



House of Representatives

General Assembly

File No. 175

February Session, 2024

House Bill No. 5402

House of Representatives, March 28, 2024

The Committee on Veterans' and Military Affairs reported through REP. NOLAN of the 39th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT EXCLUDING FROM VETERANS' INCOME CALCULATIONS CERTAIN BENEFITS PAYMENTS FOR PURPOSES OF ELIGIBILITY FOR CERTAIN STATE AND MUNICIPAL PROGRAMS.

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

1 Section 1. Subsection (a) of section 17b-28i of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July 1,*
3 *2024, and applicable to applications filed on or after July 1, 2024*):

4 (a) To the extent permissible by federal law, the Commissioner of
5 Social Services shall disregard (1) all federal [Aid and Attendance]
6 disability benefits administered by the United States Department of
7 Veterans Affairs, (2) all federal pension benefits administered by the
8 United States Department of Defense, (3) all temporary financial
9 assistance under section 27-125, and (4) all payments furnishing
10 temporary income under section 27-140, that are granted to a veteran or
11 the surviving spouse of such veteran when determining income
12 eligibility for the state's Medicare savings, medical assistance and
13 energy assistance programs administered under section 17b-2. As used

14 in this subsection, "veteran" has the same meaning as provided in
15 section 27-103.

16 Sec. 2. Subsection (a) of section 17b-104 of the general statutes is
17 repealed and the following is substituted in lieu thereof (*Effective July 1,*
18 *2024, and applicable to applications filed on or after July 1, 2024*):

19 (a) The Commissioner of Social Services shall administer the program
20 of state supplementation to the Supplemental Security Income Program
21 provided for by the Social Security Act and state law. The commissioner
22 may delegate any powers and authority to any deputy, assistant,
23 investigator or supervisor, who shall have, within the scope of the
24 power and authority so delegated, all of the power and authority of the
25 Commissioner of Social Services. The standard of need for the
26 temporary family assistance program shall be fifty-five per cent of the
27 federal poverty level. The commissioner shall make a reinvestigation, at
28 least every twelve months, of all cases receiving aid from the state,
29 except that such reinvestigation may be conducted every twenty-four
30 months for recipients of assistance to the elderly or disabled with stable
31 circumstances, and shall maintain all case records of the several
32 programs administered by the Department of Social Services so that
33 such records show, at all times, full information with respect to
34 eligibility of the applicant or recipient. In the determination of need
35 under any public assistance program, such income or earnings shall be
36 disregarded as federal law requires, and such income or earnings may
37 be disregarded as federal law permits. In determining eligibility, the
38 commissioner shall disregard from income (1) [Aid and Attendance] (A)
39 all federal disability benefits administered by the United States
40 Department of Veterans Affairs, (B) all federal pension benefits
41 administered by the United States Department of Defense, (C) all
42 temporary financial assistance under section 27-125, and (D) all
43 payments furnishing temporary income under section 27-140, that are
44 granted to a veteran, as defined [under] in section 27-103, or the
45 surviving spouse of such veteran, and (2) any tax refund or advance
46 payment with respect to a refundable credit to the same extent such
47 refund or advance payment would be disregarded under 26 USC 6409

48 in any federal program or state or local program financed in whole or in
49 part with federal funds. The commissioner shall encourage and
50 promulgate such incentive earning programs as are permitted by
51 federal law and regulations.

52 Sec. 3. Subsection (c) of section 17b-191 of the 2024 supplement to the
53 general statutes is repealed and the following is substituted in lieu
54 thereof (*Effective July 1, 2024, and applicable to applications filed on or after*
55 *July 1, 2024*):

56 (c) To be eligible for cash assistance under the program, a person shall
57 (1) be (A) eighteen years of age or older; (B) a minor found by a court to
58 be emancipated pursuant to section 46b-150; or (C) under eighteen years
59 of age and the commissioner determines good cause for such person's
60 eligibility, and (2) not have assets exceeding five hundred dollars or, if
61 such person is married, such person and his or her spouse shall not have
62 assets exceeding one thousand dollars. In determining eligibility, the
63 commissioner shall [not consider as] disregard from income (A) [Aid
64 and Attendance] (i) all federal disability benefits administered by the
65 United States Department of Veterans Affairs, (ii) all federal pension
66 benefits administered by the United States Department of Defense, (iii)
67 all temporary financial assistance under section 27-125, and (iv) all
68 payments furnishing temporary income under section 27-140, that are
69 granted to a veteran, as defined in section 27-103, or the surviving
70 spouse of such veteran; and (B) any tax refund or advance payment with
71 respect to a refundable credit to the same extent such refund or advance
72 payment would be disregarded under 26 USC 6409 in any federal
73 program or state or local program financed in whole or in part with
74 federal funds. No person who is a substance abuser and refuses or fails
75 to enter available, appropriate treatment shall be eligible for cash
76 assistance under the program until such person enters treatment. No
77 person whose benefits from the temporary family assistance program
78 have terminated as a result of time-limited benefits or for failure to
79 comply with a program requirement shall be eligible for cash assistance
80 under the program.

81 Sec. 4. Section 17b-256f of the general statutes is repealed and the
82 following is substituted in lieu thereof (*Effective July 1, 2024, and*
83 *applicable to applications filed on or after July 1, 2024*):

84 (a) The Commissioner of Social Services shall increase income
85 disregards used to determine eligibility by the Department of Social
86 Services for the federal Qualified Medicare Beneficiary, the Specified
87 Low-Income Medicare Beneficiary and the Qualifying Individual
88 programs, administered in accordance with the provisions of 42 USC
89 1396d(p), by such amounts that shall result in persons with income that
90 is (1) less than two hundred eleven per cent of the federal poverty level
91 qualifying for the Qualified Medicare Beneficiary program, (2) at or
92 above two hundred eleven per cent of the federal poverty level but less
93 than two hundred thirty-one per cent of the federal poverty level
94 qualifying for the Specified Low-Income Medicare Beneficiary program,
95 and (3) at or above two hundred thirty-one per cent of the federal
96 poverty level but less than two hundred forty-six per cent of the federal
97 poverty level qualifying for the Qualifying Individual program.

