



General Assembly

February Session, 2020

Raised Bill No. 5048

LCO No. 965



Referred to Committee on BANKING

Introduced by:

(BA)

AN ACT PRESERVING THE INTERESTS OF PRIOR TITLE HOLDERS.

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

1 Section 1. Section 17b-93 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2020*):

3 (a) (1) If a beneficiary of aid under the state supplement program,
4 medical assistance program, aid to families with dependent children
5 program, temporary family assistance program or state-administered
6 general assistance program has or acquires property of any kind or
7 interest in any property, estate or claim of any kind, except moneys
8 received for the replacement of real or personal property, the state of
9 Connecticut shall have a claim subject to subsections (b) and (c) of this
10 section, which shall have priority over all other unsecured claims and
11 unrecorded encumbrances, against such beneficiary for the full amount
12 paid, subject to the provisions of section 17b-94, to the beneficiary or on
13 the beneficiary's behalf under said programs; and, in addition thereto,
14 the parents of an aid to dependent children beneficiary, a state-
15 administered general assistance beneficiary or a temporary family
16 assistance beneficiary shall be liable to repay, subject to the provisions

17 of section 17b-94, to the state the full amount of any such aid paid to or
18 on behalf of either parent, his or her spouse, and his or her dependent
19 child or children, as defined in section 17b-75. The Commissioner of
20 Social Services shall provide notice of a claim by the state of Connecticut
21 pursuant to this subdivision to the beneficiary or, in the case of aid to
22 dependent children, the parents of the beneficiary.

23 (2) The state of Connecticut shall have a lien against property of any
24 kind or interest in any property, estate or claim of any kind of the
25 parents of an aid to dependent children beneficiary, temporary family
26 assistance beneficiary or state administered general assistance
27 beneficiary, in addition and not in substitution of its claim, for amounts
28 owing under any order for support of any court or any family support
29 magistrate, including any arrearage under such order, provided
30 [household] the following shall be exempt from such lien: (A)
31 Household goods and other personal property identified in section 52-
32 352b, (B) real property [pursuant to] described in section 17b-79, as long
33 as such property is used as a home for the beneficiary, and (C) money
34 received for the replacement of real or personal property. [, shall be
35 exempt from such lien.]

36 (3) No lien against an interest in real property under this section shall
37 be effective against a bona fide purchaser of such real property for value
38 unless the lien is recorded on the land records of the municipality or
39 municipalities in which the real property is situated. No such recorded
40 lien shall be effective against the holder of any prior recorded interest in
41 the real property, unless such holder is the beneficiary of aid described
42 in subdivision (1) of this subsection or the parent of a beneficiary
43 described in subdivision (2) of this subsection. Nothing in this
44 subsection shall prevent the state from collecting a claim against any
45 person or estate pursuant to this section if such person or estate (A)
46 knowingly sells, assigns, encumbers or otherwise disposes of property
47 without the consent of the commissioner in violation of section 17b-85,
48 or (B) with the intent to defraud, violates the provisions of the state
49 supplement program, medical assistance program, aid to families with
50 dependent children program, temporary family assistance program or

51 state-administered general assistance program.

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

57 (c) No claim shall be made, or lien applied, against any payment
58 made pursuant to chapter 135, any payment made pursuant to section
59 47-88d or 47-287, any moneys received as a settlement or award in a
60 housing or employment or public accommodation discrimination case,
61 any court-ordered retroactive rent abatement, including any made
62 pursuant to subsection (e) of section 47a-14h or section 47a-4a, 47a-5 or
63 47a-57, or any security deposit refund pursuant to subsection (d) of
64 section 47a-21 paid to a beneficiary of assistance under the state
65 supplement program, medical assistance program, aid to families with
66 dependent children program, temporary family assistance program or
67 state-administered general assistance program or paid to any person
68 who has been supported wholly, or in part, by the state, in accordance
69 with section 17b-223, in a humane institution.

70 (d) Notwithstanding any provision of the general statutes, whenever
71 funds are collected pursuant to this section or section 17b-94, and the
72 person who otherwise would have been entitled to such funds is subject
73 to a court-ordered current or arrearage child support payment
74 obligation in a IV-D support case, such funds shall first be paid to the
75 state for reimbursement of Medicaid funds granted to such person for
76 medical expenses incurred for injuries related to a legal claim by such
77 person which was the subject of the state's lien and such funds shall then
78 be paid to the Office of Child Support Services for distribution pursuant
79 to the federally mandated child support distribution system
80 implemented pursuant to subsection (j) of section 17b-179. The
81 remainder, if any, shall be paid to the state for payment of previously
82 provided assistance through the state supplement program, medical
83 assistance program, aid to families with dependent children program,

84 temporary family assistance program or state-administered general
85 assistance program.

86 (e) The Commissioner of Social Services shall adopt regulations, in
87 accordance with chapter 54, establishing criteria and procedures for
88 adjustment of the claim of the state of Connecticut under subsection (a)
89 of this section. The purpose of any such adjustment shall be to
90 encourage the positive involvement of noncustodial parents in the lives
91 of their children and to encourage noncustodial parents to begin making
92 regular support payments.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2020</i>	17b-93

Statement of Purpose:

To protect the interests of prior title holders by requiring the state of Connecticut to record certain liens against real property on the land records of the municipality or municipalities in which the real property is situated.

[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.]