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## **OLR Bill Analysis**

### **sSB 78**

#### ***AN ACT CONCERNING THE LEARN HERE, LIVE HERE PROGRAM.***

#### **SUMMARY:**

This bill requires, rather than allows, the Department of Economic and Community Development (DECD) commissioner to establish the Learn Here, Live Here program, which is designed to help certain students graduating from state colleges and universities and regional vocational-technical schools after January 1, 2014 save up to \$25,000 for a down payment on their first home in Connecticut. Under the bill, the commissioner must continue to consult with the commissioner of revenue services and the president of the Board of Regents for Higher Education.

The program currently is open only to students graduating from the regional vocational-technical schools and in-state students graduating from the state's colleges and universities. The bill opens the program to any student graduating from a public or private college in Connecticut or a health care training school located here. The latter includes medical or dental schools, chiropractic colleges, optometry schools or colleges, chiropody or podiatry schools or colleges, occupational therapy schools, hospital-based occupational schools, natureopathy schools or colleges, dental hygiene schools, physical therapy schools, and any other healing arts' school or institution.

The DECD commissioner must include recent graduates from these institutions in any public education program she develops to explain the Learn Here, Live Here program.

EFFECTIVE DATE: Upon passage

#### **BACKGROUND**

##### ***Live Here, Learn Here Assistance***

The Live Here, Learn Here program helps students save toward a down payment on their first home in Connecticut by segregating a portion of their state income tax payments for up to 10 years after they graduate. The law limits the amount that may be segregated for each student to \$2,500 per year and the amount that may be segregated for all students to \$1 million per year.

To receive the down payment assistance, a student must apply to the DECD commissioner within 10 years after graduation. The payment equals the segregated amount, up to the amount needed for the down payment. Any balance remaining in a student's account must be deposited in the General Fund.

Students who receive the assistance and subsequently leave Connecticut may have to repay all or part of the assistance, depending on when they leave. Those who leave within the first year after receiving assistance must repay the entire amount. Those who leave in any of the four subsequent years pay smaller amounts back as follows: 80% in the second, 60% in the third, 40% in the fourth, and 20% in the fifth.

**COMMITTEE ACTION**

Commerce Committee

Joint Favorable Substitute

Yea 17 Nay 0 (03/15/2012)