



General Assembly

January Session, 2021

Raised Bill No. 852

LCO No. 2851



Referred to Committee on HIGHER EDUCATION AND
EMPLOYMENT ADVANCEMENT

Introduced by:
(HED)

***AN ACT CONCERNING THE CONNECTICUT HEALTH AND
EDUCATIONAL FACILITIES AUTHORITY AND THE CONNECTICUT
HIGHER EDUCATION SUPPLEMENTAL LOAN AUTHORITY.***

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

1 Section 1. Subsections (b) and (c) of section 10a-178 of the general
2 statutes are repealed and the following is substituted in lieu thereof
3 (*Effective October 1, 2021*):

4 (b) "Project" [.] means (1) in the case of a participating institution for
5 higher education, [means] a structure suitable for use as a dormitory or
6 other housing facility, including housing for staff members, employees
7 or students at such institution of higher education, dining hall, student
8 union, administration building, academic building, library, laboratory,
9 research facility, classroom, athletic facility, health care facility, and
10 maintenance, storage or utility facility and other structures or facilities
11 related thereto or required or useful for the instruction of students or
12 the conducting of research or the operation of an institution for higher
13 education, including parking and other facilities or structures essential
14 or convenient for the orderly conduct of such institution for higher

15 education, also including equipment and machinery and other similar
16 items necessary or convenient for the operation of a particular facility or
17 structure in the manner for which its use is intended or for the operation
18 of a participating institution for higher education, or any combination
19 thereof, [but shall not include such items as books, fuel, supplies or other
20 items the purchase of which is customarily deemed to result in a current
21 operating charge;] or a project for any use or purpose approved by the
22 authority; (2) in the case of a participating health care institution,
23 [means] a structure suitable for use as a hospital, clinic, or other health
24 care facility, laboratory, laundry, residence facility, including housing
25 for nurses, interns, staff members, employees or students at such health
26 care institution and their immediate families and for physically or
27 mentally handicapped persons, administration building, research
28 facility, and maintenance, storage or utility facility and other structures
29 or facilities related thereto or required or useful for the operation of the
30 project, including parking and other facilities or structures essential or
31 convenient for the orderly operation of such project, also including
32 equipment and machinery and other similar items necessary or
33 convenient for the operation of the project in the manner for which its
34 use is intended or for the operation of a participating health care
35 institution, or any combination thereof, [but shall not include such items
36 as fuel, supplies or other items the purchase of which is customarily
37 deemed to result in a current operating charge;] or a project for any use
38 or purpose approved by the authority; (3) in the case of a participating
39 qualified nonprofit organization, [means] a structure or facility owned
40 in its entirety by, or suitable for use in accordance with the charitable or
41 nonprofit status of the qualified nonprofit organization, also including
42 equipment and machinery and other similar items necessary or
43 convenient for the operation of the project in the manner for which its
44 use is intended or for the operation of a participating qualified nonprofit
45 corporation, or any combination thereof, or a project for any use or
46 purpose approved by the authority; and [,] (4) in the case of a
47 participating nursing home, [means] a structure or facility suitable for
48 use as a nursing home, residential care home, rest home, health care
49 facility for the handicapped, mental health facility or independent living

50 facility subject to the licensing requirements of chapter 368v and
51 appurtenant facilities, equipment and machinery and other similar
52 items necessary or convenient for the operation of a particular facility or
53 structure in the manner for which its use is intended or for the operation
54 of a participating nursing home, or any combination thereof, or a project
55 for any use or purpose approved by the authority;

56 (c) "Cost" as applied to a project or any portion thereof financed under
57 the provisions of this chapter embraces all or any part of the cost of
58 construction and acquisition of all lands, structures, real or personal
59 property, rights, rights-of-way, franchises, easements and interests
60 acquired or used for a project, the cost of demolishing or removing any
61 buildings or structures on land so acquired, including the cost of
62 acquiring any lands to which such buildings or structures may be
63 moved, the cost of all machinery and equipment, financing charges,
64 interest prior to, during and for a period after completion of such
65 construction, provisions for working capital, reserves for principal and
66 interest and for extensions, enlargements, additions, replacements,
67 renovations and improvements, cost of engineering, financial and legal
68 services, plans, specifications, studies, surveys, estimates of cost and of
69 revenues, administrative expenses, expenses necessary or incident to
70 determining the feasibility or practicability of constructing the project,
71 [and] such other expenses as may be necessary or incident to the
72 construction and acquisition of the project, the financing of such
73 construction and acquisition and the placing of the project in operation
74 and any other expenses necessary to finance a project;

