



General Assembly

January Session, 2021

**Raised Bill No. 873**

LCO No. 3265



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:  
(FIN)

**AN ACT MITIGATING ADVERSE TAX CONSEQUENCES RESULTING FROM EMPLOYEES WORKING REMOTELY DURING COVID-19, AND CONCERNING THE REMOVAL OF LIENS ON THE PROPERTY OF PUBLIC ASSISTANCE BENEFICIARIES AND A THREE-TIERED GRANTS IN LIEU OF TAXES PROGRAM.**

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

1 Section 1. (*Effective from passage*) (a) As used in this section,  
2 "convenience of the employer rule" means a law or rule that is  
3 substantially similar to that set forth in section 12-711 of the general  
4 statutes, whether or not reciprocal, and "COVID-19" means the  
5 respiratory disease designated by the World Health Organization on  
6 February 11, 2020, as coronavirus 19, and any related mutation thereof  
7 recognized by said organization as a communicable respiratory disease.

8 (b) Notwithstanding any provision of title 12 of the general statutes,  
9 for the taxable year commencing January 1, 2020:

10 (1) Any resident who paid income tax to any other state that uses a  
11 convenience of the employer rule shall be allowed a credit against such

12 resident's Connecticut income tax, for the tax paid to such other state on  
13 income earned by such resident while working remotely from this state  
14 for said taxable year, including while obligated by necessity to work  
15 remotely from this state;

16 (2) Any resident who paid income tax to any other state that has  
17 enacted a law or rule requiring a nonresident employee to pay  
18 nonresident income tax to such other state on income earned while such  
19 nonresident employee was working remotely from this state due to  
20 COVID-19 if, immediately prior to March 11, 2020, such nonresident  
21 employee was performing such work within such other state, shall be  
22 allowed a credit against such resident's Connecticut income tax, for the  
23 tax paid to such other state on income earned by such resident while  
24 working remotely from this state for said taxable year; and

25 (3) The Department of Revenue Services shall not consider, in  
26 determining whether an employer has nexus with this state for  
27 purposes of the imposition of any Connecticut tax, the activities of an  
28 employee who worked remotely from this state during said taxable year  
29 solely due to COVID-19.

30 Sec. 2. Section 4a-13 of the general statutes is repealed and the  
31 following is substituted in lieu thereof (*Effective July 1, 2021*):

32 For purposes of this section and section 4a-16, as amended by this act,  
33 "cash assistance" means payments made to a beneficiary of the aid to  
34 families with dependent children program, the state-administered  
35 general assistance program, the state supplement program or the  
36 temporary family assistance program. The Commissioner of  
37 Administrative Services may accept mortgage notes and mortgage  
38 deeds in payment of claims due for [welfare assistance or] (1)  
39 institutional care [,] in state humane institutions, as defined in section  
40 17b-222, or correctional institutions administered by the Commissioner  
41 of Correction, and (2) cash assistance and medical assistance, provided  
42 that no such claims shall be due and payable from mortgage notes and  
43 mortgage deeds valued at two hundred fifty thousand dollars or less

44 unless required under federal law or the provisions of section 18-85c.  
45 The commissioner may accept such mortgage notes and mortgage deeds  
46 on such terms and conditions as the commissioner deems proper and  
47 reasonable, and such encumbrances may be foreclosed in an action  
48 brought in a court of competent jurisdiction by the commissioner on  
49 behalf of the state. Any such encumbrance shall be released by the  
50 commissioner upon payment of the amount by it secured.

51 Sec. 3. Section 4a-16 of the general statutes is repealed and the  
52 following is substituted in lieu thereof (*Effective July 1, 2021*):

53 When any person supported or cared for by the state (1) under a  
54 program of [public] cash or medical assistance, [or] (2) in an institution  
55 maintained by the Department of Developmental Services or  
56 Department of Mental Health and Addiction Services, [or] (3) when an  
57 inmate of the Department of Correction, or [when any] (4) as a child  
58 committed to the Commissioner of Social Services or Commissioner of  
59 Children and Families dies, leaving only personal estate, including  
60 personal assets owing and due the estate after death, not exceeding the  
61 aggregate value, as described in section 45a-273, as amended by this act,  
62 the Commissioner of Administrative Services or the commissioner's  
63 authorized representative shall [, upon filing] file with the probate court  
64 having jurisdiction of such estate a certificate that the total estate is  
65 under the aggregate value, as described in section 45a-273, as amended  
66 by this act, and the claim of the state for the cost of any care or support,  
67 required to be recovered under federal law or the provisions of 18-85c,  
68 together with the expense of last illness not exceeding three hundred  
69 seventy-five dollars and funeral and burial expenses in accordance with  
70 [section] sections 17b-84 and 17b-131, equals or exceeds the amount of  
71 such estate. [,] The commissioner shall be issued a certificate by said  
72 court that the commissioner is the legal representative of such estate  
73 only for the following purpose. The commissioner shall have authority  
74 to claim such estate, the commissioner's receipt for the same to be a valid  
75 discharge of the liability of any person turning over the same, and to  
76 settle the same by payment of the expense of last illness not exceeding  
77 three hundred seventy-five dollars, expense of funeral and burial in

78 accordance with [section] sections 17b-84 and 17b-131 and the  
79 remainder as partial or full reimbursement of the claim of the state only  
80 for amounts due under the provisions of section 18-85c or federal law  
81 for (A) care [or assistance] rendered to the decedent as described in  
82 subdivisions (2) to (4), inclusive, of this section, or (B) cash or medical  
83 assistance the state is required to recover under federal law. The  
84 commissioner shall file with said probate court a statement of the  
85 settlement of such estate as herein provided.

86 Sec. 4. Subsection (b) of section 17b-77 of the general statutes is  
87 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
88 *2021*):

89 (b) The Commissioner of Social Services shall notify each applicant  
90 for aid under the state supplement program, medical assistance  
91 program, temporary family assistance program and state-administered  
92 general assistance program of the provisions of sections 17b-93 to 17b-  
93 97, inclusive, as amended by this act, in general terms, at the time of  
94 application for such aid. The commissioner shall notify each person who  
95 may be liable for repayment of such aid, if known, of the provisions of  
96 sections 17b-93 to 17b-97, inclusive, as amended by this act, in general  
97 terms, not later than thirty days after the applicant for such aid is  
98 determined to be eligible for such aid or, if not known at the time the  
99 applicant is determined to be eligible for such aid, [the department shall  
100 give such notice] not later than thirty days after the date on which the  
101 commissioner identifies such person as one who may be liable for  
102 repayment of such aid. The notice shall be (1) written in plain language,  
103 (2) in an easily readable and understandable format, and (3) whenever  
104 possible, in the first language of the applicant or person who may be  
105 liable for repayment of such aid.

