

Dear Banking Committee Members,

I address you as the only attorney in the state with a focus on student loan law.

Regarding Bill 57, an Act Concerning Education Loans, I strongly support this bill as it would greatly assist borrowers of student loans from the Connecticut Higher Education Supplemental Loan Authority (CHESLA). However, I wish to point out what may be an unintentional effect of the wording and to suggest a simple fix.

As worded, the bill directs CHESLA to cease collection activity of default accounts if the student borrower is enrolled in an institution of higher learning "in this state." CHESLA loans are available to two classes of individuals:

- 1) Connecticut residents, and
- 2) Out-of-state residents attending Connecticut colleges and universities.

The wording of the bill has the effect of protecting all of the members of class #2, while protecting only a portion of the members of class #1. Many Connecticut residents secure CHESLA loans but attend college outside of Connecticut. As worded, the bill will allow CHESLA to continue collection activity of default accounts for Connecticut student borrowers enrolled in an institution of higher learning outside of Connecticut. In other words, this legislation does not protect all of your constituents, yet offers protection for non-Connecticut residents.

The simple fix is to delete the last three words, "in this state," in line 46 of the bill. By removing the location qualifier, ALL CHESLA loan borrowers are protected by this legislation, no matter where they attend college.

Thank you for your time and your consideration.

Sincerely,

Joshua R.I. Cohen