

# Banking Committee JOINT FAVORABLE REPORT

**Bill No.:** SB-271

**Title:** AN ACT CONCERNING STUDENT LOANS.

**Vote Date:** 3/15/2022

**Vote Action:** Joint Favorable

**PH Date:** 3/10/2022

**File No.:** 163

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## **SPONSORS OF BILL:**

Banking Committee

## **REASONS FOR BILL:**

Many Connecticut citizens have student loan debt. This stops them from being able to do a variety of things such as becoming homeowners and starting a family. By establishing certain student loan subsidies, businesses would be more inclined to offer student loan repayment which would help residents who are under student loan debt and increase interest into industries that provide the repayment.

## **RESPONSE FROM ADMINISTRATION/AGENCY:**

None Expressed

## **NATURE AND SOURCES OF SUPPORT:**

**Sen. James Maroney, Deputy Majority Leader – Connecticut General Assembly**

**Rep. Mary Welander – Connecticut General Assembly**

A lot of constituents are under the burden of student loans. The average amount of student loan debt for a Connecticut resident is \$35,000 a year. This bill would give more companies that are paying off student loan debt a tax credit. By encouraging more payment of student loan debt, residents have less obstacles towards starting families or purchasing a house. It would encourage people to investigate fields that otherwise would be ignored and shortages such as in social work.

**Ray Rossomando, Director of Policy, Research, and Governmental Relations – Connecticut Education Association**

Supports the student loan incentives to recruit more licensed social workers. However, more incentives to attract more certified school social workers into the field would be extremely beneficial. Including school guidance counselors, school psychologists, and special education teachers would help the shortages in these positions across the state.

**Ben Shaiken, Director of Government Relations – The Alliance**

Support the bill as a starting point for even more expansions. The intent of the bill is heavily supported, but it would only benefit one professional discipline as it is drafted. Nonprofits are facing a workforce crisis and expanding the bill to include those in the nonprofit sector would increase people filling those positions.

**Stephen Wanczyk-Karp, Executive Director – National Association of Social Workers, Connecticut Chapter**

Fully support the provisions of this bill. This bill will encourage behavioral health students to pursue social work and expand qualified mental health professionals. The need for mental health professionals is rising due to the current state of the world with COVID-19.

**Jeanette W. Weldon, Executive Director – Connecticut Higher Education Supplemental Loan Authority**

Supports the intent of the bill, but it should be noted that CHESLA does not have funds to provide for a loan subsidy program as outlined. The ability to provide a program is dependent on a supplemental funding mechanism to offset the financial impact.

**NATURE AND SOURCES OF OPPOSITION:**

None Expressed

**Reported by: Alexa Moyer / Dawn Marzik**

**3/22/22**