106 Sec. 5. Section 17b-79 of the general statutes is repealed and the  
107 following is substituted in lieu thereof (*Effective July 1, 2021*):

108 (a) For purposes of this section, "cash assistance" means payments  
109 made to a beneficiary of the state supplement program, temporary

110 family assistance program or the state-administered general assistance  
111 program. No person shall be deemed ineligible to receive an award  
112 under the state supplement program, medical assistance program,  
113 temporary family assistance program, state-administered general  
114 assistance program or supplemental nutrition assistance program for  
115 himself or herself or for any person for whose support he or she is liable  
116 by reason of having an interest in real property, maintained as his or her  
117 home, provided the equity in such property [shall] does not exceed the  
118 limits established by the commissioner. The commissioner may place a  
119 lien against any property to secure the claim of the state for all amounts  
120 which it has paid or may thereafter pay to such person or in such  
121 person's behalf [under any such program, or] (1) for cash or medical  
122 assistance, (2) to or on behalf of any person for whose support he or she  
123 is liable, [except for] or (3) for any medical assistance, provided that, for  
124 property valued at two hundred fifty thousand dollars or less, the  
125 commissioner may only recover amounts due for cash or medical  
126 assistance required to be recovered under federal law. Such recovery  
127 shall not include property maintained as a home in aid to families of  
128 dependent children cases, in which case such lien shall secure the state  
129 only for that portion of the assistance grant awarded for amortization of  
130 a mortgage or other encumbrance beginning with the fifth month after  
131 the original grant for principal payment on any such encumbrance is  
132 made, and each succeeding month of such grant thereafter. The claim of  
133 the state shall be secured by filing a certificate in the land records of the  
134 town or towns in which any such real estate is situated, describing such  
135 real estate. Any such lien may, at any time during which the amount  
136 secured by such lien remains unpaid, be foreclosed in an action brought  
137 in a court of competent jurisdiction by the commissioner on behalf of  
138 the state. Any real estate to which title has been taken by foreclosure  
139 under this section, or which has been conveyed to the state in lieu of  
140 foreclosure, may be sold, transferred or conveyed for the state by the  
141 commissioner with the approval of the Attorney General, and the  
142 commissioner may, in the name of the state, execute deeds for such  
143 purpose. Such lien shall be released by the commissioner upon payment  
144 of the amount secured by such lien, or an amount equal to the value of

145 the beneficiary's interest in such property if the value of such interest is  
146 less than the amount secured by such lien, at the commissioner's  
147 discretion, and with the advice and consent of the Attorney General,  
148 upon a compromise of the amount due to the state. At the discretion of  
149 the commissioner, the beneficiary, or, in the case of a husband and wife  
150 living together, the survivor of them, as long as he or she lives, or a  
151 dependent child or children, may be permitted to occupy such real  
152 property.

153 (b) On and after July 1, 2021, the state shall not recover cash assistance  
154 or medical assistance from a lien filed on any property valued at two  
155 hundred fifty thousand dollars or less, unless the state is required to  
156 recover such assistance under federal law. Any certificate or lien filed  
157 under this section by or on behalf of the state on such property prior to  
158 July 1, 2021, shall be released by the state if the recovery of such  
159 assistance is not required under federal law.

160 Sec. 6. Section 17b-85 of the general statutes is repealed and the  
161 following is substituted in lieu thereof (*Effective July 1, 2021*):

162 If any person receiving an award for the care of any dependent child  
163 or children, or any person legally liable for the support of such child or  
164 children, or any other person being supported wholly or in part under  
165 the provisions of the state supplement program, medical assistance  
166 program, temporary family assistance program or state-administered  
167 general assistance program or any beneficiary under such provisions or  
168 any legally liable relative of such beneficiary, receives property, wages,  
169 income or resources of any kind, such person or beneficiary, within ten  
170 days after obtaining knowledge of or receiving such property, wages,  
171 income or resources, shall notify the commissioner thereof, orally or in  
172 writing, unless good cause is established for failure to provide such  
173 notice, as determined by the commissioner. No such person or  
174 beneficiary shall sell, assign, transfer, encumber or otherwise dispose of  
175 any property without the consent of the commissioner unless such  
176 property is valued at two hundred fifty thousand dollars or less and  
177 such person has not received care or support payments the state is

178 required to recover under federal law. The provisions of section 17b-137  
179 shall be applicable with respect to any person applying for or receiving  
180 an award under such provisions. Except for the supplemental nutrition  
181 assistance program, any change in the information which has been  
182 furnished on an application form or a redetermination of eligibility form  
183 shall also be reported to the commissioner, orally or in writing, within  
184 ten days of the occurrence of such change, unless good cause is  
185 established for failure to provide such notice, as determined by the  
186 commissioner. For participants in the supplemental nutrition assistance  
187 program, the commissioner shall establish reporting requirements  
188 regarding such changes in information in accordance with applicable  
189 federal law, as may be amended from time to time.

