



General Assembly

February Session, 2022

Raised Bill No. 171

LCO No. 1438



Referred to Committee on AGING

Introduced by:
(AGE)

AN ACT ESTABLISHING A REVOLVING LOAN ACCOUNT 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, 2022*) (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 consecutive period of not less than ten years before the date
7 of such application, and (3) has qualifying income in the tax year
8 immediately preceding the date of application for a loan under this
9 section that does not exceed the applicable maximum income limit,
10 adjusted annually, as set forth in section 12-170aa of the general statutes.

11 (b) There is established a revolving loan account which shall be a
12 separate nonlapsing account within the General Fund. The account shall
13 be used to provide loans to elderly homeowners qualified pursuant to
14 subsection (c) of this section who have fallen behind on property tax
15 payments and shall contain any moneys required by law to be deposited

16 in the account, including, but not limited to, payments of principal and
17 interest on loans made from the account. The account shall be
18 administered by the Secretary of the Office of Policy and Management
19 and shall be used to (1) make loans pursuant to subsection (c) of this
20 section at the prevailing rate of interest as determined by the secretary,
21 and (2) pay reasonable and necessary expenses incurred by the secretary
22 in administering loans under this section. Investment earnings credited
23 to the account shall become part of the assets of the account. Payments
24 of principal or interest on a loan made pursuant to this section shall be
25 paid to the State Treasurer for deposit in the account.

26 (c) (1) The state, acting through and in the discretion of the Secretary
27 of the Office of Policy and Management and within available
28 appropriations, may provide loans to elderly homeowners who apply,
29 on a form prescribed by the secretary, provided (A) the elderly
30 homeowner has failed to pay taxes levied against the elderly
31 homeowner's property under chapter 203 of the general statutes for not
32 less than the two assessment years preceding the date of application for
33 a loan under this section, (B) the real property subject to tax is not
34 otherwise encumbered, and (C) the principal amount of such loan does
35 not exceed the amount of taxes, interest and fees levied against the real
36 property and elderly homeowner. In addition to requiring that an
37 elderly homeowner's income not exceed the applicable maximum limit
38 as set forth in section 12-170aa of the general statutes, the secretary may
39 impose asset limits as a condition of eligibility for loans provided
40 pursuant to this section.

41 (2) If the state provides a loan under this section, the Secretary of the
42 Office of Policy and Management shall have a lien on the real property
43 subject to taxes in the amount of such loan, plus interest at the prevailing
44 rate of interest as determined by the secretary. Such lien shall have
45 priority over all other liens on such real property except any remaining
46 municipal property tax lien.

47 (3) Any financial assistance provided under this section shall not
48 disqualify an elderly homeowner from receiving any other benefits

49 under any other program for which such homeowner may be eligible.

50 (d) The Secretary of the Office of Policy and Management may adopt
51 regulations, in accordance with the provisions of chapter 54 of the
52 general statutes, to implement the provisions of this section.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	October 1, 2022	New section
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Statement of Purpose:

To establish a revolving loan account to assist certain elderly homeowners who have been delinquent on property tax payments.

[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.]