75 Sec. 2. Subsection (g) of section 10a-178 of the general statutes is
76 repealed and the following is substituted in lieu thereof (*Effective October*
77 *1, 2021*):

78 (g) "Health care institution" means (1) any nonprofit, state-aided
79 hospital or other health care institution, including The University of
80 Connecticut Health Center, which is entitled, under the laws of the state,
81 to receive assistance from the state by means of a grant made pursuant
82 to a budgetary appropriation made by the General Assembly, (2) any

83 other hospital or other health care institution which is licensed, or any
84 nonprofit, nonstock corporation which shall receive financing or shall
85 undertake to construct or acquire a project which is or will be eligible to
86 be licensed, as an institution under the provisions of sections 19a-490 to
87 19a-503, inclusive, [or] (3) any nonprofit, nonstock, nonsectarian facility
88 which is exempt from taxation under the provisions of section 12-81 or
89 38a-188 and which is a health care center under the provisions of
90 sections 38a-175 to 38a-194, inclusive, [or (3)] (4) any nonprofit
91 corporation that is (A) wholly owned by two or more hospitals or other
92 health care institutions which operates for and on behalf of such
93 hospitals or other health care institutions a project, [as defined in
94 subsection (b) of this section,] or [is] (B) a nursing home, or (5) any
95 related health care institution;

96 Sec. 3. Section 10a-178 of the general statutes is amended by adding
97 subsection (r) as follows (*Effective October 1, 2021*):

98 (NEW) (r) "Related health care institution" means a hospital, health
99 care institution, nonprofit, nonstock corporation or nonprofit, nonstock,
100 nonsectarian health care center that (1) (A) is located in another state,
101 (B) would qualify as a health care institution if it were located in this
102 state, and (C) is a subsidiary wholly or partially owned or controlled by
103 a health care institution located in this state, or (2) (A) is located in the
104 state of New York or Rhode Island or the commonwealth of
105 Massachusetts, (B) would qualify as a health care institution if it were
106 located in this state, (C) is a subsidiary wholly or partially owned or
107 controlled by an entity located in another state that would qualify as a
108 health care institution if it were located in this state, and (D) is wholly
109 under common ownership or control as a health care institution in this
110 state.

111 Sec. 4. Subsection (a) of section 10a-179 of the general statutes is
112 repealed and the following is substituted in lieu thereof (*Effective October*
113 *1, 2021*):

114 (a) There is created a body politic and corporate to be known as the

115 "State of Connecticut Health and Educational Facilities Authority". Said
116 authority is constituted a public instrumentality and political
117 subdivision of the state and the exercise by the authority of the powers
118 conferred by this chapter shall be deemed and held to be the
119 performance of an essential public and governmental function.
120 Notwithstanding the provisions of the general statutes or any public or
121 special act, the board of directors of said authority shall consist of ten
122 members, two of whom shall be the Secretary of the Office of Policy and
123 Management and the State Treasurer, ex officio, and eight of whom shall
124 be residents of the state appointed by the Governor, not more than four
125 of such appointed members to be members of the same political party.
126 Three of the appointed members shall be current or retired trustees,
127 directors, officers or employees of institutions for higher education, two
128 of the appointed members shall be current or retired trustees, directors,
129 officers or employees of health care institutions, but not of related health
130 care institutions, and one of such appointed members shall be a person
131 having a favorable reputation for skill, knowledge and experience in
132 state and municipal finance, either as a member of the financial business
133 industry or as an officer or employee of an insurance company or bank
134 whose duties relate to the purchase of state and municipal securities as
135 an investment and to the management and control of a state and
136 municipal securities portfolio. On or before the first day of July,
137 annually, the Governor shall appoint a member or members to succeed
138 those whose terms expire, each for a term of five years and until a
139 successor is appointed and has qualified. The Governor shall fill any
140 vacancy for the unexpired term. A member of the board shall be eligible
141 for reappointment. Any member of the board may be removed by the
142 Governor for misfeasance, malfeasance or wilful neglect of duty. Each
143 member of the board shall take and subscribe the oath or affirmation
144 required by article XI, section 1, of the State Constitution prior to
145 assuming such office. A record of each such oath shall be filed in the
146 office of the Secretary of the State. Each ex-officio member may
147 designate a deputy or any member of such member's staff to represent
148 him or her as a member at meetings of the board with full power to act
149 and vote in his or her behalf.

