

# Higher Education and Employment Advancement Committee

## JOINT FAVORABLE REPORT

**Bill No.:** SB-305

AN ACT CONCERNING THE CONNECTICUT HEALTH AND EDUCATIONAL FACILITIES AUTHORITY AND THE CONNECTICUT HIGHER EDUCATION

**Title:** SUPPLEMENTAL LOAN AUTHORITY.

**Vote Date:** 3/10/2020

**Vote Action:** Joint Favorable Substitute

**PH Date:** 3/5/2020

**File No.:**

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### SPONSORS OF BILL:

Higher Education and Employment Advancement Committee

### REASONS FOR BILL:

This bill allows CHEFA to transfer money, real estate, or personal property to any of its subsidiaries. It also allows them to establish and pay into special capital serve funds and increases the aggregate amount of bonds from a maximum of \$300 million to a maximum of \$500 million.

Substitute language removes CHESLA's authority to issue other types of educational assistance in addition to grants and loans. It also removes language allowing CHEFA to issue bonds to finance a project on behalf of a health care institution that is a subsidiary of an in-state health care institution wholly or partially owned or controlled and located in another state, or wholly under common ownership or control as an in-state health care institution and located in NY, RI, or MA.

### RESPONSE FROM ADMINISTRATION/AGENCY:

[Jeanette Weldon, Executive Director, CHEFA/CHESLA](#): Ms. Weldon submitted testimony in support of this bill on behalf of CHEFA and CHESLA, which is a subsidiary of CHEFA. She believes that the proposals in this bill would better equip them to improve the wellbeing of Connecticut residents and expand higher education opportunities. By broadening their ability to finance projects outside of the state, CHEFA can continue to build on their successes of job creation and economic development while increasing healthcare access for Connecticut residents. This bill also makes CHESLA eligible to receive fund transfers from CHEFA and

would enable CHESLA to provide assistance programs and products beyond educational loans and grants. Ms. Weldon also notes that while there is no immediate need for the increased bond limit, it provides flexibility for future CHESLA programs.

**NATURE AND SOURCES OF SUPPORT:**

[Hartford HealthCare Corporation](#): Hartford HealthCare submitted testimony in support of this bill. Giving CHEFA the ability to issue bonds on behalf of health care organizations for cross border projects is important for multi-hospital systems like Hartford HealthCare. As it is common for healthcare organizations to have operations in neighboring states, Connecticut based institutions require increased flexibility and access to financial tools to support employees and care providers in the state.

**NATURE AND SOURCES OF OPPOSITION:**

None expressed.

**Reported by: Assistant Clerk Krystin DeLucia      Date: March 11, 2020**