



Testimony of Denise L. Nappier
Treasurer, State of Connecticut

Submitted to the Finance Revenue and Bonding Committee
March 12, 2012

RE: H.B. No. 5422, An Act Concerning the Connecticut Higher
Education Trust

Good morning Senator Daily, Representative Widlitz, Senator Roraback, Representative Williams, and members of the Finance Revenue and Bonding Committee. Thank you for raising H.B. No. 5422, An Act Concerning the Connecticut Higher Education Trust (CHET) and for the opportunity to submit testimony in support of this bill, which would require timely submission of annual reports.

As some of you may know, the CHET program was established by the Connecticut General Assembly in 1998 – and, as someone described it to me, this is your baby. So, I thank you for demonstrating through the years our State's commitment to hard working families seeking a better future for their children. CHET is a solid investment in human capital, the promise of our children.

As State Treasurer, I am the Trustee of CHET, Connecticut's 529-college savings program. CHET has helped thousands of students achieve their dream of going to college. In fact, during Fiscal Year 2011, CHET reached a milestone of over 100,000 accounts and \$1.6 billion in assets. This compares with just over 4,000 accounts and \$18 million in assets in 1999, when I became the Trustee.

Under current law, the State Treasurer and the Board of Regents for Higher Education must provide annually to this committee and the Education Committee, an evaluation of CHET and any recommendations for improvements to the program. The reporting deadline for this evaluation is "within six months of the date" of

another report, the CHET annual report to the Governor which is filled on or about December 31st each year.

As a result, under the current statutory scheme, the evaluation can be submitted up to the end of June of the calendar year following the report to the Governor. This reporting deadline is a year later than the close of the fiscal year on which the evaluation is based. To ensure that this information is timely, this bill amends the reporting deadline making it a date certain every year, December 31. This would provide you with the evaluation within six months following the close of the fiscal year.

I urge your support for H.B. 5422. Thank you for your consideration.