



**AN ACT CONCERNING NO OR LOW INTEREST STUDENT LOANS  
FOR CERTAIN STUDENTS.**

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

1 Section 1. (NEW) (*Effective July 1, 2019*) (a) The Connecticut Higher  
2 Education Supplemental Loan Authority shall establish a STEM Loan  
3 Subsidy Program, subject to available funding, for the purpose of  
4 reducing interest rates on authority loans, as defined in section 10a-223  
5 of the general statutes, to individuals who (1) are employed in the  
6 science, technology, engineering, or math industries, and (2) commit to  
7 live in the state for not less than five years. The authority shall  
8 maintain a separate, nonlapsing account to hold funds for the STEM  
9 Loan Subsidy Program. The account shall contain any moneys  
10 required by law to be deposited in the account, including, but not  
11 limited to, state appropriations or proceeds from the sale of bonds  
12 authorized under section 2 of this act. Moneys in the account shall be  
13 expended by the authority for the purposes of the STEM Loan Subsidy  
14 Program, including for reasonable and necessary expenses for the  
15 administration such program.

16 (b) The Secretary of the Office of Policy and Management may enter  
17 into a memorandum of agreement with the authority to establish the  
18 administrative guidelines for the STEM Loan Subsidy Program,  
19 including, but not limited to, (1) applicant eligibility, (2) positions in  
20 the science, technology, engineering or math industries that qualify for

21 the STEM Loan Subsidy Program, (3) reduced interest rate and  
22 principal limits on authority loans subject to the STEM Loan Subsidy  
23 Program, and (4) the process for verifying the residency and  
24 employment of the applicants.

25       Sec. 2. (NEW) (*Effective July 1, 2019*) (a) For the purposes described  
26 in subsection (b) of this section and section 1 of this act, the State Bond  
27 Commission shall have the power from time to time to authorize the  
28 issuance of bonds of the state in one or more series and in principal  
29 amounts not exceeding in the aggregate fifteen million dollars.

30       (b) The proceeds of the sale of such bonds, to the extent of the  
31 amount stated in subsection (a) of this section, shall be used by the  
32 Office of Policy and Management for the purpose of the STEM Loan  
33 Subsidy Program established under section 1 of this act.

34       (c) All provisions of section 3-20 of the general statutes, or the  
35 exercise of any right or power granted thereby, that are not  
36 inconsistent with the provisions of this section are hereby adopted and  
37 shall apply to all bonds authorized by the State Bond Commission  
38 pursuant to this section. Temporary notes in anticipation of the money  
39 to be derived from the sale of any such bonds so authorized may be  
40 issued in accordance with section 3-20 of the general statutes and from  
41 time to time renewed. Such bonds shall mature at such time or times  
42 not exceeding twenty years from their respective dates as may be  
43 provided in or pursuant to the resolution or resolutions of the State  
44 Bond Commission authorizing such bonds. None of such bonds shall  
45 be authorized except upon a finding by the State Bond Commission  
46 that there has been filed with it a request for such authorization that is  
47 signed by or on behalf of the Secretary of the Office of Policy and  
48 Management and states such terms and conditions as said commission,  
49 in its discretion, may require. Such bonds issued pursuant to this  
50 section shall be general obligations of the state and the full faith and  
51 credit of the state of Connecticut are pledged for the payment of the  
52 principal of and interest on such bonds as the same become due, and  
53 accordingly and as part of the contract of the state with the holders of

54 such bonds, appropriation of all amounts necessary for punctual  
55 payment of such principal and interest is hereby made, and the State  
56 Treasurer shall pay such principal and interest as the same become  
57 due.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2019</i>	New section
Sec. 2	<i>July 1, 2019</i>	New section

**Statement of Legislative Commissioners:**

In Section 1(a), "of the general statutes" was added for consistency of style.

**HED**

*Joint Favorable Subst.-LCO C/R*

**FIN**