190       Sec. 7. Section 17b-93 of the general statutes is repealed and the  
191 following is substituted in lieu thereof (*Effective July 1, 2021*):

192       (a) If a beneficiary of aid under the state supplement program,  
193 medical assistance program, aid to families with dependent children  
194 program, temporary family assistance program or state-administered  
195 general assistance program has or acquires property of any kind or  
196 interest in any property, estate or claim of any kind, except moneys  
197 received for the replacement of real or personal property, the state of  
198 Connecticut shall have a claim, subject to subsections (b) and (c) of this  
199 section and the provisions of section 17b-94, as amended by this act,  
200 which shall have priority over all other unsecured claims and  
201 unrecorded encumbrances, against such beneficiary for the full amount  
202 paid, [subject to the provisions of section 17b-94, to the beneficiary or on  
203 the beneficiary's behalf under said programs;] provided that the state's  
204 claim on property valued at two hundred fifty thousand dollars or less  
205 shall not exceed the amount the state is required to recover under  
206 federal law, and, in addition thereto, the parents of an aid to dependent  
207 children beneficiary, a state-administered general assistance beneficiary  
208 or a temporary family assistance beneficiary shall be liable to repay,  
209 subject to the provisions of section 17b-94, as amended by this act, to the  
210 state the full amount of any such aid paid to or on behalf of either parent,  
211 his or her spouse, and his or her dependent child or children, as defined

212 in section 17b-75, to the extent such payments are required to be  
213 recovered by the state under federal law or the value of such parent's  
214 assets or estate exceeds two hundred fifty thousand dollars. The state of  
215 Connecticut shall have a lien against property of any kind or interest in  
216 any property, estate or claim of any kind of the parents of an aid to  
217 dependent children, temporary family assistance or state administered  
218 general assistance beneficiary, in addition and not in substitution of [its]  
219 any other state claim, for amounts owing under any order for support  
220 of any court or any family support magistrate, including any arrearage  
221 under such order, provided household goods and other personal  
222 property identified in section 52-352b, real property pursuant to section  
223 17b-79, as amended by this act, as long as such property is used as a  
224 home for the beneficiary and money received for the replacement of real  
225 or personal property, shall be exempt from such lien.

226 (b) Any person who received cash benefits under the aid to families  
227 with dependent children program, the temporary family assistance  
228 program or the state-administered general assistance program, when  
229 such person was under eighteen years of age, shall not be liable to repay  
230 the state for such assistance.

231 (c) No claim, except a claim required to be made under federal law,  
232 shall be made, or lien applied, against any payment made pursuant to  
233 chapter 135, any payment made pursuant to section 47-88d or 47-287,  
234 any moneys received as a settlement or award in a housing or  
235 employment or public accommodation discrimination case, any court-  
236 ordered retroactive rent abatement, including any made pursuant to  
237 subsection (e) of section 47a-14h or section 47a-4a, 47a-5 or 47a-57, or  
238 any security deposit refund pursuant to subsection (d) of section 47a-21  
239 paid to a beneficiary of assistance under the state supplement program,  
240 medical assistance program, aid to families with dependent children  
241 program, temporary family assistance program or state-administered  
242 general assistance program or paid to any person who has been  
243 supported wholly, or in part, by the state, in accordance with section  
244 17b-223, in a humane institution.



245 (d) Notwithstanding any provision of the general statutes, whenever  
246 funds are collected pursuant to this section or section 17b-94, as  
247 amended by this act, and the person who otherwise would have been  
248 entitled to such funds is subject to a court-ordered current or arrearage  
249 child support payment obligation in a IV-D support case, such funds  
250 shall first be paid to the state for reimbursement of Medicaid funds  
251 granted to such person for medical expenses incurred for injuries related  
252 to a legal claim by such person which was the subject of the state's lien  
253 and such funds shall then be paid to the Office of Child Support Services  
254 for distribution pursuant to the federally mandated child support  
255 distribution system implemented pursuant to subsection (j) of section  
256 17b-179. The remainder, if any, shall be paid to the state for payment of  
257 previously provided assistance [through the state supplement program,  
258 medical assistance program, aid to families with dependent children  
259 program, temporary family assistance program or state-administered  
260 general assistance program] that the state is required to recover under  
261 federal law or, if such recovery is not required under federal law, from  
262 an estate that exceeds the value of two hundred fifty thousand dollars.

263 (e) The Commissioner of Social Services shall adopt regulations, in  
264 accordance with chapter 54, establishing criteria and procedures for  
265 adjustment of the claim of the state of Connecticut against any parent  
266 liable for child support payments under subsection (a) of this section.  
267 The purpose of any such adjustment shall be to encourage the positive  
268 involvement of noncustodial parents in the lives of their children and to  
269 encourage noncustodial parents to begin making regular support  
270 payments.

271 (f) On and after July 1, 2021, the state shall not recover cash assistance  
272 or medical assistance from a lien filed on any property valued at two  
273 hundred fifty thousand dollars or less, unless the state is required to  
274 recover such assistance under federal law. Any certificate or lien filed  
275 under this section by or on behalf of the state on such property prior to  
276 July 1, 2021, shall be released by the state if the recovery of such  
277 assistance is not required under federal law. For purposes of this  
278 subsection, cash assistance means payments made to a beneficiary of the

279 aid to families with dependent children program, the state-administered  
280 general assistance program, the state supplement program or the  
281 temporary family assistance program.

282 Sec. 8. Section 17b-94 of the general statutes is repealed and the  
283 following is substituted in lieu thereof (*Effective July 1, 2021*):

284 (a) In the case of causes of action of beneficiaries of aid under the state  
285 supplement program, medical assistance program, aid to families with  
286 dependent children program, temporary family assistance program or  
287 state-administered general assistance program, subject to subsections  
288 (b) and (c) of section 17b-93, as amended by this act, or of a parent liable  
289 to repay the state under the provisions of section 17b-93, as amended by  
290 this act, the claim of the state shall be a lien against the proceeds  
291 therefrom in the amount of the assistance paid or fifty per cent of the  
292 proceeds received by such beneficiary or such parent after payment of  
293 all expenses connected with the cause of action, whichever is less, for  
294 repayment under section 17b-93, as amended by this act, [and shall have  
295 priority] provided the proceeds from the cause of action exceeds two  
296 hundred fifty thousand dollars or the state is required to recover all, or  
297 a portion of the proceeds, under federal law for the assistance paid. The  
298 state's claim shall have priority over all other claims except attorney's  
299 fees for said causes, expenses of suit, costs of hospitalization connected  
300 with the cause of action by whomever paid over and above hospital  
301 insurance or other such benefits, and, for such period of hospitalization  
302 as was not paid for by the state, physicians' fees for services during any  
303 such period as are connected with the cause of action over and above  
304 medical insurance or other such benefits; and such claim shall consist of  
305 the total assistance repayment for which claim may be made under said  
306 programs under the provisions of this section. The proceeds of such  
307 causes of action shall be assignable to the state for payment of the  
308 amount due under section 17b-93, as amended by this act, subject to the  
309 provisions of this subsection, irrespective of any other provision of law.  
310 Upon presentation to the attorney for the beneficiary of an assignment  
311 of such proceeds executed by the beneficiary or his conservator or  
312 guardian, such assignment shall constitute an irrevocable direction to

313 the attorney to pay the Commissioner of Administrative Services in  
314 accordance with its terms, except if, after settlement of the cause of  
315 action or judgment thereon, the Commissioner of Administrative  
316 Services does not inform the attorney for the beneficiary of the amount  
317 of lien which is to be paid to the Commissioner of Administrative  
318 Services within forty-five days of receipt of the written request of such  
319 attorney for such information, such attorney may distribute such  
320 proceeds to such beneficiary and shall not be liable for any loss the state  
321 may sustain thereby.