98 (b) The commissioner shall not apply an asset test for eligibility under
99 the Medicare Savings Program. The commissioner shall [not consider
100 as] disregard from income [Aid and Attendance] (1) all federal disability
101 benefits administered by the United States Department of Veterans
102 Affairs, (2) all federal pension benefits administered by the United
103 States Department of Defense, (3) all temporary financial assistance
104 under section 27-125, and (4) all payments furnishing temporary income
105 under section 27-140, that are granted to a veteran, as defined in section
106 27-103, or the surviving spouse of such veteran. The Commissioner of
107 Social Services, pursuant to section 17b-10, may implement policies and
108 procedures to administer the provisions of this section while in the
109 process of adopting such policies and procedures in regulation form,
110 provided the commissioner prints notice of the intent to adopt the
111 regulations on the department's Internet web site and the eRegulations
112 System not later than twenty days after the date of implementation.
113 Such policies and procedures shall be valid until the time final
114 regulations are adopted.

115 Sec. 5. Subsection (a) of section 17b-261 of the 2024 supplement to the
116 general statutes is repealed and the following is substituted in lieu
117 thereof (*Effective July 1, 2024, and applicable to applications filed on or after*
118 *July 1, 2024*):

119 (a) (1) Medical assistance shall be provided for any otherwise eligible
120 person ~~[(1)] (A)~~ whose income, including any available support from
121 legally liable relatives and the income of the person's spouse or
122 dependent child, is not more than one hundred forty-three per cent,
123 pending approval of a federal waiver applied for pursuant to subsection
124 (e) of this section, of the benefit amount paid to a person with no income
125 under the temporary family assistance program, and ~~[(2)] (B)~~ if such
126 person is an institutionalized individual as defined in Section 1917 of
127 the Social Security Act, 42 USC 1396p(h)(3), and has not made an
128 assignment or transfer or other disposition of property for less than fair
129 market value for the purpose of establishing eligibility for benefits or
130 assistance under this section. Any such disposition shall be treated in
131 accordance with Section 1917(c) of the Social Security Act, 42 USC
132 1396p(c). Any disposition of property made on behalf of an applicant or
133 recipient or the spouse of an applicant or recipient by a guardian,
134 conservator, person authorized to make such disposition pursuant to a
135 power of attorney or other person so authorized by law shall be
136 attributed to such applicant, recipient or spouse. A disposition of
137 property ordered by a court shall be evaluated in accordance with the
138 standards applied to any other such disposition for the purpose of
139 determining eligibility.

140 (2) The commissioner shall establish the standards for eligibility for
141 medical assistance at one hundred forty-three per cent of the benefit
142 amount paid to a household of equal size with no income under the
143 temporary family assistance program. In determining eligibility, the
144 commissioner shall ~~[not consider as]~~ disregard from income ~~[Aid and~~
145 ~~Attendance]~~ (A) all federal disability benefits administered by the
146 United States Department of Veterans Affairs, (B) all federal pension
147 benefits administered by the United States Department of Defense, (C)
148 all temporary financial assistance under section 27-125, and (D) all

149 payments furnishing temporary income under section 27-140, that are
150 granted to a veteran, as defined in section 27-103, or the surviving
151 spouse of such veteran. Except as provided in section 17b-277 and
152 section 17b-292, the medical assistance program shall provide coverage
153 to persons under the age of nineteen with household income up to one
154 hundred ninety-six per cent of the federal poverty level without an asset
155 limit and to persons under the age of nineteen, who qualify for coverage
156 under Section 1931 of the Social Security Act, with household income
157 not exceeding one hundred ninety-six per cent of the federal poverty
158 level without an asset limit, and their parents and needy caretaker
159 relatives, who qualify for coverage under Section 1931 of the Social
160 Security Act, with household income not exceeding one hundred fifty-
161 five per cent of the federal poverty level without an asset limit. Such
162 levels shall be based on the regional differences in such benefit amount,
163 if applicable, unless such levels based on regional differences are not in
164 conformance with federal law. Any income in excess of the applicable
165 amounts shall be applied as may be required by said federal law, and
166 assistance shall be granted for the balance of the cost of authorized
167 medical assistance.

168 (3) The Commissioner of Social Services shall provide applicants for
169 assistance under this section, at the time of application, with a written
170 statement advising them of (A) the effect of an assignment or transfer or
171 other disposition of property on eligibility for benefits or assistance, (B)
172 the effect that having income that exceeds the limits prescribed in this
173 subsection will have with respect to program eligibility, and (C) the
174 availability of, and eligibility for, services provided by the Connecticut
175 Home Visiting System, established pursuant to section 17b-751b. For
176 coverage dates on or after January 1, 2014, the department shall use the
177 modified adjusted gross income financial eligibility rules set forth in
178 Section 1902(e)(14) of the Social Security Act and the implementing
179 regulations to determine eligibility for HUSKY A, HUSKY B and
180 HUSKY D applicants, as defined in section 17b-290. Persons who are
181 determined ineligible for assistance pursuant to this section shall be
182 provided a written statement notifying such persons of their ineligibility
183 and advising such persons of their potential eligibility for one of the

184 other insurance affordability programs as defined in 42 CFR 435.4.

