxes equal to thirty-two per cent of the
property taxes that, except for any exemption applicable to any college
and hospital property under the provisions of section 12-81, would have
been paid to such municipality or district with respect to select college
and hospital property. Grants in excess of thirty-two per cent of the
property taxes that, except for any exemption applicable to any college
and hospital property under the provisions of section 12-81, would have
been paid to tier one districts or municipalities and to tier two districts
or municipalities with respect to select college and hospital property
shall be payable from the select payment in lieu of taxes account; and

(C) The amount of the grant payable to each municipality for select
state property shall be reduced as follows: (i) Tier one municipalities
shall each receive a grant in lieu of taxes equal to thirty-two per cent of
the property taxes that, except for any exemption applicable to any state
property under the provisions of section 12-81, would have been paid
to such municipality with respect to select state property; (ii) tier two
municipalities shall each receive a grant in lieu of taxes equal to twenty-
eight per cent of the property taxes that, except for any exemption
applicable to any state property under the provisions of section 12-81,
would have been paid to such municipality with respect to select state
property; and (iii) tier three municipalities shall each receive a grant in
lieu of taxes equal to twenty-four per cent of the property taxes that,
except for any exemption applicable to any state property under the
provisions of section 12-81, would have been paid to such municipality
with respect to select state property. Grants in excess of twenty-four per
cent of the property taxes that, except for any exemption applicable to
any state property under the provisions of section 12-81, would have
been paid to tier one municipalities and to tier two municipalities with
respect to select state property shall be payable from the select payment
in lieu of taxes account.

(3) If the total of grants payable to each municipality and district in accordance with the provisions of subsection (b) of this section and subdivision (2) of this subsection exceeds the amount appropriated for the purposes of said subsection and said subdivision and the amount available in the select payment in lieu of taxes account in any fiscal year, the amount of the grant payable to each municipality for state, municipal or tribal property and to each municipality or district for college and hospital property shall be reduced proportionately, provided (A) the grant payable to tier one districts or municipalities for select college and hospital property shall be ten percentage points more than the grant payable to tier three districts or municipalities for such property, (B) the grant payable to tier two districts or municipalities for select college and hospital property shall be five percentage points more than the grant payable to tier three districts or municipalities for such property, (C) the grant payable to tier one municipalities for select state property shall be eight percentage points more than the grant payable to tier three municipalities for such property, and (D) the grant payable to tier two municipalities for select state property shall be four percentage points more than the grant payable to tier three municipalities for such property. Grants to tier one municipalities or districts and grants to tier two municipalities or districts in excess of grants paid to tier three municipalities or districts pursuant to this subsection shall be payable from the select payment in lieu of taxes account. Grants to tier one municipalities and grants to tier two municipalities in excess of grants paid to tier three municipalities pursuant to this subsection shall be payable from the select payment in lieu of taxes account.

(d) For the fiscal year ending June 30, 2022, and each fiscal year thereafter:

(1) If the total of grants payable to each municipality and district in accordance with the provisions of subsection (b) of this section exceeds the amount appropriated for the purposes of said subsection for each
such fiscal year:

(A) Each tier one municipality and district shall receive fifty per cent of the grant amount payable to such municipality or district as calculated under subsection (b) of this section;

(B) Each tier two municipality and district shall receive forty per cent of the grant amount payable to such municipality or district as calculated under subsection (b) of this section; and

(C) Each tier three municipality and district shall receive thirty per cent of the grant amount payable to such municipality or district as calculated under subsection (b) of this section; and

(2) If the total of grants payable to each municipality and district in accordance with the provisions of subdivision (1) of this subsection exceeds the amount appropriated for the purposes of said subdivision in any fiscal year, the amount of the grant payable to each municipality and district shall be reduced proportionately.

[(f) (e) Notwithstanding the provisions of subsections (a) to (d), inclusive, of this section, for any municipality receiving payments under section 15-120ss, property located in such municipality at Bradley International Airport shall not be included in the calculation of any state grant in lieu of taxes pursuant to this section.

[(g) (f) For purposes of this section, any real property [which] that is owned by the John Dempsey Hospital Finance Corporation established pursuant to the provisions of sections 10a-250 to 10a-263, inclusive, or by one or more subsidiary corporations established pursuant to subdivision (13) of section 10a-254 and [which] that is free from taxation pursuant to the provisions of section 10a-259 shall be deemed to be state-owned real property.

[(h) (g) The Office of Policy and Management shall report, in accordance with the provisions of section 11-4a, to the joint standing committee of the General Assembly having cognizance of matters
relating to finance, revenue and bonding, on or before July 1, [2017, and
on or before July first annually thereafter until July 1, 2020] 2021, and
annually thereafter, with regard to the grants distributed in accordance
with this section, and shall include in such reports any
recommendations for changes in the grants.

Sec. 12. Section 12-18c of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2021):

There is established an account to be known as the "select payment in
lieu of taxes account" which shall be a separate, nonlapsing account
within the General Fund. The account shall contain any moneys
required by law to be deposited in the account. Moneys in the account
shall be expended by the Office of Policy and Management for [the
purposes of making select grants to municipalities and districts for
payments in lieu of taxes as provided for in subdivision (1) of subsection
(e) of section 12-18b, subparagraphs (B) and (C) of subdivision (2) of
subsection (e) of section 12-18b, subdivision (3) of subsection (e) of
section 12-18b and for] any [other] purpose expressly provided by law.

This act shall take effect as follows and shall amend the following sections:

<table>
<thead>
<tr>
<th>Section 1</th>
<th>from passage</th>
<th>New section</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sec. 2</td>
<td>July 1, 2021</td>
<td>4a-13</td>
</tr>
<tr>
<td>Sec. 3</td>
<td>July 1, 2021</td>
<td>4a-16</td>
</tr>
<tr>
<td>Sec. 4</td>
<td>July 1, 2021</td>
<td>17b-77(b)</td>
</tr>
<tr>
<td>Sec. 5</td>
<td>July 1, 2021</td>
<td>17b-79</td>
</tr>
<tr>
<td>Sec. 6</td>
<td>July 1, 2021</td>
<td>17b-85</td>
</tr>
<tr>
<td>Sec. 7</td>
<td>July 1, 2021</td>
<td>17b-93</td>
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<tr>
<td>Sec. 8</td>
<td>July 1, 2021</td>
<td>17b-94</td>
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<tr>
<td>Sec. 9</td>
<td>July 1, 2021</td>
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<tr>
<td>Sec. 10</td>
<td>July 1, 2021</td>
<td>17b-224</td>
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<tr>
<td>Sec. 11</td>
<td>July 1, 2021</td>
<td>12-18b</td>
</tr>
<tr>
<td>Sec. 12</td>
<td>July 1, 2021</td>
<td>12-18c</td>
</tr>
</tbody>
</table>

Statement of Purpose:
To (1) mitigate adverse tax consequences resulting from employees
working remotely during the taxable year 2020 due to COVID-19, (2)
eliminate state recovery of public assistance payments from certain assets and estates, and (3) revise the calculation of the amounts of grants in lieu of taxes paid to municipalities, based on equalized net grand list per capita.

[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.]