

Higher Education and Employment Advancement Committee

JOINT FAVORABLE REPORT

Bill No.: SB-1104

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE CONNECTICUT

Title: HEALTH AND EDUCATIONAL FACILITIES AUTHORITY.

Vote Date: 3/7/2023

Vote Action: Joint Favorable

PH Date: 3/2/2023

File No.:

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SPONSORS OF BILL:

The Higher Education and Employment Advancement Committee.

REASONS FOR BILL:

To broaden the range of projects that the Connecticut Health and Educational Facilities Authority (CHEFA) can finance through bond issuance by including programs and services, while eliminating any mention of outdated programs. CHEFA's testimony stated that the proposed recommendations in the bill would enhance their ability to support non-profit organizations throughout the state, without necessitating additional state funding, as CHEFA serves as a conduit issuer of bonds. The proposed modifications to the definition of a "project," as well as other amendments to language and enabling statutes, would provide CHEFA with the ability to address the varied funding needs of their partners and 501(c)(3) organizations.

RESPONSE FROM ADMINISTRATION/AGENCY:

[Connecticut Health and Educational Facilities Authority \(CHEFA\), Executive Director, Jeanette W. Weldon](#): supports this bill explaining that CHEFA is a quasi-public agency that issues tax-exempt revenue bonds on behalf of Connecticut's nonprofit 501(c)(3) organizations. It is stated that proposals in this bill provide greater clarity in the interpretation of their statutes and equip CHEFA to better support non-profit entities throughout the State. This bill would amend the current definition of project, allowing CHEFA to provide financing for programs, services, and other mission-focused initiatives without needing additional state funding. It is also stated that CHEFA's enabling statutes would be updated by deleting outdated language.

NATURE AND SOURCES OF SUPPORT:

See agency response.

NATURE AND SOURCES OF OPPOSITION:

None expressed.

Reported by: Lukas Houle

Date: 3/13/2023