185 Sec. 6. Subsection (a) of section 17b-261 of the 2024 supplement to the
186 general statutes, as amended by section 302 of public act 23-204, is
187 repealed and the following is substituted in lieu thereof (*Effective October*
188 *1, 2024, and applicable to applications filed on or after July 1, 2024*):

189 (a) (1) Medical assistance shall be provided for any otherwise eligible
190 person ~~[(1)]~~ (A) whose income, including any available support from
191 legally liable relatives and the income of the person's spouse or
192 dependent child, is not more than one hundred five per cent of the
193 federal poverty level, after any authorized income disregards, and ~~[(2)]~~
194 (B) if such person is an institutionalized individual as defined in Section
195 1917 of the Social Security Act, 42 USC 1396p(h)(3), and has not made
196 an assignment or transfer or other disposition of property for less than
197 fair market value for the purpose of establishing eligibility for benefits
198 or assistance under this section. Any such disposition shall be treated in
199 accordance with Section 1917(c) of the Social Security Act, 42 USC
200 1396p(c). Any disposition of property made on behalf of an applicant or
201 recipient or the spouse of an applicant or recipient by a guardian,
202 conservator, person authorized to make such disposition pursuant to a
203 power of attorney or other person so authorized by law shall be
204 attributed to such applicant, recipient or spouse. A disposition of
205 property ordered by a court shall be evaluated in accordance with the
206 standards applied to any other such disposition for the purpose of
207 determining eligibility.

208 (2) The commissioner shall establish the standards for eligibility for
209 medical assistance at one hundred five per cent of the federal poverty
210 level, after any authorized income disregards. In determining eligibility,
211 the commissioner shall ~~[not consider as]~~ disregard from income ~~[Aid~~
212 ~~and Attendance]~~ (A) all federal disability benefits administered by the
213 United States Department of Veterans Affairs, (B) all federal pension
214 benefits administered by the United States Department of Defense, (C)
215 all temporary financial assistance under section 27-125, and (D) all
216 payments furnishing temporary income under section 27-140, that are

217 granted to a veteran, as defined in section 27-103, or the surviving
218 spouse of such veteran. Except as provided in section 17b-277 and
219 section 17b-292, the medical assistance program shall provide coverage
220 to persons under the age of nineteen with household income up to one
221 hundred ninety-six per cent of the federal poverty level without an asset
222 limit and to persons under the age of nineteen, who qualify for coverage
223 under Section 1931 of the Social Security Act, with household income
224 not exceeding one hundred ninety-six per cent of the federal poverty
225 level without an asset limit, and their parents and needy caretaker
226 relatives, who qualify for coverage under Section 1931 of the Social
227 Security Act, with household income not exceeding one hundred fifty-
228 five per cent of the federal poverty level without an asset limit. Such
229 levels shall be based on the regional differences in such benefit amount,
230 if applicable, unless such levels based on regional differences are not in
231 conformance with federal law. Any income in excess of the applicable
232 amounts shall be applied as may be required by said federal law, and
233 assistance shall be granted for the balance of the cost of authorized
234 medical assistance.

235 (3) The Commissioner of Social Services shall provide applicants for
236 assistance under this section, at the time of application, with a written
237 statement advising them of (A) the effect of an assignment or transfer or
238 other disposition of property on eligibility for benefits or assistance, (B)
239 the effect that having income that exceeds the limits prescribed in this
240 subsection will have with respect to program eligibility, and (C) the
241 availability of, and eligibility for, services provided by the Connecticut
242 Home Visiting System, established pursuant to section 17b-751b. For
243 coverage dates on or after January 1, 2014, the department shall use the
244 modified adjusted gross income financial eligibility rules set forth in
245 Section 1902(e)(14) of the Social Security Act and the implementing
246 regulations to determine eligibility for HUSKY A, HUSKY B and
247 HUSKY D applicants, as defined in section 17b-290. Persons who are
248 determined ineligible for assistance pursuant to this section shall be
249 provided a written statement notifying such persons of their ineligibility
250 and advising such persons of their potential eligibility for one of the
251 other insurance affordability programs as defined in 42 CFR 435.4.

252 Sec. 7. Subsection (l) of section 17b-342 of the general statutes is
253 repealed and the following is substituted in lieu thereof (*Effective July 1,*
254 *2024, and applicable to applications filed on or after July 1, 2024*):

255 (l) In determining eligibility for the program described in this section,
256 the commissioner shall [not consider as] disregard from income (1) (A)
257 [Aid and Attendance] all federal disability benefits administered by the
258 United States Department of Veterans Affairs, (B) all federal pension
259 benefits administered by the United States Department of Defense, (C)
260 all temporary financial assistance under section 27-125, and (D) all
261 payments furnishing temporary income under section 27-140, that are
262 granted to a veteran, as defined in section 27-103, or the surviving
263 spouse of such veteran, and (2) any tax refund or advance payment with
264 respect to a refundable credit to the same extent such refund or advance
265 payment would be disregarded under 26 USC 6409 in any federal
266 program or state or local program financed in whole or in part with
267 federal funds.

268 Sec. 8. Subsection (a) of section 17b-605a of the general statutes is
269 repealed and the following is substituted in lieu thereof (*Effective July 1,*
270 *2024, and applicable to applications filed on or after July 1, 2024*):

271 (a) The Commissioner of Social Services shall seek a waiver from
272 federal law to establish a personal care assistance program for persons
273 eighteen years of age or older with disabilities funded under the
274 Medicaid program. Such a program shall be limited to a specified
275 number of slots available for eligible program recipients and shall be
276 operated by the Department of Social Services within available
277 appropriations. In determining eligibility, the commissioner shall
278 disregard from income (1) all federal disability benefits administered by
279 the United States Department of Veterans Affairs, (2) all federal pension
280 benefits administered by the United States Department of Defense, (3)
281 all temporary financial assistance under section 27-125, and (4) all
282 payments furnishing temporary income under section 27-140, that are
283 granted to a veteran, as defined in section 27-103, or the surviving
284 spouse of such veteran. Such a waiver shall be submitted to the joint

285 standing committees of the General Assembly having cognizance of
286 matters relating to appropriations and the budgets of state agencies and
287 human services in accordance with section 17b-8 no later than January
288 1, 1996.