322 (b) In the case of an inheritance of an estate by a beneficiary of aid  
323 under the state supplement program, medical assistance program, aid  
324 to families with dependent children program, temporary family  
325 assistance program or state-administered general assistance program,  
326 subject to subsections (b) and (c) of section 17b-93, as amended by this  
327 act, or by a parent liable to repay the state under the provisions of  
328 section 17b-93, as amended by this act, fifty per cent of the assets of the  
329 estate payable to the beneficiary or such parent or the amount of such  
330 assets equal to the amount of assistance paid, provided the value of the  
331 estate exceeds two hundred fifty thousand dollars, or is otherwise  
332 required to be recovered by the state under federal law, whichever is  
333 less, shall be assignable to the state for payment of the amount due  
334 under section 17b-93, as amended by this act. The state shall have a lien  
335 against such assets in the applicable amount specified in this subsection.  
336 The Court of Probate shall accept any such assignment executed by the  
337 beneficiary or parent or any such lien notice if such assignment or lien  
338 notice is filed by the Commissioner of Administrative Services with the  
339 court prior to the distribution of such inheritance, and to the extent of  
340 such inheritance not already distributed, the court shall order  
341 distribution in accordance with such assignment or lien notice. If the  
342 Commissioner of Administrative Services receives any assets of an  
343 estate pursuant to any such assignment, the commissioner shall be  
344 subject to the same duties and liabilities concerning such assigned assets  
345 as the beneficiary or parent.

346 (c) On and after July 1, 2021, the state shall not recover cash assistance

347 or medical assistance from a lien filed on any property or estate valued  
348 at two hundred fifty thousand dollars or less, unless the state is required  
349 to recover such assistance under federal law. Any certificate or lien filed  
350 under this section by or on behalf of the state on such property or estate  
351 prior to July 1, 2021, shall be released by the state if the recovery of such  
352 assistance is not required under federal law. For purposes of this  
353 subsection, cash assistance means payments made to a beneficiary of the  
354 aid to families with dependent children program, the state-administered  
355 general assistance program, the state supplement program or the  
356 temporary family assistance program.

357       Sec. 9. Section 17b-95 of the general statutes is repealed and the  
358 following is substituted in lieu thereof (*Effective July 1, 2021*):

359       (a) For purposes of this section, "cash assistance" means payments  
360 made to a beneficiary under the state supplement program, aid to  
361 families with dependent children program, temporary family assistance  
362 program or state-administered general assistance program. Subject to  
363 the provisions of subsection (b) of this section, upon the death of a  
364 parent of a child who has, at any time, been a beneficiary under the  
365 program of aid to families with dependent children, the temporary  
366 family assistance program or the state-administered general assistance  
367 program, or upon the death of any person who has at any time been a  
368 beneficiary of aid under the state supplement program, medical  
369 assistance program, aid to families with dependent children program,  
370 temporary family assistance program or state-administered general  
371 assistance program, except as provided in subsection (b) of section 17b-  
372 93, as amended by this act, the state shall have a claim against such  
373 parent's or [person's] beneficiary's estate for all [amounts paid on behalf  
374 of each such child or for the support of either parent or such child or  
375 such person under the state supplement program, medical assistance  
376 program, aid to families with dependent children program, temporary  
377 family assistance program or state-administered general assistance  
378 program] cash assistance or medical assistance for which the state has  
379 not been reimbursed, to the extent that (1) the amount which the  
380 surviving spouse, parent or dependent children of the decedent would

381 otherwise take from such estate is not needed for their support, (2) the  
382 value of the estate exceeds two hundred fifty thousand dollars, or (3) the  
383 state is required to recover such assistance under federal law.  
384 Notwithstanding the provisions of this subsection, effective for services  
385 provided on or after January 1, 2014, no state claim pursuant to this  
386 section shall be made against the estate of a recipient of medical  
387 assistance under the Medicaid Coverage for the Lowest Income  
388 Populations program, established pursuant to Section  
389 1902(a)(10)(A)(i)(VIII) of the Social Security Act, as amended from time  
390 to time, except to the extent required by federal law.

391 (b) In the case of any person dying after October 1, 1959, the claim for  
392 medical payments, even though such payments were made prior  
393 thereto, shall be restricted to medical disbursements actually made for  
394 care of such deceased beneficiary.

395 (c) Claims pursuant to this section shall have priority over all  
396 unsecured claims against such estate, except (1) expenses of last sickness  
397 not to exceed three hundred seventy-five dollars, (2) funeral and burial  
398 expenses in accordance with [section] sections 17b-84 and 17b-131, and  
399 (3) administrative expenses, including [probate fees and taxes, and] (A)  
400 taxes, and (B) probate fees, including fiduciary fees not exceeding the  
401 following commissions on the value of the whole estates accounted for  
402 by such fiduciaries: On the first two thousand dollars or portion thereof,  
403 five per cent; on the next eight thousand dollars or portion thereof, four  
404 per cent; on the excess over ten thousand dollars, three per cent. Upon  
405 petition by any fiduciary, the Probate Court, after a hearing thereon,  
406 may authorize compensation in excess of the above schedule for  
407 extraordinary services. Notice of any such petition and hearing shall be  
408 given to the Commissioner of Administrative Services in Hartford at  
409 least ten days in advance of such hearing. The allowable funeral and  
410 burial payment [herein] as provided in this section shall be reduced by  
411 the amount of any prepaid funeral arrangement. Any amount paid from  
412 the estate under this section to any person which exceeds the limits  
413 provided [herein] in this section shall be repaid to the estate by such  
414 person, and such amount may be recovered in a civil action with interest

415 at six per cent from the date of demand.

