
OLR Bill Analysis

HB 5437

AN ACT ESTABLISHING A STUDENT LOAN SUBSIDY PROGRAM FOR FIRST RESPONDERS.

SUMMARY

This bill requires the Connecticut Higher Education Supplemental Loan Authority (CHESLA) to establish a Student Loan Subsidy Program to offer subsidized interest rates on loans it makes to first responders. By law, and under the bill, a “first responder” is:

1. a peace officer or firefighter (see BACKGROUND);
2. a privately employed firefighter;
3. an ambulance driver;
4. a certified emergency medical responder, emergency medical technician, or advanced emergency medical technician;
5. a licensed paramedic; or
6. a telecommunicator (i.e., 9-1-1 operator).

The bill authorizes state general obligation bonds of up to \$7 million per year to fund the program. (The bill does not specify an aggregate cap or end date for this authorization.) The bonds are subject to standard statutory bond issuance procedures and repayment requirements. The bill requires CHESLA to maintain a separate, nonlapsing account for the program that contains any money required by law to be deposited into it, including state appropriations or bond proceeds. CHESLA must spend money in the account on the program and reasonable and necessary program administration expenses.

EFFECTIVE DATE: July 1, 2023

ELIGIBILITY

Under the bill, CHESLA must set eligibility criteria and administrative guidelines that include:

1. applicant eligibility,
2. interest rate subsidies and principal loan limits,
3. an employment verification process for applicants, and
4. a requirement that a borrower's interest rate subsidy end if his or her employment eligibility ends during the loan's term.

BACKGROUND

Peace Officers

By law, the following people are designated peace officers: state and local police, Division of Criminal Justice inspectors, state marshals exercising statutory powers, judicial marshals performing their duties, conservation or special conservation officers, constables who perform criminal law enforcement duties, appointed special policemen, adult probation officers, Department of Correction officials authorized to make arrests in a correctional institution or facility, investigators in the Office of the State Treasurer, Police Officer Standards and Training Council-certified motor vehicle inspectors, U.S. marshals and deputy marshals, U.S. special agents authorized to enforce federal food and drug laws, and certified police officers of a law enforcement unit created and governed under a state-tribal memorandum (CGS § 53a-3(9)).

Firefighters

A firefighter is any (1) uniformed member of a paid municipal, state, or volunteer fire department and (2) local fire marshal, deputy fire marshal, fire investigator, fire inspector, and certain other classes of inspectors and investigators as determined by the State Fire Marshal and the Codes and Standards Committee (CGS § 7-313g).

COMMITTEE ACTION

Higher Education and Employment Advancement Committee

Joint Favorable

Yea 22 Nay 0 (03/14/2023)