289 Sec. 9. Subsection (a) of section 17b-801 of the general statutes is
290 repealed and the following is substituted in lieu thereof (*Effective July 1,*
291 *2024, and applicable to applications filed on or after July 1, 2024*):

292 (a) The Commissioner of Social Services shall administer a state-
293 appropriated fuel assistance program to provide, within available
294 appropriations, fuel assistance to elderly and disabled persons whose
295 household gross income is above the income eligibility guidelines for
296 the Connecticut energy assistance program but does not exceed two
297 hundred per cent of federal poverty guidelines. The income eligibility
298 guidelines for the state-appropriated fuel assistance program shall be
299 determined, annually, by the Commissioner of Social Services, in
300 conjunction with the Secretary of the Office of Policy and Management.
301 In determining eligibility, the commissioner shall [not consider as]
302 disregard from income [Aid and Attendance] (1) all federal disability
303 benefits administered by the United States Department of Veterans
304 Affairs, (2) all federal pension benefits administered by the United
305 States Department of Defense, (3) all temporary financial assistance
306 under section 27-125, and (4) all payments furnishing temporary income
307 under section 27-140, that are granted to a veteran, as defined under
308 section 27-103, or the surviving spouse of such veteran. The
309 commissioner may adopt regulations, in accordance with the provisions
310 of chapter 54, to implement the provisions of this subsection.

311 Sec. 10. Subsection (g) of section 8-119kk of the general statutes is
312 repealed and the following is substituted in lieu thereof (*Effective July 1,*
313 *2024, and applicable to applications filed on or after July 1, 2024*):

314 (g) The commissioner shall adopt regulations in accordance with the
315 provisions of chapter 54 to carry out the purposes of this section. The
316 regulations shall establish maximum income eligibility guidelines for
317 such rental assistance and criteria for determining the amount of rental

318 assistance which shall be provided to elderly persons, provided the
319 amount of assistance for elderly persons who are certificate holders shall
320 be the difference between thirty per cent of their adjusted gross income,
321 less a utility allowance, and the base rent. In establishing such eligibility
322 guidelines, such regulations shall disregard from income (1) all federal
323 disability benefits administered by the United States Department of
324 Veterans Affairs, (2) all federal pension benefits administered by the
325 United States Department of Defense, (3) all temporary financial
326 assistance under section 27-125, and (4) all payments furnishing
327 temporary income under section 27-140, that are granted to a veteran,
328 as defined in section 27-103, or the surviving spouse of such veteran.

329 Sec. 11. Subsection (a) of section 8-219b of the general statutes is
330 repealed and the following is substituted in lieu thereof (*Effective July 1,*
331 *2024, and applicable to applications filed on or after July 1, 2024*):

332 (a) The Commissioner of Housing, acting on behalf of the state, may,
333 in his discretion, enter into a contract with any person who is sixty-two
334 years of age or older and whose income does not exceed the maximum
335 qualifying income for eligibility for benefits under the program of tax
336 relief for certain elderly homeowners under section 12-170aa, to
337 provide, based on the financial needs of such person, a grant-in-aid, loan
338 or deferred loan to enable such person to finance emergency repairs to
339 or rehabilitation of a dwelling containing up to two residential units,
340 provided such person shall be the owner of such dwelling and shall
341 reside in at least one of such units. In the case of a deferred loan, the
342 contract shall require that payments on interest are due immediately but
343 that payments on principal may be made at a later time. In determining
344 eligibility for any such grant-in-aid, loan or deferred loan, the
345 commissioner shall disregard from income (1) all federal disability
346 benefits administered by the United States Department of Veterans
347 Affairs, (2) all federal pension benefits administered by the United
348 States Department of Defense, (3) all temporary financial assistance
349 under section 27-125, and (4) all payments furnishing temporary income
350 under section 27-140, that are granted to a veteran, as defined in section
351 27-103, or the surviving spouse of such veteran.

352 Sec. 12. Subsection (b) of section 8-219e of the general statutes is
353 repealed and the following is substituted in lieu thereof (*Effective July 1,*
354 *2024, and applicable to applications filed on or after July 1, 2024*):

355 (b) The Commissioner of Housing may adopt regulations, in
356 accordance with the provisions of chapter 54, to carry out the purposes
357 of this section. Such regulations shall provide the terms and conditions
358 of grants-in-aid, loans or deferred loans made pursuant to subsection (a)
359 of this section and the eligibility and application requirements for such
360 financial assistance. In determining such eligibility requirements, the
361 commissioner shall (1) consider establishing priorities for low and
362 moderate income families and households having a child suffering from
363 lead-paint poisoning, and (2) disregard from income (A) all federal
364 disability benefits administered by the United States Department of
365 Veterans Affairs, (B) all federal pension benefits administered by the
366 United States Department of Defense, (C) all temporary financial
367 assistance under section 27-125, and (D) all payments furnishing
368 temporary income under section 27-140, that are granted to a veteran,
369 as defined in section 27-103, or the surviving spouse of such veteran.