416 (d) For purposes of this section, all sums due on or after July 1, 2003,  
417 to any individual after the death of a [public] cash assistance or medical  
418 assistance beneficiary from whom the state is required to recover such  
419 assistance under federal law, pursuant to the terms of an annuity  
420 contract purchased at any time with assets of [a public assistance] such  
421 beneficiary, shall be deemed to be part of the estate of the deceased  
422 beneficiary and shall be payable to the state by the recipient of such  
423 annuity payments to the extent necessary [to achieve full  
424 reimbursement of any public assistance benefits paid to, or on behalf of,  
425 the deceased beneficiary] under federal law, irrespective of any  
426 provision of law. The recipient of beneficiary payments from any such  
427 annuity contract shall be solely liable to the state of Connecticut for  
428 reimbursement of [public assistance] cash assistance and medical  
429 assistance benefits paid to, or on behalf of, the deceased beneficiary that  
430 the state is required to recover under federal law and, for annuity  
431 contracts with payments exceeding two hundred fifty thousand dollars,  
432 all amounts due the state, regardless of federal law, to the extent of any  
433 payments received by such recipient pursuant to the annuity contract.

434 (e) On and after July 1, 2021, the state shall not recover cash assistance  
435 or medical assistance from a lien filed on any property or estate valued  
436 at two hundred fifty thousand dollars or less, unless the state is required  
437 to recover such assistance under federal law. Any certificate or lien filed  
438 under this section by or on behalf of the state on such property or estate  
439 prior to July 1, 2021, shall be released by the state if the recovery of such  
440 assistance is not required under federal law.

441 Sec. 10. Section 17b-224 of the general statutes is repealed and the  
442 following is substituted in lieu thereof (*Effective July 1, 2021*):

443 A patient who is receiving or has received care in a state humane  
444 institution, his estate or both shall be liable to reimburse the state for any  
445 unpaid portion of per capita cost, [to the same extent as the liability of a  
446 public assistance beneficiary under sections 17b-93 and 17b-95,] subject

447 to the same protection of a surviving spouse or dependent child as is  
448 provided in section 17b-95, as amended by this act, [and subject to the  
449 same limitations and the same assignment and lien rights as provided  
450 in section 17b-94] provided the unpaid portion is required to be  
451 recovered under federal law or the value of the patient's assets or estate  
452 exceeds two hundred fifty thousand dollars.

453 Sec. 11. Section 12-18b of the general statutes is repealed and the  
454 following is substituted in lieu thereof (*Effective July 1, 2021*):

455 (a) For purposes of this section:

456 (1) "College and hospital property" means all real property described  
457 in subsection (a) of section 12-20a;

458 (2) "District" [means any district, as defined] has the same meaning  
459 as provided in section 7-324;

460 [(3) "Qualified college and hospital property" means college and  
461 hospital property described in subparagraph (B) of subdivision (2) of  
462 subsection (b) of this section;

463 (4) "Qualified state, municipal or tribal property" means state,  
464 municipal or tribal property described in subparagraphs (A) to (G),  
465 inclusive, of subdivision (1) of subsection (b) of this section;

466 (5) "Municipality" means any town, city, borough, consolidated town  
467 and city and consolidated town and borough;

468 (6) "Select college and hospital property" means college and hospital  
469 property described in subparagraph (A) of subdivision (2) of subsection  
470 (b) of this section;

471 (7) "Select payment in lieu of taxes account" means the account  
472 established pursuant to section 12-18c;

473 (8) "Select state property" means state property described in  
474 subparagraph (H) of subdivision (1) of subsection (b) of this section;]

475       (3) "Equalized net grand list per capita" means the grand list of a  
476 municipality upon which taxes were levied for the general expenses of  
477 such municipality three years prior to the fiscal year in which a grant  
478 under this section is to be paid, equalized in accordance with the  
479 provisions of section 10-261a and divided by the total population of such  
480 municipality;

481       (4) "Municipality" means any town, city, borough, consolidated town  
482 and city and consolidated town and borough;

483       [(9)] (5) "State, municipal or tribal property" means all real property  
484 described in subsection (a) of section 12-19a;

485       [(10) "Tier one districts or municipalities" means the ten districts or  
486 municipalities with the highest percentage of tax exempt property on  
487 the list of municipalities prepared by the Secretary of the Office of Policy  
488 and Management pursuant to subsection (c) of this section and having  
489 a mill rate of twenty-five mills or more;

490       (11) "Tier two districts or municipalities" means the next twenty-five  
491 districts or municipalities after tier one districts or municipalities with  
492 the highest percentage of tax exempt property on the list of  
493 municipalities prepared by the Secretary of the Office of Policy and  
494 Management pursuant to subsection (c) of this section and having a mill  
495 rate of twenty-five mills or more;

496       (12) "Tier three districts or municipalities" means all districts and  
497 municipalities not included in tier one districts or municipalities or tier  
498 two districts or municipalities;

499       (13) "Tier one municipalities" means the ten municipalities with the  
500 highest percentage of tax exempt property on the list of municipalities  
501 prepared by the Secretary of the Office of Policy and Management  
502 pursuant to subsection (c) of this section and having a mill rate of  
503 twenty-five mills or more;

504       (14) "Tier two municipalities" means the next twenty-five



505 municipalities after tier one municipalities with the highest percentage  
506 of tax exempt property on the list of municipalities prepared by the  
507 Secretary of the Office of Policy and Management pursuant to  
508 subsection (c) of this section and having a mill rate of twenty-five mills  
509 or more;

510 (15) "Tier three municipalities" means all municipalities not included  
511 in tier one municipalities or tier two municipalities; and

512 (16) "Mill rate" means the mill rate on real property and personal  
513 property other than motor vehicles]

514 (6) "Tier one municipalities" means municipalities with an equalized  
515 net grand list per capita of less than one hundred thousand dollars per  
516 capita;

517 (7) "Tier two municipalities" means municipalities with an equalized  
518 net grand list per capita of one hundred thousand dollars to two  
519 hundred thousand dollars per capita; and

520 (8) "Tier three municipalities" means municipalities with an  
521 equalized net grand list per capita of greater than two hundred  
522 thousand dollars per capita.

