

The Connecticut Higher Education Supplemental Loan Authority

The Connecticut Higher Education Supplemental Loan Authority (CHESLA)

Established by PA 82-313, the Connecticut Higher Education Supplemental Loan Authority (CHESLA) is a quasi-public state agency that provides financing programs and information resources to help Connecticut students, alumni, and their families finance the cost of higher education ([CGS § 10a-221 et. seq.](#)).

Program Governance Structure

CHESLA is a subsidiary of the Connecticut Health and Educational Facilities Authority (CHEFA), which provides financing to nonprofit colleges and health care institutions to support construction of facilities, including academic buildings, dormitories, athletic facilities, hospitals, and laboratories ([CGS § 10a-179a\(a\)](#)).

CHESLA is governed by a nine-member board of directors who receive no compensation for their duties. The state treasurer, OPM secretary, and president of the Connecticut State Colleges and Universities, or their designees, serve as ex-officio members ([CGS § 10a-179a\(b\)](#)).

Quasi-Public Agencies

CHESLA is one of 15 quasi-public agencies in Connecticut. Quasi-public agencies are public agencies created through legislation to provide a specific service, and can avoid many of the requirements imposed on governmental agencies due to their organizational location outside the structure of state government. They are required to submit annual reports, which must include financial information and details about their activities, to the Governor and Auditors of Public Accounts ([CGS § 1-120 to 1-123](#)).

CHESLA Programs at a Glance (as of September 30, 2018)



The CHESLA in-school loan program has disbursed \$475 million over 48,760 loans since its inception in 1985.



The CHESLA Need-Based Scholarship Program has disbursed \$6.2 million to 3,528 students since its inception during the 2015-16 academic year.



The Refi CT Student Loan Refinancing program has disbursed \$6.1 million over 123 loans since its inception in 2016.

Icons: Flaticon.com

CHESLA Programs and Resources

My CHESLA Student Loan In-School Loan Program

The My CHESLA Student Loan In-School Loan Program provides students in or from Connecticut with supplemental educational loans to fill the gap left after exhausting other loan and scholarship opportunities.

The non-tiered fixed interest rate loans are funded from tax exempt bonds backed by the state of Connecticut. Undergraduate students must make (1) interest only payments while in school and during a six month grace period after leaving school, and (2) principal and interest payments over a 140 month repayment term after the grace period.

In order to qualify for a CHESLA loan, a student must:

- Be enrolled at least part-time in a degree-granting or certificate program in an accredited non-profit college or university in Connecticut, or be a Connecticut resident attending an accredited non-profit college or university in the U.S.;
- Be making satisfactory academic progress;
- Be credit worthy as determined by a commercial credit report;
- Have a debt-to-income ratio of 43% or less; and
- Have a minimum \$20,000 adjusted gross annual income.

The program disbursed \$22.6 million over 2,235 loans in FY 2018.

CHESLA Need-Based Scholarship Program

The CHESLA Need-Based Scholarship Program provides need-based college scholarships to Connecticut residents attending state public or private non-profit higher education institutions. The program disbursed almost \$2 million to 1,143 students in FY 2018.

Refi CT Student Loan Refinancing

Refi CT was launched in June 2016, and serves borrowers refinancing CHESLA loans and Connecticut residents refinancing any school-certified loan made to finance attendance at an accredited U.S. non-profit higher education institution.

The program (1) offers tiered fixed rates based on credit scores and the terms of the loan, (2) carries no application or origination fees, and (3) provides 5, 10, and 15 year repayment term options.

In order to be eligible for refinancing, loans must be in repayment status and in good standing, and an applicant must, among other things:

- Be at least the age of majority based on his or her state of permanent residence at the time of application;
- Be a U.S. citizen or U.S. permanent resident;
- Be a Connecticut resident or financing a CHESLA loan; and
- Have a debt-to-income ratio of 43% or less.

The program has disbursed \$2.9 million over 57 loans in FY 2018.

CT Dollars and Sense

CT Dollars and Sense is an online college planning portal launched in 2017 by a partnership of state agencies, including CHESLA, the Connecticut Higher Education Trust (CHET), the Office of Higher Education, the Department of Banking, and the Department of Consumer Protection. The website provides college planning and financial literacy resources to Connecticut families, including information on scholarships, loans, college savings plans, and additional information for graduates.

**Learn
More**

The Connecticut Higher Education Supplemental Loan Authority [website](#)

CT Dollars and Sense Financial Literacy [Portal](#)

Connecticut Higher Education Trust [website](#)

“Quasi-Public Agencies”, OLR Report [2018-R-0056](#)

