



General Assembly

January Session, 2021

Raised Bill No. 953

LCO No. 3910



Referred to Committee on HIGHER EDUCATION AND
EMPLOYMENT ADVANCEMENT

Introduced by:
(HED)

AN ACT ESTABLISHING THE LEARN, WORK, PAY PROGRAM.

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

- 1 Section 1. (NEW) (*Effective July 1, 2021*) (a) As used in this section:
- 2 (1) "Eligible graduate" means a person who (A) graduates on or after
3 January 1, 2022, with a bachelor's degree from a public institution of
4 higher education in the state, (B) is a resident of the state, (C) is
5 employed by any corporation or organization licensed to operate a
6 business in the state, and (D) has a student loan on which such person
7 has paid or will pay not less than the first twelve monthly payments;
- 8 (2) "Student loan" means any loan in repayment status that was
9 issued by a private or governmental lender to finance attendance at a
10 public institution of higher education in the state; and
- 11 (3) "Participation year" means a twelve-month period commencing
12 from the thirteenth month in which a student loan payment is due or
13 the first full calendar month after an application to participate in the
14 Learn, Work, Pay Program is approved, whichever is later, and each

15 succeeding twelve-month period thereafter, for ten years or until
16 withdrawal from the program.

17 (b) Not later than January 1, 2022, the Comptroller shall establish a
18 Learn, Work, Pay Program for the purpose of providing student loan
19 reimbursements to eligible graduates. The Comptroller may (1) adopt
20 rules, procedures and forms necessary to implement such program, or
21 (2) enter into a contract with a third-party administrator to provide
22 administrative services for the program. Any such third-party
23 administrator shall be required under such contract to charge such
24 third-party administrator's lowest available rate for such services.

25 (c) On or after January 1, 2022, an eligible graduate may apply, in the
26 form and manner prescribed by the Comptroller, to participate in the
27 Learn, Work, Pay Program. An eligible graduate shall submit, with an
28 initial application, proof of (1) graduation with a bachelor's degree from
29 a public institution of higher education in the state, (2) residency and
30 employment in the state, and (3) the repayment status of a student loan.
31 For each participation year, an eligible graduate shall (A) submit
32 documentation of the amount paid and the amount due on a student
33 loan during the preceding twelve-month period, (B) submit proof of
34 continued eligibility under the program, and (C) receive a student loan
35 reimbursement from the Comptroller in accordance with the payment
36 schedule provided in subsection (d) of this section, provided such
37 eligible graduate continues to meet the eligibility requirements of this
38 section.

39 (d) An eligible graduate who participates in the Learn, Work, Pay
40 Program shall receive annual student loan reimbursements in an
41 amount not to exceed ten per cent of the amount paid on a student loan
42 during the preceding twelve-month period for the first participation
43 year, twenty per cent of such amount for the second participation year,
44 thirty per cent of such amount for the third participation year, forty per
45 cent of such amount for the fourth participation year, fifty per cent of
46 such amount for the fifth participation year, sixty per cent of such
47 amount for the sixth participation year, seventy per cent of such amount

48 for the seventh participation year, eighty per cent of such amount for
49 the eighth participation year, ninety per cent of such amount for the
50 ninth participation year and one hundred per cent of such amount for
51 the tenth participation year. For any participation year in which a
52 program participant ceases to reside or work in the state or no longer
53 owes student loan payments, such participant shall be deemed to have
54 withdrawn from the program and be ineligible to receive any
55 subsequent student loan reimbursements.

56 (e) There is established an account to be known as the "Learn, Work,
57 Pay account" which shall be a separate, nonlapsing account within the
58 General Fund. The account shall contain any moneys required by law to
59 be deposited in the account. Moneys in the account shall be expended
60 by the Comptroller for the purposes of the Learn, Work, Pay Program.

61 Sec. 2. Section 12-217qq of the general statutes is repealed. (*Effective*
62 *July 1, 2021*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2021</i>	New section
Sec. 2	<i>July 1, 2021</i>	Repealer section

Statement of Purpose:

To establish a Learn, Work, Pay Program to provide loan reimbursement payments to graduates of public institutions of higher education who reside and work in the state and to repeal a tax credit for certain employers who make student loan payments on behalf of employees.

[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.]