523 (b) Notwithstanding the provisions of sections 12-19a and 12-20a, all  
524 funds appropriated for state grants in lieu of taxes shall be payable to  
525 municipalities and districts pursuant to the provisions of this section.  
526 On or before January first, annually, the Secretary of the Office of Policy  
527 and Management shall determine the amount due, as a state grant in  
528 lieu of taxes, to each municipality and district in this state wherein  
529 college and hospital property is located and to each municipality in this  
530 state wherein state, municipal or tribal property, except that which was  
531 acquired and used for highways and bridges, but not excepting  
532 property acquired and used for highway administration or maintenance  
533 purposes, is located.

534 (1) The grant payable to any municipality for state, municipal or tribal

535 property under the provisions of this section in the fiscal year ending  
536 June 30, 2017, and each fiscal year thereafter shall be equal to the total  
537 of:

538 (A) One hundred per cent of the property taxes that would have been  
539 paid with respect to any facility designated by the Commissioner of  
540 Correction, on or before August first of each year, to be a correctional  
541 facility administered under the auspices of the Department of  
542 Correction or a juvenile detention center under direction of the  
543 Department of Children and Families that was used for incarcerative  
544 purposes during the preceding fiscal year. If a list containing the name  
545 and location of such designated facilities and information concerning  
546 their use for purposes of incarceration during the preceding fiscal year  
547 is not available from the Secretary of the State on August first of any  
548 year, the Commissioner of Correction shall, on said date, certify to the  
549 Secretary of the Office of Policy and Management a list containing such  
550 information;

551 (B) One hundred per cent of the property taxes that would have been  
552 paid with respect to that portion of the John Dempsey Hospital located  
553 at The University of Connecticut Health Center in Farmington that is  
554 used as a permanent medical ward for prisoners under the custody of  
555 the Department of Correction. Nothing in this section shall be construed  
556 as designating any portion of The University of Connecticut Health  
557 Center John Dempsey Hospital as a correctional facility;

558 (C) One hundred per cent of the property taxes that would have been  
559 paid on any land designated within the 1983 Settlement boundary and  
560 taken into trust by the federal government for the Mashantucket Pequot  
561 Tribal Nation on or after June 8, 1999;

562 (D) Subject to the provisions of subsection (c) of section 12-19a, sixty-  
563 five per cent of the property taxes that would have been paid with  
564 respect to the buildings and grounds comprising Connecticut Valley  
565 Hospital and Whiting Forensic Hospital in Middletown;

566 (E) With respect to any municipality in which more than fifty per cent

567 of the property is state-owned real property, one hundred per cent of  
568 the property taxes that would have been paid with respect to such state-  
569 owned property;

570 (F) Forty-five per cent of the property taxes that would have been  
571 paid with respect to all municipally owned airports; except for the  
572 exemption applicable to such property, on the assessment list in such  
573 municipality for the assessment date two years prior to the  
574 commencement of the state fiscal year in which such grant is payable.  
575 The grant provided pursuant to this section for any municipally owned  
576 airport shall be paid to any municipality in which the airport is located,  
577 except that the grant applicable to Sikorsky Airport shall be paid one-  
578 half to the town of Stratford and one-half to the city of Bridgeport;

579 (G) Forty-five per cent of the property taxes that would have been  
580 paid with respect to any land designated within the 1983 Settlement  
581 boundary and taken into trust by the federal government for the  
582 Mashantucket Pequot Tribal Nation prior to June 8, 1999, or taken into  
583 trust by the federal government for the Mohegan Tribe of Indians of  
584 Connecticut, provided the real property subject to this subparagraph  
585 shall be the land only, and shall not include the assessed value of any  
586 structures, buildings or other improvements on such land; and

587 (H) Forty-five per cent of the property taxes that would have been  
588 paid with respect to all other state-owned real property.

589 (2) (A) The grant payable to any municipality or district for college  
590 and hospital property under the provisions of this section in the fiscal  
591 year ending June 30, 2017, and each fiscal year thereafter shall be equal  
592 to the total of seventy-seven per cent of the property taxes that, except  
593 for any exemption applicable to any college and hospital property under  
594 the provisions of section 12-81, would have been paid with respect to  
595 college and hospital property on the assessment list in such municipality  
596 or district for the assessment date two years prior to the commencement  
597 of the state fiscal year in which such grant is payable; and

598 (B) Notwithstanding the provisions of subparagraph (A) of this

599 subdivision, the grant payable to any municipality or district with  
600 respect to a campus of the United States Department of Veterans Affairs  
601 Connecticut Healthcare Systems shall be one hundred per cent.

602 (c) The Secretary of the Office of Policy and Management shall list  
603 municipalities, boroughs and districts based on (1) the percentage of real  
604 property on the 2012 grand list of each municipality that is exempt from  
605 property tax under any provision of the general statutes other than that  
606 property described in subparagraph (A) of subdivision (1) of subsection  
607 (b) of this section, and (2) for the fiscal year ending June 30, 2022, and  
608 each fiscal year thereafter, the equalized net grand list per capita of each  
609 municipality. Boroughs and districts shall have the same ranking as the  
610 town, city, consolidated town and city or consolidated town and  
611 borough in which such borough or district is located.

612 [(d) For the fiscal year ending June 30, 2017, if the total of grants  
613 payable to each municipality and district in accordance with the  
614 provisions of subsection (b) of this section exceeds the amount  
615 appropriated for the purposes of said subsection (b) for said fiscal year:  
616 (1) The amount of the grant payable to each municipality for state,  
617 municipal or tribal property and to each municipality or district for  
618 college and hospital property shall be reduced proportionately,  
619 provided the percentage of the property taxes payable to a municipality  
620 or district with respect to such property shall not be lower than the  
621 percentage paid to the municipality or district for such property for the  
622 fiscal year ending June 30, 2015; and (2) certain municipalities and  
623 districts shall receive an additional payment in lieu of taxes grant  
624 payable from the Municipal Revenue Sharing Fund established in  
625 section 4-66p. The total amount of the grant payment is as follows:

T1	Municipality/District	Grant Amount
T2		
T3	Ansonia	19,652
T4	Bridgeport	3,095,669
T5	Chaplin	10,692
T6	Danbury	593,619
T7	Deep River	1,876