150 Sec. 5. Subsection (a) of section 10a-186a of the general statutes is
151 repealed and the following is substituted in lieu thereof (*Effective October*
152 *1, 2021*):

153 (a) In connection with the issuance of bonds to finance a project at a
154 participating nursing home or to refund bonds previously issued by the
155 authority to finance a project at a participating nursing home, or in
156 connection with the issuance of bonds to effect a refinancing or other
157 restructuring with respect to one or more participating nursing homes
158 as permitted by subsection (b) of this section, to finance dormitories,
159 residential facilities, student centers, food service facilities and other
160 auxiliary service facilities and related buildings and improvements at a
161 public educational institution, to finance The University of Connecticut
162 Health Center clinical services projects, as defined in subsection (g) of
163 section 10a-114a, or to finance up to one hundred million dollars, in the
164 aggregate, for equipment, including installation and any necessary
165 building renovations or alterations for the installation and operation of
166 such equipment, for participating health care institutions, but not
167 related health care institutions, at the discretion of the Secretary of the
168 Office of Policy and Management and the Treasurer, the authority may
169 create and establish one or more reserve funds to be known as special
170 capital reserve funds and may pay into such special capital reserve
171 funds (1) any moneys appropriated and made available by the state for
172 the purposes of such funds, (2) any proceeds of the sale of notes or bonds
173 for a project, to the extent provided in the resolution of the authority
174 authorizing the issuance thereof, and (3) any other moneys which may
175 be made available to the authority for the purpose of such funds from
176 any other source or sources. The moneys held in or credited to any
177 special capital reserve fund established under this section, except as
178 hereinafter provided, shall be used solely for the payment of the
179 principal of and interest, when due, whether at maturity or by
180 mandatory sinking fund installments, on bonds of the authority secured
181 by such capital reserve fund as the same become due, the purchase of
182 such bonds of the authority, the payment of any redemption premium
183 required to be paid when such bonds are redeemed prior to maturity,

184 including in any such case by way of reimbursement of a provider of
185 bond insurance or of a credit or liquidity facility that has paid such
186 amounts; provided the authority shall have power to provide that
187 moneys in any such fund shall not be withdrawn therefrom at any time
188 in such amount as would reduce the amount of such funds to less than
189 the maximum amount of principal and interest becoming due by
190 reasons of maturity or a required sinking fund installment in the then
191 current or any succeeding calendar year on the bonds of the authority
192 then outstanding or the maximum amount permitted to be deposited in
193 such fund by the Internal Revenue Code of 1986, or any subsequent
194 corresponding internal revenue code of the United States, as from time
195 to time amended, to permit the interest on such bonds to be excluded
196 from gross income for federal tax purposes and secured by such special
197 capital reserve fund, such amount being herein referred to as the
198 "required minimum capital reserve", except for the purpose of paying
199 such principal of, redemption premium and interest on such bonds of
200 the authority secured by such special capital reserve becoming due and
201 for the payment of which other moneys of the authority are not
202 available. The authority may provide that it shall not issue bonds
203 secured by a special capital reserve fund at any time if the required
204 minimum capital reserve on the bonds outstanding and the bonds then
205 to be issued and secured by the same special capital reserve fund at the
206 time of issuance, unless the authority, at the time of the issuance of such
207 bonds, shall deposit in such special capital reserve fund from the
208 proceeds of the bonds so to be issued, or otherwise, an amount which,
209 together with the amount then in such special capital reserve fund, will
210 be not less than the required minimum capital reserve. On or before
211 December first, annually, there is deemed to be appropriated from the
212 state General Fund such sums, if any, as shall be certified by the
213 chairman or vice-chairman of the authority to the Secretary of the Office
214 of Policy and Management and the Treasurer of the state, as necessary
215 to restore each such special capital reserve fund to the amount equal to
216 the required minimum capital reserve of such fund, and such amounts
217 shall be allotted and paid to the authority. For the purpose of evaluation
218 of any such special capital reserve fund, obligations acquired as an