370 Sec. 13. Subsection (g) of section 8-345 of the 2024 supplement to the
371 general statutes is repealed and the following is substituted in lieu
372 thereof (*Effective July 1, 2024, and applicable to applications filed on or after*
373 *July 1, 2024*):

374 (g) The commissioner shall adopt regulations in accordance with the
375 provisions of chapter 54 to carry out the purposes of this section. The
376 regulations shall establish maximum income eligibility guidelines for
377 such rental assistance and criteria for determining the amount of rental
378 assistance which shall be provided to eligible families. In establishing
379 such eligibility guidelines, such regulations shall disregard from income
380 (1) all federal disability benefits administered by the United States
381 Department of Veterans Affairs, (2) all federal pension benefits
382 administered by the United States Department of Defense, (3) all
383 temporary financial assistance under section 27-125, and (4) all
384 payments furnishing temporary income under section 27-140, that are

385 granted to a veteran, as defined in section 27-103, or the surviving
386 spouse of such veteran.

387 Sec. 14. Subdivision (1) of subsection (c) of section 17a-860 of the
388 general statutes is repealed and the following is substituted in lieu
389 thereof (*Effective July 1, 2024, and applicable to applications filed on or after*
390 *July 1, 2024*):

391 (c) (1) (A) No individual with Alzheimer's disease may participate in
392 the program if such individual [(A)] (i) has an annual income of more
393 than forty-one thousand dollars or liquid assets of more than one
394 hundred nine thousand dollars, or [(B)] (ii) is receiving services under
395 the Connecticut home-care program for the elderly. On July 1, 2009, and
396 annually thereafter, the commissioner shall increase such income and
397 asset eligibility criteria over that of the previous fiscal year to reflect the
398 annual cost of living adjustment in Social Security income, if any.

399 (B) In determining the income and asset eligibility criteria described
400 in subparagraph (A) of this subdivision, the commissioner shall
401 disregard from income (i) all federal disability benefits administered by
402 the United States Department of Veterans Affairs, (ii) all federal pension
403 benefits administered by the United States Department of Defense, (iii)
404 all temporary financial assistance under section 27-125, and (iv) all
405 payments furnishing temporary income under section 27-140, that are
406 granted to a veteran, as defined in section 27-103, or the surviving
407 spouse of such veteran.

408 Sec. 15. Subsection (b) of section 17b-80 of the general statutes is
409 repealed and the following is substituted in lieu thereof (*Effective July 1,*
410 *2024, and applicable to applications filed on or after July 1, 2024*):

411 (b) The commissioner shall disregard from income (1) (A) all federal
412 disability benefits administered by the United States Department of
413 Veterans Affairs, (B) all federal pension benefits administered by the
414 United States Department of Defense, (C) all temporary financial
415 assistance under section 27-125, and (D) all payments furnishing
416 temporary income under section 27-140, that are granted to a veteran,

417 as defined in section 27-103, or the surviving spouse of such veteran,
418 and (2) any earned income of a child who is a student, in determining
419 the eligibility, standard of need and amount of assistance of a family in
420 the TFA program.

421 Sec. 16. Subsection (d) of section 17b-112 of the 2024 supplement to
422 the general statutes is repealed and the following is substituted in lieu
423 thereof (*Effective July 1, 2024, and applicable to applications filed on or after*
424 *July 1, 2024*):

425 (d) (1) Under said program, no family shall be eligible that has total
426 gross earnings exceeding the federal poverty level, however, in the
427 calculation of the benefit amount for eligible families and previously
428 eligible families that become ineligible temporarily because of receipt of
429 workers' compensation benefits by a family member who subsequently
430 returns to work immediately after the period of receipt of such benefits,
431 earned income shall be disregarded up to the federal poverty level. On
432 and after October 1, 2023, the commissioner shall not deny a family
433 assistance under said program on the basis of such family's assets unless
434 such assets exceed six thousand dollars. Except when determining
435 eligibility for a six-month extension of benefits pursuant to subsection
436 (c) of this section, the commissioner shall disregard the first fifty dollars
437 per month of income attributable to current child support that a family
438 receives in determining eligibility and benefit levels for temporary
439 family assistance. Any current child support in excess of fifty dollars per
440 month collected by the department on behalf of an eligible child shall be
441 considered in determining eligibility but shall not be considered when
442 calculating benefits and shall be taken as reimbursement for assistance
443 paid under this section, except that when the current child support
444 collected exceeds the family's monthly award of temporary family
445 assistance benefits plus fifty dollars, the current child support shall be
446 paid to the family and shall be considered when calculating benefits.
447 The commissioner shall disregard from income (A) all federal disability
448 benefits administered by the United States Department of Veterans
449 Affairs, (B) all federal pension benefits administered by the United
450 States Department of Defense, (C) all temporary financial assistance

451 under section 27-125, and (D) all payments furnishing temporary
452 income under section 27-140, that are granted to a veteran, as defined in
453 section 27-103, or the surviving spouse of such veteran, in determining
454 eligibility and benefit levels for temporary family assistance.

455 (2) Notwithstanding the provisions of subdivision (1) of this
456 subsection, on and after January 1, 2024, in the first month in which a
457 family's total gross earnings exceed one hundred per cent of the federal
458 poverty level and for a period not to exceed six consecutive months, the
459 department shall disregard, for purposes of eligibility, a family's total
460 gross earnings in an amount not to exceed two hundred thirty per cent
461 of the federal poverty level. If a family's total gross earnings are an
462 amount between one hundred seventy-one per cent and two hundred
463 thirty per cent of the federal poverty level, the department shall reduce
464 the household's benefit by twenty per cent for the months in which
465 earnings are between one hundred seventy-one per cent and two
466 hundred thirty per cent of the federal poverty level.

467 Sec. 17. Section 17b-257e of the general statutes is repealed and the
468 following is substituted in lieu thereof (*Effective July 1, 2024, and*
469 *applicable to applications filed on or after July 1, 2024*):

470 On or after April 1, 2023, the Commissioner of Social Services shall,
471 within available appropriations, provide state-funded medical
472 assistance for postpartum care for twelve months after birth to a woman
473 who does not qualify for Medicaid due to immigration status and whose
474 household income does not exceed two hundred sixty-three per cent of
475 the federal poverty level. In determining eligibility, the commissioner
476 shall disregard from income (1) all federal disability benefits
477 administered by the United States Department of Veterans Affairs, (2)
478 all federal pension benefits administered by the United States
479 Department of Defense, (3) all temporary financial assistance under
480 section 27-125, and (4) all payments furnishing temporary income under
481 section 27-140, that are granted to a veteran, as defined in section 27-103,
482 or the surviving spouse of such veteran.