T8	Derby	132,817
T9	East Granby	9,474
T10	East Hartford	205,669
T11	Hamden	593,967
T12	Hartford	11,883,205
T13	Killingly	44,593
T14	Ledyard	2,881
T15	Litchfield	13,303
T16	Mansfield	2,516,331
T17	Meriden	248,303
T18	Middletown	695,770
T19	Montville	25,080
T20	New Britain	1,995,060
T21	New Haven	14,584,940
T22	New London	1,297,919
T23	Newington	169,211
T24	North Canaan	4,203
T25	Norwich	248,588
T26	Plainfield	15,417
T27	Simsbury	20,731
T28	Stafford	41,189
T29	Stamford	528,332
T30	Suffield	51,434
T31	Wallingford	58,914
T32	Waterbury	3,141,669
T33	West Hartford	202,308
T34	West Haven	324,832
T35	Windham	1,193,950
T36	Windsor	9,241
T37	Windsor Locks	31,122
T38	Borough of Danielson (Killingly)	2,135
T39	Borough of Litchfield	137
T40	Middletown: South Fire District	1,121
T41	Plainfield - Plainfield Fire District	296
T42	West Haven First Center (D1)	1,136
T43	West Haven: Allingtown FD (D3)	50,751
T44	West Haven: West Shore FD (D2)	33,544

626 (e) (1) For the fiscal years ending June 30, 2018, and June 30, 2019, if  
627 the total of grants payable to each municipality and district in  
628 accordance with the provisions of subsection (b) of this section exceeds

629 the amount appropriated for the purposes of said subsection (b) for said  
 630 fiscal years: (A) The amount of the grant payable to each municipality  
 631 for state, municipal or tribal property and to each municipality or  
 632 district for college and hospital property shall be reduced  
 633 proportionately, provided the percentage of the property taxes payable  
 634 to a municipality or district with respect to such property shall not be  
 635 lower than the percentage paid to the municipality or district for such  
 636 property for the fiscal year ending June 30, 2015; and (B) certain  
 637 municipalities and districts shall receive an additional payment in lieu  
 638 of taxes grant payable from the select payment in lieu of taxes account.  
 639 The total amount of the grant payment is as follows:

T45	Municipality/District	Grant Amount
T46	Ansonia	20,543
T47	Bridgeport	3,236,058
T48	Chaplin	11,177
T49	Danbury	620,540
T50	Deep River	1,961
T51	Derby	138,841
T52	East Granby	9,904
T53	East Hartford	214,997
T54	Hamden	620,903
T55	Hartford	12,422,113
T56	Killingly	46,615
T57	Ledyard	3,012
T58	Litchfield	13,907
T59	Mansfield	2,630,447
T60	Meriden	259,564
T61	Middletown	727,324
T62	Montville	26,217
T63	New Britain	2,085,537
T64	New Haven	15,246,372
T65	New London	1,356,780
T66	Newington	176,884
T67	North Canaan	4,393
T68	Norwich	259,862
T69	Plainfield	16,116
T70	Simsbury	21,671
T71	Stafford	43,057
T72	Stamford	552,292

T73	Suffield	53,767
T74	Wallingford	61,586
T75	Waterbury	3,284,145
T76	West Hartford	211,483
T77	West Haven	339,563
T78	Windham	1,248,096
T79	Windsor	9,660
T80	Windsor Locks	32,533
T81	Borough of Danielson (Killingly)	2,232
T82	Borough of Litchfield	143
T83	Middletown: South Fire District	1,172
T84	Plainfield - Plainfield Fire District	309
T85	West Haven First Center (D1)	1,187
T86	West Haven: Allingtown FD (D3)	53,053
T87	West Haven: West Shore FD (D2)	35,065

640 (2) For the fiscal year ending June 30, 2020, and each fiscal year  
641 thereafter, if the total of grants payable to each municipality and district  
642 in accordance with the provisions of subsection (b) of this section  
643 exceeds the amount appropriated for the purposes of said subsection (b)  
644 for said fiscal years:

645 (A) The amount of the grant payable to each municipality for  
646 qualified state, municipal or tribal property and to each municipality or  
647 district for qualified college and hospital property shall be reduced  
648 proportionately, provided the percentage of the property taxes payable  
649 to a municipality or district with respect to such property shall not be  
650 lower than the percentage paid to the municipality or district for such  
651 property for the fiscal year ending June 30, 2015;

652 (B) The amount of the grant payable to each municipality or district  
653 for select college and hospital property shall be reduced as follows: (i)  
654 Tier one districts or municipalities shall each receive a grant in lieu of  
655 taxes equal to forty-two per cent of the property taxes that, except for  
656 any exemption applicable to any college and hospital property under  
657 the provisions of section 12-81, would have been paid to such  
658 municipality or district with respect to select college and hospital  
659 property; (ii) tier two districts or municipalities shall each receive a

660 grant in lieu of taxes equal to thirty-seven per cent of the property taxes  
661 that, except for any exemption applicable to any college and hospital  
662 property under the provisions of section 12-81, would have been paid  
663 to such municipality or district with respect to select college and  
664 hospital property; and (iii) tier three districts or municipalities shall each  
665 receive a grant in lieu of taxes equal to thirty-two per cent of the  
666 property taxes that, except for any exemption applicable to any college  
667 and hospital property under the provisions of section 12-81, would have  
668 been paid to such municipality or district with respect to select college  
669 and hospital property. Grants in excess of thirty-two per cent of the  
670 property taxes that, except for any exemption applicable to any college  
671 and hospital property under the provisions of section 12-81, would have  
672 been paid to tier one districts or municipalities and to tier two districts  
673 or municipalities with respect to select college and hospital property  
674 shall be payable from the select payment in lieu of taxes account; and

675 (C) The amount of the grant payable to each municipality for select  
676 state property shall be reduced as follows: (i) Tier one municipalities  
677 shall each receive a grant in lieu of taxes equal to thirty-two per cent of  
678 the property taxes that, except for any exemption applicable to any state  
679 property under the provisions of section 12-81, would have been paid  
680 to such municipality with respect to select state property; (ii) tier two  
681 municipalities shall each receive a grant in lieu of taxes equal to twenty-  
682 eight per cent of the property taxes that, except for any exemption  
683 applicable to any state property under the provisions of section 12-81,  
684 would have been paid to such municipality with respect to select state  
685 property; and (iii) tier three municipalities shall each receive a grant in  
686 lieu of taxes equal to twenty-four per cent of the property taxes that,  
687 except for any exemption applicable to any state property under the  
688 provisions of section 12-81, would have been paid to such municipality  
689 with respect to select state property. Grants in excess of twenty-four per  
690 cent of the property taxes that, except for any exemption applicable to  
691 any state property under the provisions of section 12-81, would have  
692 been paid to tier one municipalities and to tier two municipalities with  
693 respect to select state property shall be payable from the select payment



694 in lieu of taxes account.