219 investment for any such fund shall be valued at market. Nothing
220 contained in this section shall preclude the authority from establishing
221 and creating other debt service reserve funds in connection with the
222 issuance of bonds or notes of the authority which are not special capital
223 reserve funds. Subject to any agreement or agreements with holders of
224 outstanding notes and bonds of the authority, any amount or amounts
225 allotted and paid to the authority pursuant to this section shall be repaid
226 to the state from moneys of the authority at such time as such moneys
227 are not required for any other of its corporate purposes and in any event
228 shall be repaid to the state on the date one year after all bonds and notes
229 of the authority theretofore issued on the date or dates such amount or
230 amounts are allotted and paid to the authority or thereafter issued,
231 together with interest on such bonds and notes, with interest on any
232 unpaid installments of interest and all costs and expenses in connection
233 with any action or proceeding by or on behalf of the holders thereof, are
234 fully met and discharged. No bonds secured by a special capital reserve
235 fund shall be issued to pay project costs unless the authority is of the
236 opinion and determines that the revenues from the project shall be
237 sufficient (A) to pay the principal of and interest on the bonds issued to
238 finance the project, (B) to establish, increase and maintain any reserves
239 deemed by the authority to be advisable to secure the payment of the
240 principal of and interest on such bonds, (C) to pay the cost of
241 maintaining the project in good repair and keeping it properly insured,
242 and (D) to pay such other costs of the project as may be required.

243 Sec. 6. Subsection (k) of section 10a-179 of the general statutes is
244 repealed and the following is substituted in lieu thereof (*Effective October*
245 *1, 2021*):

246 (k) (1) The authority may form one or more subsidiaries to carry out
247 the public purposes of the authority and may transfer to any such
248 subsidiary or to any subsidiary established by the General Assembly
249 through public or special act any moneys and real or personal property
250 of any kind or nature. Any such subsidiary may be organized as a stock
251 or nonstock corporation or a limited liability company. Each such
252 subsidiary shall have and may exercise such powers of the authority as

253 are set forth in the resolution of the authority prescribing the purposes
254 for which such subsidiary is formed and such other powers provided to
255 it by law. Each such subsidiary shall be deemed a quasi-public agency
256 for purposes of chapter 12 and shall have all the privileges, immunities,
257 tax exemptions and other exemptions of the authority, including the
258 privileges, immunities, tax exemptions and other exemptions provided
259 under the general statutes for special capital reserve funds. Each such
260 subsidiary shall be subject to suit provided its liability shall be limited
261 solely to the assets, revenues and resources of the subsidiary and
262 without recourse to the general funds, revenues, resources or any other
263 assets of the authority. Each such subsidiary is authorized to assume or
264 take title to property subject to any existing lien, encumbrance or
265 mortgage and to mortgage, convey or dispose of its assets and pledge
266 its revenues in order to secure any borrowing, for the purpose of
267 refinancing, rehabilitating or improving its assets, provided each such
268 borrowing or mortgage shall be a special obligation of the subsidiary,
269 which obligation may be in the form of bonds, bond anticipation notes
270 and other obligations to the extent permitted under this chapter to fund
271 and refund the same and provide for the rights of the holders thereof,
272 and to secure the same by pledge of revenues, notes and other assets
273 and which shall be payable solely from the assets, revenues and other
274 resources of the subsidiary. The authority shall have the power to assign
275 to a subsidiary any rights, moneys or other assets it has under any
276 governmental program including the nursing home loan program.

277 (2) Each such subsidiary shall act through its board of directors at
278 least one-half of which shall be members of the board of directors of the
279 authority, or their designees or officers or employees of the authority. A
280 resolution of the authority shall prescribe the purposes for which each
281 such subsidiary is formed.

282 (3) The provisions of section 1-125, subsection (e) of section 10a-185
283 and this subsection shall apply to any officer, director, designee or
284 employee appointed as a member, director or officer of any such
285 subsidiary. Any such persons so appointed shall not be personally liable
286 for the debts, obligations or liabilities of any such subsidiary as provided

287 in said section 1-125. The subsidiary shall and the authority may provide
288 for the indemnification to protect, save harmless and indemnify such
289 officer, director, designee or employee as provided by said section 1-
290 125.

