



# Senate

General Assembly

**File No. 97**

February Session, 2006

Senate Bill No. 452

*Senate, March 23, 2006*

The Committee on Higher Education and Employment Advancement reported through SEN. HARTLEY of the 15th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT ESTABLISHING AN "ENGINEERING CONNECTICUT" LOAN REIMBURSEMENT GRANT PROGRAM.***

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

1 Section 1. (NEW) (*Effective July 1, 2006*) (a) There is established an  
2 "Engineering Connecticut" Loan Reimbursement Grant program,  
3 administered by the Department of Higher Education, for persons who  
4 have graduated from institutions of higher education with  
5 undergraduate or graduate degrees in engineering.

6 (b) Within available appropriations, the program shall provide  
7 student loan reimbursement grants for persons who (1) attended any  
8 institution of higher education, (2) have been awarded an  
9 undergraduate or graduate degree in engineering, and (3) are newly  
10 employed in Connecticut on or after January 1, 2006, as engineers.

11 (c) Persons who qualify under subsections (b) and (d) of this section  
12 shall be reimbursed on an annual basis for qualifying student loan

13 payments in amounts as determined by the Commissioner of Higher  
 14 Education. A person qualifying under subsections (b) and (d) of this  
 15 section shall only be reimbursed for loan payments made while such  
 16 person is employed in the state as an engineer. The Department of  
 17 Higher Education shall develop eligibility requirements for recipients  
 18 of such reimbursements. Such requirements may include income  
 19 guidelines. Persons may apply for grants to the Department of Higher  
 20 Education at such time and in such manner as the Commissioner of  
 21 Higher Education prescribes.

22 (d) The recipients of reimbursement grants pursuant to this section  
 23 for the fiscal year ending June 30, 2007, and each succeeding fiscal  
 24 year, shall constitute a cohort and reimbursement grants for  
 25 succeeding years shall only be available for members of such cohort.

26 (e) Any unexpended funds appropriated for purposes of this section  
 27 shall not lapse at the end of the fiscal year but shall be available for  
 28 expenditure during the next fiscal year.

29 (f) The Department of Higher Education may use up to two per cent  
 30 of the funds appropriated for purposes of this section for program  
 31 administration, promotion and recruitment activities.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2006	New section

**HED**      *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 07 \$	FY 08 \$
Higher Ed., Dept.	GF - Cost	Potential	Potential

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill requires the Department of Higher Education (DHE) to establish an “Engineering Connecticut” loan reimbursement program, within available appropriations, for individuals who have completed undergraduate or graduate degrees in engineering, and are newly employed as engineers in Connecticut after January 1, 2006.

The bill requires the DHE to disburse loan payments, in the amount determined by the Commissioner of Higher Education to eligible individuals, and authorizes the DHE to develop eligibility requirements for prospective recipients.

The requirements of the bill are to be completed within available appropriations. However, since no funding has been appropriated for this purpose, the DHE would be unable to set up, administer, promote, or recruit for the program without redirecting funds from another source.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis**  
**SB 452**

***AN ACT ESTABLISHING AN "ENGINEERING CONNECTICUT"  
LOAN REIMBURSEMENT GRANT PROGRAM.***

**SUMMARY:**

This bill creates a grant program to reimburse engineers for payments they make on student loans. Eligible candidates must have an undergraduate or graduate degree in engineering from any college or university and started working as an engineer in Connecticut after December 31, 2005. The Department of Higher Education (DHE) administers the program and determines eligibility requirements and annual reimbursements. It can use up to 2% of the grant appropriation for program administration, promotion, and recruitment activities.

EFFECTIVE DATE: July 1, 2006

**"ENGINEERING CONNECTICUT" LOAN REIMBURSEMENTS**

The program must operate within available appropriations. The bill requires DHE to (1) develop eligibility requirements for reimbursement recipients, which can include income guidelines, and (2) prescribe application dates and procedures. The DHE commissioner determines the annual reimbursements for "qualifying" student loan payments. The bill does not state what payments qualify. A recipient can receive reimbursement grants only for loan payments he or she makes while employed as an engineer in Connecticut.

Beginning in FY 07 and for each succeeding fiscal year, the bill requires grant recipients be grouped into a cohort. Grants for succeeding years are available only for members of that cohort. It is not clear whether each cohort comprises only those individuals who first receive a grant in that fiscal year or includes everyone who

receives a grant in a particular fiscal year. Unspent appropriations do not lapse and must be carried forward to the next fiscal year.

**COMMITTEE ACTION**

Higher Education and Employment Advancement Committee

Joint Favorable

Yea 20 Nay 0 (03/14/2006)