695 (3) If the total of grants payable to each municipality and district in  
696 accordance with the provisions of subsection (b) of this section and  
697 subdivision (2) of this subsection exceeds the amount appropriated for  
698 the purposes of said subsection and said subdivision and the amount  
699 available in the select payment in lieu of taxes account in any fiscal year,  
700 the amount of the grant payable to each municipality for state,  
701 municipal or tribal property and to each municipality or district for  
702 college and hospital property shall be reduced proportionately,  
703 provided (A) the grant payable to tier one districts or municipalities for  
704 select college and hospital property shall be ten percentage points more  
705 than the grant payable to tier three districts or municipalities for such  
706 property, (B) the grant payable to tier two districts or municipalities for  
707 select college and hospital property shall be five percentage points more  
708 than the grant payable to tier three districts or municipalities for such  
709 property, (C) the grant payable to tier one municipalities for select state  
710 property shall be eight percentage points more than the grant payable  
711 to tier three municipalities for such property, and (D) the grant payable  
712 to tier two municipalities for select state property shall be four  
713 percentage points more than the grant payable to tier three  
714 municipalities for such property. Grants to tier one municipalities or  
715 districts and grants to tier two municipalities or districts in excess of  
716 grants paid to tier three municipalities or districts pursuant to this  
717 subsection shall be payable from the select payment in lieu of taxes  
718 account. Grants to tier one municipalities and grants to tier two  
719 municipalities in excess of grants paid to tier three municipalities  
720 pursuant to this subsection shall be payable from the select payment in  
721 lieu of taxes account.]

722 (d) For the fiscal year ending June 30, 2022, and each fiscal year  
723 thereafter:

724 (1) If the total of grants payable to each municipality and district in  
725 accordance with the provisions of subsection (b) of this section exceeds  
726 the amount appropriated for the purposes of said subsection for each

727 such fiscal year:

728 (A) Each tier one municipality and district shall receive fifty per cent  
729 of the grant amount payable to such municipality or district as  
730 calculated under subsection (b) of this section;

731 (B) Each tier two municipality and district shall receive forty per cent  
732 of the grant amount payable to such municipality or district as  
733 calculated under subsection (b) of this section; and

734 (C) Each tier three municipality and district shall receive thirty per  
735 cent of the grant amount payable to such municipality or district as  
736 calculated under subsection (b) of this section; and

737 (2) If the total of grants payable to each municipality and district in  
738 accordance with the provisions of subdivision (1) of this subsection  
739 exceeds the amount appropriated for the purposes of said subdivision  
740 in any fiscal year, the amount of the grant payable to each municipality  
741 and district shall be reduced proportionately.

742 ~~[(f)]~~ (e) Notwithstanding the provisions of subsections (a) to (d),  
743 inclusive, of this section, for any municipality receiving payments under  
744 section 15-120ss, property located in such municipality at Bradley  
745 International Airport shall not be included in the calculation of any state  
746 grant in lieu of taxes pursuant to this section.

747 ~~[(g)]~~ (f) For purposes of this section, any real property [which] that is  
748 owned by the John Dempsey Hospital Finance Corporation established  
749 pursuant to the provisions of sections 10a-250 to 10a-263, inclusive, or  
750 by one or more subsidiary corporations established pursuant to  
751 subdivision (13) of section 10a-254 and [which] that is free from taxation  
752 pursuant to the provisions of section 10a-259 shall be deemed to be state-  
753 owned real property.

754 ~~[(h)]~~ (g) The Office of Policy and Management shall report, in  
755 accordance with the provisions of section 11-4a, to the joint standing  
756 committee of the General Assembly having cognizance of matters

757 relating to finance, revenue and bonding, on or before July 1, [2017, and  
 758 on or before July first annually thereafter until July 1, 2020] 2021, and  
 759 annually thereafter, with regard to the grants distributed in accordance  
 760 with this section, and shall include in such reports any  
 761 recommendations for changes in the grants.

762       Sec. 12. Section 12-18c of the general statutes is repealed and the  
 763 following is substituted in lieu thereof (*Effective July 1, 2021*):

764 There is established an account to be known as the "select payment in  
 765 lieu of taxes account" which shall be a separate, nonlapsing account  
 766 within the General Fund. The account shall contain any moneys  
 767 required by law to be deposited in the account. Moneys in the account  
 768 shall be expended by the Office of Policy and Management for [the  
 769 purposes of making select grants to municipalities and districts for  
 770 payments in lieu of taxes as provided for in subdivision (1) of subsection  
 771 (e) of section 12-18b, subparagraphs (B) and (C) of subdivision (2) of  
 772 subsection (e) of section 12-18b, subdivision (3) of subsection (e) of  
 773 section 12-18b and for] any [other] purpose expressly provided by law.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2021</i>	4a-13
Sec. 3	<i>July 1, 2021</i>	4a-16
Sec. 4	<i>July 1, 2021</i>	17b-77(b)
Sec. 5	<i>July 1, 2021</i>	17b-79
Sec. 6	<i>July 1, 2021</i>	17b-85
Sec. 7	<i>July 1, 2021</i>	17b-93
Sec. 8	<i>July 1, 2021</i>	17b-94
Sec. 9	<i>July 1, 2021</i>	17b-95
Sec. 10	<i>July 1, 2021</i>	17b-224
Sec. 11	<i>July 1, 2021</i>	12-18b
Sec. 12	<i>July 1, 2021</i>	12-18c

**Statement of Purpose:**

To (1) mitigate adverse tax consequences resulting from employees working remotely during the taxable year 2020 due to COVID-19, (2)

eliminate state recovery of public assistance payments from certain assets and estates, and (3) revise the calculation of the amounts of grants in lieu of taxes paid to municipalities, based on equalized net grand list per capita.

*[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.]*