



General Assembly

February Session, 2016

Raised Bill No. 5333

LCO No. 1523



Referred to Committee on HIGHER EDUCATION AND
EMPLOYMENT ADVANCEMENT

Introduced by:
(HED)

***AN ACT CONCERNING THE CONNECTICUT HIGHER EDUCATION
SUPPLEMENTAL LOAN AUTHORITY.***

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

1 Section 1. Subsection (c) of section 10a-224 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2016*):

4 (c) [Before the issuance of any bonds or notes under the provisions
5 of this chapter, the chairman and vice-chairman of the board of
6 directors, the executive director and any other member of the board
7 authorized by resolution of the board to handle funds or sign checks of
8 the authority and any other authorized officer shall execute a surety
9 bond in the penal sum of fifty thousand dollars, or in lieu thereof the
10 chairman shall obtain a blanket position bond covering the executive
11 director and every member of the board and other employee or
12 authorized officer of the authority in the penal sum of fifty thousand
13 dollars. Each such bond shall be conditioned upon the faithful
14 performance of the duties of the principal or the members, executive

15 director and other authorized officers or employees, as the case may
16 be, shall be executed by a surety company authorized to transact
17 business in the state as surety, and shall be filed in the office of the
18 Secretary of the State. The cost of each such bond shall be paid by the
19 authority.] The authority shall obtain from a surety or insurance
20 company authorized to do business in the state one or more surety
21 bonds, insurance policies or other risk management instruments that
22 will provide protection to the authority if the executive director or
23 other officer or employee of the authority or any member of the board
24 performing specific directorial acts on behalf of the authority fails to
25 faithfully perform the duties of such person's position with the
26 authority. The authority shall obtain, at its discretion, any such
27 instrument with a coverage limit of not less than one hundred
28 thousand dollars per each occurrence of any loss covered by such
29 instrument, and determine any applicable deductible or self-insured
30 retention for such instrument. The authority shall pay the cost of the
31 coverage for such instrument.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2016	10a-224(c)

Statement of Purpose:

To enable the authority to obtain alternative insurance products.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]