291 (4) The authority or such subsidiary may take, such actions as are
292 necessary to comply with the provisions of the Internal Revenue Code
293 of 1986 or any subsequent corresponding internal revenue code of the
294 United States, as from time to time amended, to qualify and maintain
295 any such subsidiary as a corporation exempt from taxation under said
296 internal revenue code.

297 (5) The authority may make loans to each such subsidiary or to any
298 subsidiary established by the General Assembly through public or
299 special act, following standard authority procedures, from its assets and
300 the proceeds of its bonds, notes and other obligations, provided the
301 source and security for the repayment of such loans is derived from the
302 assets, revenues and resources of the subsidiary.

303 Sec. 7. Subdivision (18) of section 10a-223 of the general statutes is
304 repealed and the following is substituted in lieu thereof (*Effective October*
305 *1, 2021*):

306 (18) "Education assistance program" means a program to assist in
307 financing the costs of education through education loans, [or] education
308 grants [, or both] or any other form of financial assistance;

309 Sec. 8. Subdivision (7) of section 10a-225 of the general statutes is
310 repealed and the following is substituted in lieu thereof (*Effective October*
311 *1, 2021*):

312 (7) To establish guidelines, criteria and procedures not in conflict
313 with existing statutes with respect to authority loans, education [grants,
314 education loans] assistance programs and education loan series
315 portfolios. Such guidelines, criteria and procedures shall not be
316 construed as regulations within the scope of chapter 54.

317 Sec. 9. Section 10a-230 of the general statutes is amended by adding
318 subsection (i) as follows (*Effective October 1, 2021*):

319 (NEW) (i) The state of Connecticut does hereby pledge to and agree
320 with the holders of any bonds and notes issued under this chapter and
321 with those parties who may enter into contracts with the authority or its
322 successor agency pursuant to the provisions of this chapter that the state
323 will not limit or alter the rights hereby vested in the authority until such
324 obligations, together with the interest thereon, are fully met and
325 discharged and such contracts are fully performed on the part of the
326 authority, provided nothing contained herein shall preclude such
327 limitation or alteration if and when adequate provision shall be made
328 by law for the protection of the holders of such bonds and notes of the
329 authority or those entering into such contracts with the authority. The
330 authority is authorized to include this pledge and undertaking for the
331 state in such bonds and notes or contracts.

332 Sec. 10. Subsection (b) of section 10a-232 of the general statutes is
333 repealed and the following is substituted in lieu thereof (*Effective October*
334 *1, 2021*):

335 (b) Notwithstanding the foregoing, (1) the constituent units of the
336 state system of higher education may participate in one or more
337 education loan programs with the authority and may incur
338 indebtedness pursuant to authority loans, and (2) the authority may
339 create and establish one or more reserve funds to be known as special
340 capital reserve funds and may pay into such special capital reserve
341 funds (A) any moneys appropriated and made available by the state for
342 the purposes of such funds, (B) any proceeds of sale of notes or bonds,
343 to the extent provided in the resolution of the authority authorizing the
344 issuance thereof, [and] (C) any other moneys which may be made
345 available to the authority for the purpose of such funds from any other
346 source or sources, and (D) any surety policy or other similar instrument,
347 in a form prescribed by the State Treasurer, valued at par and payable
348 or available to be drawn upon on or before any date by which debt
349 service on the bonds secured thereby is required to be paid and issued

350 by a financial institution that is rated "AA" or better by any nationally
351 recognized statistical rating organization and approved by the State
352 Treasurer. The moneys, surety policy or other similar instrument held
353 in or credited to any special capital reserve fund established under this
354 section, except as hereinafter provided, shall be used solely for the
355 payment of the principal of notes and bonds of the authority secured by
356 such capital reserve fund as the same become due, the purchase of such
357 notes and bonds of the authority, the payment of interest on such notes
358 and bonds of the authority or the payment of any redemption premium
359 required to be paid when such bonds are redeemed prior to maturity or
360 released to the authority; provided, the authority shall have power to
361 provide that moneys in any such fund shall not be withdrawn therefrom
362 at any time in such amount as would reduce the amount of such funds
363 to less than the maximum amount of principal and interest becoming
364 due by reason of maturity or a required sinking fund installment in any
365 succeeding calendar year on the bonds of the authority then outstanding
366 and secured by such special capital reserve fund, or such lesser amount
367 specified by the authority in its resolution authorizing the issuance of
368 any such bonds, such amount being herein referred to as the "required
369 minimum capital reserve", except for the purpose of paying such
370 principal of, redemption premium and interest on such bonds of the
371 authority secured by such special capital reserve becoming due and for
372 the payment of which other moneys of the authority are not available.
373 The authority may provide that it shall not issue bonds at any time if the
374 required minimum capital reserve on outstanding bonds secured by a
375 special capital reserve fund and the bonds then to be issued and secured
376 by a special capital reserve fund will exceed the amount of such special
377 capital reserve fund at the time of issuance, unless the authority, at the
378 time of the issuance of such bonds, shall deposit in such special capital
379 reserve fund from the proceeds of the bonds so to be issued, or
380 otherwise, an amount which, together with the amount then in such
381 special capital reserve fund, will be not less than the required minimum
382 capital reserve. The authority may, as part of the contract of the
383 authority with the owners of such bonds, provide that on or before
384 December first, annually, there is deemed to be appropriated from the

