



General Assembly

January Session, 2019

Raised Bill No. 805

LCO No. 3664



Referred to Committee on AGING

Introduced by:
(AGE)

AN ACT ESTABLISHING A REVOLVING LOAN FUND TO ASSIST ELDERLY HOMEOWNERS.

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

1 Section 1. (*Effective October 1, 2019*) (a) For purposes of this section,
2 "elderly homeowner" means any owner of real property liable for
3 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
5 under this section, (2) has resided in the municipality levying such
6 property taxes for a period of not less than ten years before the date of
7 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 income limits set forth in section 12-
10 170aa of the general statutes, as adjusted annually.

11 (b) There is established a revolving loan fund to be known as the
12 "Elderly Homeowner Property Tax Revolving Loan Fund" which shall
13 be a separate nonlapsing account within the General Fund. The fund
14 shall contain any moneys required by law to be deposited in the fund,
15 including, but not limited to, payments of principal and interest on
16 loans made from the fund. The fund shall be administered by the

17 Secretary of the Office of Policy and Management. Investment earnings
18 credited to the fund shall become part of the assets of the fund. Any
19 balance remaining in the fund at the end of any fiscal year shall be
20 carried forward in the fund for the fiscal year next succeeding.
21 Payments of principal or interest on a loan made pursuant to this
22 section shall be paid to the State Treasurer for deposit in the fund. The
23 fund shall be used to make loans at the prevailing rate of interest
24 pursuant to subsection (c) of this section, and to pay reasonable and
25 necessary expenses incurred by the secretary in administering loans
26 under this section.

27 (c) (1) Notwithstanding section 12-172 of the general statutes, the
28 state, acting through and in the discretion of the Secretary of the Office
29 of Policy and Management and within available appropriations, may
30 provide loans to elderly homeowners who apply, on a form prescribed
31 by the secretary, provided (A) the elderly homeowner has failed to pay
32 taxes levied against the elderly homeowner's property under chapter
33 203 of the general statutes for not less than the two assessment years
34 preceding the date of application for a loan under this section, (B) the
35 real property subject to tax is not otherwise encumbered, and (C) the
36 principal amount of such loan does not exceed the amount of taxes
37 levied against the real property. The secretary may impose asset limits
38 as a condition of eligibility for loans provided pursuant to this section.

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

44 (3) Any financial assistance provided under this section shall not
45 disqualify the elderly homeowner from receiving benefits for which
46 such elderly homeowner is eligible under the provisions of section 12-
47 129b, 12-129c, 12-129n or 12-170aa of the general statutes.

48 (d) The Secretary of the Office of Policy and Management may

49 adopt regulations, in accordance with the provisions of chapter 54 of
50 the general statutes, to specify application procedures and priorities
51 for providing low-cost loans pursuant to this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2019</i>	New section

AGE *Joint Favorable*