483 Sec. 18. Subsection (a) of section 19a-59b of the general statutes is

484 repealed and the following is substituted in lieu thereof (*Effective July 1,*
485 *2024, and applicable to applications filed on or after July 1, 2024*):

486 (a) The Commissioner of Public Health shall establish a maternal and
487 child health protection program. He shall contract, for purposes of the
488 program, annually, within available appropriations, with local
489 providers of health services to provide outpatient maternal health
490 services and labor and delivery services to needy pregnant women and
491 child health services to children under six years of age. Eligibility shall
492 be limited to families who have an income equal to or less than one
493 hundred eighty-five per cent of the poverty level, according to the
494 federal Office of Management and Budget poverty guidelines for
495 nonfarm families, lack private, third party health insurance to cover
496 such services. Such local providers shall determine eligibility for
497 services under the program, provided, in making such determination,
498 such local providers shall disregard from income (1) all federal
499 disability benefits administered by the United States Department of
500 Veterans Affairs, (2) all federal pension benefits administered by the
501 United States Department of Defense, (3) all temporary financial
502 assistance under section 27-125, and (4) all payments furnishing
503 temporary income under section 27-140, that are granted to a veteran,
504 as defined in section 27-103, or the surviving spouse of such veteran.
505 The contracts shall include criteria for making such determination in
506 accordance with this section. Outpatient services provided under the
507 program shall include at least the outpatient services provided to
508 Medicaid recipients. The commissioner shall conduct an outreach
509 program designed to educate the public with regard to the program and
510 to encourage providers to participate in the program. The
511 commissioner, in consultation with the Commissioner of Social Services,
512 shall seek any federal matching funds available for the program.

513 Sec. 19. Subsection (b) of section 12-81g of the general statutes is
514 repealed and the following is substituted in lieu thereof (*Effective October*
515 *1, 2024, and applicable to assessment years commencing on or after October 1,*
516 *2024*):

517 (b) (1) Effective for the assessment year commencing October 1, 2022,
518 and each assessment year thereafter, any municipality may, upon
519 approval by its legislative body or, in any town in which the legislative
520 body is a town meeting, by the board of selectmen, provide that, in lieu
521 of the additional exemption prescribed under subsection (a) of this
522 section, any person entitled to an exemption from property tax in
523 accordance with subdivision (20) of section 12-81, reflecting any increase
524 made pursuant to the provisions of section 12-62g, who has a disability
525 rating of one hundred per cent, as determined by the United States
526 Department of Veterans Affairs, shall be entitled to an additional
527 exemption from such tax in an amount equal to three times the amount
528 of the exemption provided for such person pursuant to subdivision (20)
529 of section 12-81, provided such person's total adjusted gross income as
530 determined for purposes of the federal income tax, [excluding veterans'
531 disability payments,] individually if unmarried, or jointly with spouse
532 if married, during the calendar year ending immediately preceding the
533 filing of a claim for any such exemption, is not more than twenty-four
534 thousand dollars if such person is married or not more than twenty-one
535 thousand dollars if such person is not married. Effective for the
536 assessment year commencing October 1, 2024, and each assessment year
537 thereafter, for the purposes of this subsection, total adjusted gross
538 income excludes (A) veterans' disability payments, including federal
539 disability benefits administered by the United States Department of
540 Veterans Affairs, (B) federal pension benefits administered by the
541 United States Department of Defense, (C) temporary financial assistance
542 under section 27-125, and (D) payments furnishing temporary income
543 under section 27-140, that are granted to a veteran, as defined in section
544 27-103, or the surviving spouse of such veteran.

545 (2) The provisions of this subsection shall not limit the applicability
546 of the provisions of subsection (a) of this section for persons not eligible
547 for the property tax exemption provided by this subsection.

548 Sec. 20. Section 12-81l of the general statutes is repealed and the
549 following is substituted in lieu thereof (*Effective October 1, 2024, and*
550 *applicable to assessment years commencing on or after October 1, 2024*):

551 Whenever used in sections 12-81f, 12-81g, as amended by this act, 12-
552 81i, 12-81j and 12-81jj, "qualifying income" means, with respect to any
553 person making application for exemption from property tax as provided
554 under any of said sections, such person's total adjusted gross income as
555 determined for purposes of the federal income tax plus any other
556 income not included in such adjusted gross income, individually if
557 unmarried, or jointly with spouse if married, during the calendar year
558 ending immediately preceding the filing of a claim for any such
559 exemption, but does not include (1) veterans' disability payments,
560 including federal disability benefits administered by the United States
561 Department of Veterans Affairs, (2) federal pension benefits
562 administered by the United States Department of Defense, (3)
563 temporary financial assistance under section 27-125, and (4) payments
564 furnishing temporary income under section 27-140, that are granted to
565 a veteran, as defined in section 27-103, or the surviving spouse of such
566 veteran. For purposes of determining eligibility for any of such
567 exemptions, such qualifying income may not exceed fourteen thousand
568 dollars, if unmarried, or sixteen thousand dollars, jointly with spouse, if
569 married, provided in no event shall such maximum amounts of
570 qualifying income with respect to any such person be less than the
571 maximum amount of such qualifying income in the case of a married or
572 unmarried person, whichever is applicable, under subsection (b) of
573 section 12-170aa, and in the event that such maximum qualifying
574 income under this section is less than the comparable amount under
575 said subsection (b) of section 12-170aa for any assessment year, such
576 amount under this section shall be made equivalent to that under said
577 subsection (b) of section 12-170aa for purposes of determining eligibility
578 under this section for such assessment year.

