



General Assembly

January Session, 2023

Committee Bill No. 5437

LCO No. 5669



Referred to Committee on HIGHER EDUCATION AND
EMPLOYMENT ADVANCEMENT

Introduced by:
(HED)

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

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

1 Section 1. (NEW) (*Effective July 1, 2023*) (a) The Connecticut Higher
2 Education Supplemental Loan Authority shall establish, subject to
3 available funding pursuant to section 2 of this act, a Student Loan
4 Subsidy Program for the purpose of subsidizing interest rates on
5 authority loans, as defined in subdivision (3) of section 10a-223 of the
6 general statutes, to individuals employed as first responders, as
7 defined in section 52-146v of the general statutes, and who meet the
8 eligibility criteria established by the authority pursuant to subsection
9 (b) of this section.

10 (b) The authority shall establish the eligibility criteria and
11 administrative guidelines for the Student Loan Subsidy Program. Such
12 eligibility criteria and guidelines shall include, but need not be limited
13 to, (1) applicant eligibility, (2) interest rate subsidies and principal
14 limits on authority loans subject to the Student Loan Subsidy Program,
15 (3) the process for verifying the employment of the applicants, and (4)

16 the requirement that an interest rate subsidy through the Student Loan
17 Subsidy Program shall terminate for any subsidy recipient who ceases
18 to meet the employment requirements of such program during the
19 term of such recipient's loan from the authority.

20 Sec. 2. (NEW) (*Effective July 1, 2023*) The Connecticut Higher
21 Education Supplemental Loan Authority shall maintain a separate,
22 nonlapsing account to hold funds for the Student Loan Subsidy
23 Program established pursuant to section 1 of this act. The account shall
24 contain any moneys required by law to be deposited in the account,
25 including, but not limited to, state appropriations or proceeds from the
26 sale of bonds authorized under section 3 of this act. Moneys in the
27 account shall be expended by the authority for the purposes of the
28 Student Loan Subsidy Program and for reasonable and necessary
29 expenses for the administration of such program.

30 Sec. 3. (NEW) (*Effective July 1, 2023*) (a) For the purposes described
31 in subsection (b) of this section and section 1 of this act, the State Bond
32 Commission shall have the power from time to time to authorize the
33 issuance of bonds of the state in one or more series and in principal
34 amounts not exceeding seven million dollars annually.

35 (b) The proceeds of the sale of such bonds, to the extent of the
36 amounts stated in subsection (a) of this section, shall be used by the
37 Connecticut Higher Education Supplemental Loan Authority for the
38 purpose of the Student Loan Subsidy Program established under
39 section 1 of this act.

40 (c) All provisions of section 3-20 of the general statutes, or the
41 exercise of any right or power granted thereby, that are not
42 inconsistent with the provisions of this section are hereby adopted and
43 shall apply to all bonds authorized by the State Bond Commission
44 pursuant to this section. Temporary notes in anticipation of the money
45 to be derived from the sale of any such bonds so authorized may be
46 issued in accordance with section 3-20 of the general statutes and from
47 time to time renewed. Such bonds shall mature at such time or times

48 not exceeding twenty years from their respective dates as may be
49 provided in or pursuant to the resolution or resolutions of the State
50 Bond Commission authorizing such bonds. None of such bonds shall
51 be authorized except upon a finding by the State Bond Commission
52 that there has been filed with it a request for such authorization that is
53 signed by or on behalf of the Secretary of the Office of Policy and
54 Management and states such terms and conditions as said commission,
55 in its discretion, may require. Such bonds issued pursuant to this
56 section shall be general obligations of the state and the full faith and
57 credit of the state of Connecticut are pledged for the payment of the
58 principal of and interest on such bonds as the same become due, and
59 accordingly and as part of the contract of the state with the holders of
60 such bonds, appropriation of all amounts necessary for punctual
61 payment of such principal and interest is hereby made, and the State
62 Treasurer shall pay such principal and interest as the same become
63 due.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2023</i>	New section
Sec. 2	<i>July 1, 2023</i>	New section
Sec. 3	<i>July 1, 2023</i>	New section

HED *Joint Favorable*