



General Assembly

January Session, 2023

Raised Bill No. 900

LCO No. 3029



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, 2023*) (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, including
4 any owner of real property held in trust for such owner, provided such
5 owner or such owner and such owner's spouse are the grantor and
6 beneficiary of such trust, who (1) is sixty-five years of age or older on
7 the date of application for a loan under this section, (2) has resided in
8 the municipality levying such property taxes for a consecutive period of
9 not less than ten years before the date of such application, (3) has
10 occupied such property as his or her primary residence for a period of
11 more than one hundred eighty-three days in at least eight of the last ten
12 years before the date of such application, and (4) has qualifying income
13 in the year immediately preceding the date of such application that does
14 not exceed the applicable maximum qualifying income, adjusted
15 annually, for a tax reduction under section 12-170aa of the general
16 statutes. For purposes of this subsection, qualifying income for a

17 married homeowner shall not include the Social Security income of the
18 spouse of such homeowner if such spouse is a resident of a health care
19 or nursing home facility in this state receiving payment related to such
20 spouse under the Title XIX Medicaid program.

21 (b) There is established a revolving loan account which shall be a
22 separate nonlapsing account within the General Fund. The account shall
23 be used to provide loans to elderly homeowners qualified pursuant to
24 subsections (a) and (c) of this section who are delinquent on real
25 property tax payments and shall contain any moneys required by law
26 to be deposited in the account, including, but not limited to, payments
27 of principal and interest on loans made from the account. The account
28 shall be administered by the Secretary of the Office of Policy and
29 Management and shall be used to (1) make loans pursuant to subsection
30 (c) of this section at the prevailing rate of interest as determined by the
31 secretary, and (2) pay reasonable and necessary expenses incurred by
32 the secretary in administering loans under this section. Investment
33 earnings credited to the account shall become part of the assets of the
34 account. Payments of principal or interest on a loan made pursuant to
35 this section shall be paid to the State Treasurer for deposit in the account.

36 (c) (1) The state, acting through and in the discretion of the Secretary
37 of the Office of Policy and Management and within available
38 appropriations, may provide loans to elderly homeowners who apply,
39 on a form prescribed by the secretary, provided (A) the elderly
40 homeowner has failed to pay taxes levied against the elderly
41 homeowner's property under chapter 203 of the general statutes for not
42 less than the two assessment years preceding the date of application for
43 a loan under this section, (B) the real property subject to tax is not
44 otherwise encumbered, (C) the principal amount of such loan does not
45 exceed the amount of taxes, interest and fees levied against the real
46 property, and (D) the elderly homeowner shall use the loan to pay the
47 delinquent taxes, interest and fees. In addition to requiring that an
48 elderly homeowner's qualifying income not exceed the applicable
49 maximum qualifying income for a tax reduction under section 12-170aa
50 of the general statutes, the secretary may (i) impose asset limits as a

51 condition of eligibility for loans provided pursuant to this section, (ii)
52 prescribe requirements for an elderly homeowner to prove the loan was
53 used for the intended purpose, and (iii) impose penalties against an
54 elderly homeowner who does not use the loan for the intended purpose.

55 (2) If the state provides a loan under this section, the Secretary of the
56 Office of Policy and Management shall have a lien on the real property
57 subject to taxes in the amount of such loan, plus interest at the prevailing
58 rate of interest as determined by the secretary. Such lien shall have
59 priority over all other liens on such real property except a municipal
60 property tax lien.

61 (3) Any financial assistance provided under this section shall not
62 disqualify an elderly homeowner from receiving any other benefits
63 under any other program for which such homeowner may be eligible.

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

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2023</i>	New section

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.]