579 Sec. 21. Subsection (a) of section 12-81kk of the general statutes is
580 repealed and the following is substituted in lieu thereof (*Effective October*
581 *1, 2024, and applicable to assessment years commencing on or after October 1,*
582 *2024*):

583 (a) Any municipality, by vote of its legislative body or, in a
584 municipality where the legislative body is a town meeting, by vote of

585 the board of selectmen, may provide that any veteran, as defined in
 586 section 27-103, whose federal adjusted gross income is fifty thousand
 587 one hundred dollars or less shall be entitled to an exemption from the
 588 tax imposed under this chapter on any dwelling owned and occupied
 589 by such veteran as such veteran's primary residence, in an amount equal
 590 to ten per cent of the assessed value of such primary residence. For the
 591 purposes of this subsection, federal adjusted gross income excludes (1)
 592 veterans' disability payments, including federal disability benefits
 593 administered by the United States Department of Veterans Affairs, (2)
 594 federal pension benefits administered by the United States Department
 595 of Defense, (3) temporary financial assistance under section 27-125, and
 596 (4) payments furnishing temporary income under section 27-140, that
 597 are granted to a veteran, as defined in section 27-103, or the surviving
 598 spouse of such veteran.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-28i(a)
Sec. 2	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-104(a)
Sec. 3	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-191(c)
Sec. 4	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-256f
Sec. 5	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-261(a)

Sec. 6	<i>October 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-261(a)
Sec. 7	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-342(l)
Sec. 8	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-605a(a)
Sec. 9	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-801(a)
Sec. 10	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	8-119kk(g)
Sec. 11	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	8-219b(a)
Sec. 12	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	8-219e(b)
Sec. 13	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	8-345(g)
Sec. 14	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17a-860(c)(1)
Sec. 15	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-80(b)

Sec. 16	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-112(d)
Sec. 17	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	17b-257e
Sec. 18	<i>July 1, 2024, and applicable to applications filed on or after July 1, 2024</i>	19a-59b(a)
Sec. 19	<i>October 1, 2024, and applicable to assessment years commencing on or after October 1, 2024</i>	12-81g(b)
Sec. 20	<i>October 1, 2024, and applicable to assessment years commencing on or after October 1, 2024</i>	12-81l
Sec. 21	<i>October 1, 2024, and applicable to assessment years commencing on or after October 1, 2024</i>	12-81kk(a)

VA *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Social Services, Dept.; Aging and Disability Services, Dept.	GF - Potential Cost	Significant	Significant
Department of Housing	GF - Potential Cost	Up to 50,000	None
Policy & Mgmt., Off.	GF - Potential Cost	None	See Below

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 25 \$	FY 26 \$
Various Municipalities	Grand List-Potential Reduction	None	See Below

Explanation

The bill results in various fiscal impacts, described below, due to requiring state agencies and municipalities to disregard certain payments to veterans and their surviving spouses when determining their eligibility for assistance programs available through the Departments of Social Services (DSS), Aging and Disability Services (ADS), Housing (DOH), and towns (property tax). The bill also removes the specific exemption for aid and attendance payments for certain programs. It is unclear if such payments are included in the VA-administered benefits disregarded under the bill.

Sections 1-9 and **15-17** may result in significant costs to the Department of Social Services (DSS) associated with disregarding

certain benefits for veterans or their surviving spouses for purposes of determining income eligibility for various DSS administered programs. By reducing the income that is currently counted towards DSS program income limits, the bill increases the number of individuals who could be eligible. Relevant programs include Medicaid, Medicare Savings Program, PCA Waiver, State Supplemental Program, State Administered General Assistance, Temporary Family Assistance (TFA), state-funded Postpartum care, and Connecticut Home Care Program for Elders. The bill also potentially increases benefit amounts under TFA. The number of veterans enrolled in these programs and the disposition of their benefits is unknown.

Sections 10 and 12-13 make changes to housing programs that may result in contract costs to the Department of Housing (DOH) of up to \$50,000 in FY 25, to the extent DOH requires outside legal assistance to update the relevant regulations.

Section 14 excludes certain veterans benefits from counting towards the income limit for the Alzheimer's Respite Program. This could result in a cost to the Department of Aging and Disability Services (ADS) to the extent that more people qualify under the provisions of the bill. ADS manages the Alzheimer's Respite Program with the resources provided to them, so a waiting list will be created if demand exceeds the available funds.

Sections 19, 20, and 21 may result in increased eligibility and enrollment in various local property tax relief programs, which in turn would lead to a grand list reduction to municipalities that have exercised these local options beginning in FY 26^[1]. A grand list reduction results in a revenue loss given a constant mill rate, however it is likely that a municipality will adjust its mill rate to offset any predicted revenue loss. The Office of Policy and Management (OPM) may see a potential cost from Section 19, as that municipal exemption is

[1] Currently, 93 municipalities offer the exemption described in Section 12-81f of the CT General Statutes, 21 municipalities offer the 12-81g exemption, and 4 municipalities offer the 12-81j exemption. The other exemptions affected by Sections 19-21 are not anticipated to be utilized by CT towns, per a 2019 survey of town assessors.

reimbursed by the state.

The reimbursements to towns will be reduced proportionately if the total amount of exemptions exceeds the appropriated amount. For reference, in FY 23 this grant totaled approximately \$1.9 million. The current appropriation for FY 25 is \$2.7 million. There is no impact to municipalities that do not have any of these exemptions as a local option.