385 state General Fund such sums, if any, as shall be certified by the
386 chairman of the authority to the Secretary of the Office of Policy and
387 Management and the Treasurer of the state, as necessary to restore each
388 such special capital reserve fund to the amount equal to the required
389 minimum capital reserve of such fund, and such amounts shall be
390 allotted and paid to the authority. For the purpose of evaluation of any
391 such special capital reserve fund, obligations acquired as an investment
392 for any such fund shall be valued at amortized cost. Nothing contained
393 in this section shall preclude the authority from establishing and
394 creating other debt service reserve funds in connection with the issuance
395 of bonds or notes of the authority. Subject to any agreement or
396 agreements with owners of outstanding notes and bonds of the
397 authority, any amount or amounts allotted and paid to the authority
398 pursuant to this section shall be repaid to the state from moneys of the
399 authority at such time as such moneys are not required for any other of
400 its corporate purposes and in any event shall be repaid to the state on
401 the date one year after all bonds and notes of the authority theretofore
402 issued on the date or dates such amount or amounts are allotted and
403 paid to the authority or thereafter issued, together with interest on such
404 bonds and notes, with interest on any unpaid installments of interest
405 and all costs and expenses in connection with any action or proceeding
406 by or on behalf of the owners thereof, are fully met and discharged.

407 (c) Notwithstanding any other provisions contained in this chapter,
408 the aggregate amount of bonds outstanding at any time secured by such
409 special capital reserve funds authorized to be created and established by
410 this section shall not exceed [~~three~~] five hundred million dollars and no
411 such bonds shall be issued to pay program costs unless the authority is
412 of the opinion and determines that the revenues to be derived from the
413 program shall be sufficient (1) to pay the principal of and interest on the
414 bonds issued to finance the program, (2) to establish, increase and
415 maintain any reserves deemed by the authority to be advisable to secure
416 the payment of the principal of and interest on such bonds, (3) to pay
417 the cost of maintaining and servicing the program and keeping it
418 properly insured, and (4) to pay such other costs of the program as may

419 be required.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2021</i>	10a-178(b) and (c)
Sec. 2	<i>October 1, 2021</i>	10a-178(g)
Sec. 3	<i>October 1, 2021</i>	10a-178
Sec. 4	<i>October 1, 2021</i>	10a-179(a)
Sec. 5	<i>October 1, 2021</i>	10a-186a(a)
Sec. 6	<i>October 1, 2021</i>	10a-179(k)
Sec. 7	<i>October 1, 2021</i>	10a-223(18)
Sec. 8	<i>October 1, 2021</i>	10a-225(7)
Sec. 9	<i>October 1, 2021</i>	10a-230
Sec. 10	<i>October 1, 2021</i>	10a-232(b)

Statement of Purpose:

To (1) allow the Connecticut Health and Educational Facilities Authority to (A) finance projects for any purpose approved by the authority, (B) issue bonds for out-of-state health care institutions, and (C) make loans and transfer funds to its subsidiaries, and (2) allow the Connecticut Higher Education Supplemental Loan Authority to (A) fund the Special Capital Reserve Fund with a surety policy, (B) increase its Special Capital Reserve Fund backed bond limit to five hundred million dollars, (C) provide education financial assistance other than loans and grants, and (D) add the state pledge for its bond holders.

[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.]