



General Assembly

Raised Bill No. 900

January Session, 2023

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
9 of 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
12 ten years before the date of such application, and (4) has qualifying
13 income in the year immediately preceding the date of such application
14 that does not exceed the applicable maximum qualifying income,
15 adjusted annually, for a tax reduction under section 12-170aa of the
16 general statutes. For purposes of this subsection, qualifying income for

17 a married homeowner shall not include the Social Security income of
18 the spouse of such homeowner if such spouse is a resident of a health
19 care or nursing home facility in this state receiving payment related to
20 such 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
23 shall be used to provide loans to elderly homeowners qualified
24 pursuant to subsections (a) and (c) of this section who are delinquent
25 on real property tax payments and shall contain any moneys required
26 by law to be deposited in the account, including, but not limited to,
27 payments of principal and interest on loans made from the account.
28 The account shall be administered by the Secretary of the Office of
29 Policy and Management and shall be used to (1) make loans pursuant
30 to subsection (c) of this section at the prevailing rate of interest as
31 determined by the secretary, and (2) pay reasonable and necessary
32 expenses incurred by the secretary in administering loans under this
33 section. Investment earnings credited to the account shall become part
34 of the assets of the account. Payments of principal or interest on a loan
35 made pursuant to this section shall be paid to the State Treasurer for
36 deposit in the account.

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

50 maximum qualifying income for a tax reduction under section 12-
51 170aa of the general statutes, the secretary may (i) impose asset limits
52 as a condition of eligibility for loans provided pursuant to this section,
53 (ii) prescribe requirements for an elderly homeowner to prove the loan
54 was used for the intended purpose, and (iii) impose penalties against
55 an elderly homeowner who does not use the loan for the intended
56 purpose.

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

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

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

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

AGE *Joint Favorable*