For context, there were approximately 140,700 veterans in Connecticut on 9/30/23. The number of veterans participating in the assistance programs specified by the bill is unknown. The impact of the bill is dependent on (1) the number of veterans participating in the various relief programs and (2) the benefit amounts being disregarded, and (3) the income limits of the program.

The bill makes technical, conforming, and other changes that have no fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue subject to the number of veterans, their associated benefits and the income limits of relevant programs.

OLR Bill Analysis**HB 5402*****AN ACT EXCLUDING FROM VETERANS' INCOME CALCULATIONS CERTAIN BENEFITS PAYMENTS FOR PURPOSES OF ELIGIBILITY FOR CERTAIN STATE AND MUNICIPAL PROGRAMS.*****SUMMARY**

By law, state agencies and municipalities must calculate a person's income when determining his or her eligibility for certain means-tested benefits and programs. This bill requires agencies and municipalities to disregard (exclude) the following payments to veterans and their surviving spouses when determining their eligibility for the social services, housing, health, and property tax benefits specified in the table below:

1. U.S. Department of Defense (DOD)-administered pensions (presumably retirement pay, see BACKGROUND);
2. U.S. Department of Veterans Affairs (U.S. VA)-administered disability benefits (presumably U.S. VA disability compensation, see BACKGROUND);
3. temporary financial assistance from the state Department of Veterans Affairs; and
4. temporary financial assistance from the Soldiers, Sailors and Marines Fund.

As shown in the table below, the bill also removes the explicit exemption for aid and attendance payments for seven programs. (It is unclear whether aid and attendance payments are among the VA-administered disability benefits the bill requires be disregarded. While certain veterans with disabilities may receive aid and attendance

payments, these payments are associated with VA-administered pensions, which are not disregarded under the bill, see BACKGROUND).

EFFECTIVE DATE: July 1, 2024, and applicable to applications filed on or after that date, and October 1, 2024, and applicable to assessment years starting on and after that date for provisions on municipal property tax exemptions (§§ 19-21) and a technical change (§ 6).

PROGRAMS AND BENEFITS AFFECTED

The bill requires agencies or municipalities, as applicable, to disregard the above income sources when administering the programs and benefits listed in the table. The table also indicates (1) three programs for which these income sources must be disregarded for purposes of determining the amount of benefit, rather than only eligibility, and (2) programs for which the bill eliminates the explicit requirement that administrators disregard aid and attendance benefits.

The bill also requires the Department of Social Services to disregard these income sources for any other aid programs the department administers.

Table: Programs and Benefits That Must Disregard Veterans’ Disability Compensation for Eligibility Purposes

<i>Bill Section</i>	<i>Program or Benefit</i>
1, 5 & 6*	Medicaid (CGS §§ 17b-28i and 17b-261(a), and PA 23-204, § 302)
2*	State Supplemental Program (CGS § 17b-104(a))
3*	State Administered General Assistance (CGS § 17b-191(c))
4*	Medicare Savings Program (CGS § 17b-265f)
7*	Connecticut Home Care Program for Elders (CGS § 17b-342(l))
8	Medicaid personal care assistance (PCA) waiver (CGS § 17b-605a(a))
9*	State Appropriated Fuel Assistance Program (currently inactive) (CGS § 17b-801(a))
10	Elderly Rental Assistance program, and also for determining the benefit amount (CGS § 8-119kk(g))
11	Senior Citizen Emergency Home Repair and Rehabilitation (CGS § 8-219b(a))
12	Financial assistance for the abatement of lead-based paint and asbestos (CGS § 8-219e(b))

Bill Section	Program or Benefit
13	Rental Assistance Program, and also for determining the benefit amount (CGS § 8-345(g))
14	Alzheimer's Respite Program (also known as the Connecticut Statewide Respite Care Program) (CGS § 17a-860(c)(1))
15 & 16	Temporary Family Assistance, and also for determining benefit amount (CGS §§ 17b-80(b) & 17b-112(d))
17	Postpartum care for women without legal immigration status (CGS § 17b-257e)
18	Maternal and child health protection program (CGS § 19a-59b(a))
19, 20 & 21	Municipal property tax exemptions (CGS §§ 12-81g(b), 12-81i, & 12-81kk(a))

*Under current law, aid and attendance payments are explicitly disregarded, but under the bill they are not.

BACKGROUND

DOD Retirement Pay

The DOD provides regular and disability retirement pay (as well as non-regular pay for certain reserve members). Generally, service members who receive regular retirement pay have 20 or more years of active service. Eligibility is not contingent on a disability or need.

DOD disability retirement pay is provided to service members who have been deemed medically unfit for continued service and have a disability rating of at least 30%.

U.S. VA Disability Benefits

VA disability compensation (often referred to as "disability benefits") is a monthly tax-free payment to veterans who got sick or injured while serving in the military and to veterans whose service made an existing condition worse.

Aid and Attendance

Individuals receiving a VA-administered pension may also receive aid and attendance benefits, which provide additional monthly payments to qualified veterans and surviving spouses who need assistance performing daily activities, are bedridden, have limited eyesight, or are in a nursing home due to mental or physical incapacity.

(The U.S. VA-administered pension program provides monthly payments to wartime veterans who meet certain age or disability requirements, and who have income and net worth within certain limits. Qualifying disabilities do not need to be service-related.)

Related Bills

sSB 344, favorably reported by the Veterans' and Military Affairs Committee, requires the Department of Social Services to disregard U.S. VA-administered pensions and housebound allowance payments for certain programs it administers, in addition to aid and attendance benefits as existing law requires.

sHB 5001, favorably reported by the Aging Committee, requires DSS to establish a presumptive eligibility system for the Connecticut Home Care Program for Elders.

COMMITTEE ACTION

Veterans' and Military Affairs Committee

Joint Favorable

Yea 20 Nay 0 (03/14/2024)