



General Assembly

February Session, 2022

***Raised Bill No. 271***

LCO No. 2602



Referred to Committee on BANKING

Introduced by:  
(BA)

***AN ACT CONCERNING STUDENT LOANS.***

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

1 Section 1. (NEW) (*Effective July 1, 2022*) (a) The Connecticut Higher  
2 Education Supplemental Loan Authority shall establish, subject to  
3 available funding pursuant to section 2 of this act, a Hero Loan Subsidy  
4 Program for the purpose of subsidizing interest rates on authority loans  
5 to health care employees, licensed pursuant to chapters 378 and 378a of  
6 the general statutes, social workers, licensed pursuant to chapter 383b  
7 of the general statutes, police officers, as defined in section 7-294a of the  
8 general statutes, and firefighters, as defined in section 7-313g of the  
9 general statutes, who meet the eligibility criteria established by the  
10 authority and the Commissioner of Education.

11 (b) The authority shall enter into a memorandum of agreement with  
12 the Commissioner of Education to establish the eligibility criteria and  
13 administrative guidelines for the Hero Loan Subsidy Program. Such  
14 eligibility criteria and guidelines shall include, but need not be limited  
15 to, (1) applicant eligibility, (2) interest rate subsidies and principal limits  
16 on authority loans offered under the program, (3) the process for

17 verifying the employment of applicants, and (4) the requirement that an  
18 interest rate subsidy through the program shall terminate for any  
19 subsidy recipient who ceases to meet the requirements of such program  
20 during the term of such recipient's loan from the authority.

21     Sec. 2. (NEW) (*Effective July 1, 2022*) The Connecticut Higher  
22 Education Supplemental Loan Authority shall maintain a separate,  
23 nonlapsing account to hold funds for the Hero Loan Subsidy Program,  
24 established pursuant to section 1 of this act. The account shall contain  
25 any moneys required by law to be deposited in the account, including,  
26 but not limited to, any state appropriation or the proceeds from the sale  
27 of bonds issued for the purposes of section 1 of this act. Moneys in the  
28 account shall be used (1) for the purposes of the Hero Loan Subsidy  
29 Program and for reasonable and necessary expenses for the  
30 administration of said program, (2) for the issuance of authority loans  
31 to refinance one or more eligible loans, and (3) to maintain a reserve held  
32 by the authority to cover any losses incurred by the authority from the  
33 issuance of such authority loans. For the purposes of this section,  
34 "authority loans" and "eligible loans" have the same meanings as  
35 provided in section 10a-223 of the general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2022</i>	New section
Sec. 2	<i>July 1, 2022</i>	New section

**BA**       *Joint Favorable*