



General Assembly

February Session, 2004

Substitute Bill No. 5410

* HB05410BA 030404 *

AN ACT CONCERNING THE CONNECTICUT STUDENT LOAN FOUNDATION.

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

1 Section 1. (NEW) (*Effective October 1, 2004*) The provisions of chapter
2 187a of the general statutes shall be deemed to provide a complete,
3 additional and alternative method for the actions of the things
4 authorized by chapter 187a of the general statutes. Chapter 187a of the
5 general statutes, being necessary for the welfare of the state and its
6 inhabitants, shall be liberally construed to effect its purpose. Except as
7 otherwise expressly provided in chapter 187a of the general statutes,
8 none of the powers granted to the corporation under the provisions of
9 chapter 187a of the general statutes shall be subject to the supervision
10 or regulation or require the approval or consent of any municipality or
11 political subdivision or any department, division, commission, board,
12 body, bureau, official or agency thereof or of the state. The corporation
13 shall not be construed to be an agency within the scope of chapter 54 of
14 the general statutes or a department, institution or agency of the state.

15 Sec. 2. Section 10a-201 of the general statutes is repealed and the
16 following is substituted in lieu thereof (*Effective October 1, 2004*):

17 There is hereby created a nonprofit corporation which shall be
18 known as the Connecticut Student Loan Foundation. The purpose of
19 said corporation shall be to improve educational opportunity and

20 promote repayment of loans. Improving educational opportunity shall
21 include, but not be limited to, the following: [(1) Guaranteeing loans to
22 persons who (A) are attending or plan to attend eligible institutions in
23 the state; (B) are residents of the state who are attending or plan to
24 attend eligible institutions outside of the state; or (C) receive loans
25 made by an eligible lender; (2) guaranteeing] (1) Guaranteeing loans
26 for persons to assist them in meeting the expenses of [postsecondary]
27 education; [(3)] (2) lending funds or acquiring loans made to persons to
28 assist them in meeting the expenses of [postsecondary] education; and
29 [(4)] (3) providing appropriate services incident to the administration
30 of programs which are established to improve educational
31 opportunities, all in accordance with the provisions of this chapter.
32 Said corporation shall be exempt from all requirements of chapter 602.

33 Sec. 3. Subsection (a) of section 10a-203 of the general statutes is
34 repealed and the following is substituted in lieu thereof (*Effective*
35 *October 1, 2004*):

36 (a) Said corporation shall be governed and all of its corporate
37 powers exercised by a board of directors which shall consist of
38 [thirteen] fifteen members, as follows: The chairperson of the Board of
39 Governors of Higher Education, [and] the Commissioner of Higher
40 Education; [seven] and the chief executive officer of the corporation;
41 eight public members appointed by the Governor, at least one of
42 whom shall represent the private colleges, and commencing with the
43 next regular appointments made on and after July 1, 1984, at least one
44 shall be a financial aid officer at an eligible institution, [and] at least
45 one shall be a person having a favorable reputation for skill,
46 knowledge and experience in management of a private company or
47 lending institution at least as large as the corporation and at least one
48 shall have, through education or experience, an understanding of
49 generally accepted accounting principles, financial statements and
50 audit committee functions, and knowledge of internal controls and all
51 of whom shall be electors of this state; and two members from the
52 House of Representatives, one appointed by the speaker of the House
53 and one appointed by the minority leader of the House; two members

54 from the Senate, one appointed by the president pro tempore of the
55 Senate and one appointed by the minority leader of the Senate. Those
56 members who are appointed by the Governor shall serve for terms of
57 four years each from July first in the year of their appointment and
58 until their successors have been appointed. Those members who are
59 appointed by the speaker of the House of Representatives, the
60 minority leader of the House, the president pro tempore of the Senate
61 and the minority leader of the Senate shall be appointed for terms of
62 two years from January fifteenth in the year of their appointment. The
63 term of each appointed member of the board shall be coterminous with
64 the term of the appointing authority or until a successor is chosen,
65 whichever is later. The board of directors shall elect, from its own
66 members each year, a chairperson and a vice-chairperson who shall
67 serve for terms of one year and who shall be eligible for reelection for
68 successive terms. Vacancies shall be filled for the unexpired term in the
69 same manner as original appointments. Directors shall receive no
70 compensation for their services but shall be reimbursed for their
71 expenses actually and necessarily incurred by them in the performance
72 of their duties under this chapter. Any member may designate in
73 writing to the chairperson of the board of directors a representative to
74 act in the place of such member at a meeting or meetings, with all
75 rights and obligations at such meeting as the member represented
76 would have had at the meeting.

This act shall take effect as follows:	
Section 1	<i>October 1, 2004</i>
Sec. 2	<i>October 1, 2004</i>
Sec. 3	<i>October 1, 2004</i>

Statement of Legislative Commissioners:

In section 1, the word "corporation" was substituted for "foundation" for statutory consistency.

BA *Joint Favorable Subst.*