



General Assembly

January Session, 2025

Raised Bill No. 1261

LCO No. 4416



Referred to Committee on HIGHER EDUCATION AND
EMPLOYMENT ADVANCEMENT

Introduced by:
(HED)

***AN ACT EXPANDING THE ALLIANCE DISTRICT EDUCATOR AND
COUNSELOR LOAN SUBSIDY PROGRAM AND THE HIGH PRIORITY
OCCUPATION LOAN SUBSIDY PROGRAM.***

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

1 Section 1. Section 10a-247 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2025*):

3 (a) The Connecticut Higher Education Supplemental Loan Authority
4 shall establish, subject to available funding pursuant to section 10a-247a,
5 as amended by this act, an Alliance District [Educator and Counselor]
6 Loan Subsidy Program for the purpose of subsidizing interest rates on
7 authority loans, as defined in section 10a-223, to (1) teachers,
8 paraeducators and school counselors who are employed in a district
9 designated as an alliance district pursuant to section 10-262u and [who]
10 meet the eligibility criteria as established [by the authority and the
11 Commissioner of Education] pursuant to subsection (b) of this section,
12 and (2) individuals who are employed in a high priority occupation in a
13 municipality with a school district designated as an alliance district
14 pursuant to section 10-262u and meet eligibility criteria established

15 pursuant to subsection (c) of this section.

16 (b) The authority shall enter into a memorandum of agreement with
17 the Commissioner of Education to establish the eligibility criteria and
18 administrative guidelines for the Alliance District [Educator and
19 Counselor] Loan Subsidy Program for teachers, paraeducators and
20 school counselors. Such eligibility criteria and guidelines shall include,
21 but need not be limited to, (1) applicant eligibility, (2) interest rate
22 subsidies and principal limits on authority loans subject to the Alliance
23 District [Educator and Counselor] Loan Subsidy Program, (3) the
24 process for verifying the employment of applicants, and (4) the
25 requirement that an interest rate subsidy through the Alliance District
26 [Educator and Counselor] Loan Subsidy Program shall terminate for
27 any subsidy recipient who ceases to meet the employment requirements
28 of such program during the term of such recipient's loan from the
29 authority.

30 (c) The Department of Education shall consult with the authority to:
31 (1) Designate, as high priority occupations under the Alliance District
32 Loan Subsidy Program, occupations that (A) promote the health,
33 welfare or education of residents of municipalities with a school district
34 designated as an alliance district, (B) have a high demand for their
35 services, as determined by the department and the authority, and (C)
36 are experiencing or are projected to experience a workforce shortage
37 that may affect the level of services provided; (2) establish
38 administrative guidelines for the implementation and operation of the
39 program for individuals employed in a high priority occupation in a
40 municipality with a school district designated as an alliance district; and
41 (3) establish eligibility criteria for the program for such individuals,
42 which shall include, but need not be limited to, (A) applicant
43 requirements, including employment requirements, (B) interest rate
44 subsidies and principal limits on authority loans subject to the program,
45 (C) the process for verifying the employment of applicants, and (D) the
46 requirement that an interest rate subsidy through the program shall
47 terminate for any subsidy recipient who ceases to meet the employment

48 requirements of the program during the term of such recipient's
49 authority loan.

50 Sec. 2. Section 10a-247a of the general statutes is repealed and the
51 following is substituted in lieu thereof (*Effective July 1, 2025*):

52 The Connecticut Higher Education Supplemental Loan Authority
53 shall maintain a separate, nonlapsing account to hold funds for the
54 Alliance District [Educator and Counselor] Loan Subsidy Program
55 established pursuant to section 10a-247, as amended by this act. The
56 account shall contain any moneys required by law to be deposited in the
57 account, including, but not limited to, any state appropriation or the
58 proceeds from the sale of bonds issued for the purpose of section 10a-
59 247, as amended by this act. Moneys in the account shall be used (1) for
60 the purposes of the Alliance District [Educator and Counselor] Loan
61 Subsidy Program and for reasonable and necessary expenses for the
62 administration of such program, (2) for the issuance of authority loans
63 to refinance one or more eligible loans, and (3) to maintain a reserve held
64 by the authority to cover any losses incurred by the authority from the
65 issuance of such authority loans. For the purposes of this section,
66 "authority loans" and "eligible loans" have the same meaning as
67 provided in section 10a-223.

68 Sec. 3. Subsection (g) of section 13 of public act 21-111 is repealed and
69 the following is substituted in lieu thereof (*Effective July 1, 2025*):

70 (g) For the Connecticut Higher Education Supplemental Loan
71 Authority: For the Alliance District [Teacher] Loan Subsidy Program
72 established pursuant to section 10a-247, as amended by this act, and the
73 High Priority Occupation Loan Subsidy Program established pursuant
74 to section 10a-247e, not exceeding \$7,000,000.

This act shall take effect as follows and shall amend the following sections:		
---	--	--

Section 1	<i>July 1, 2025</i>	10a-247
-----------	---------------------	---------

Sec. 2	<i>July 1, 2025</i>	10a-247a
Sec. 3	<i>July 1, 2025</i>	PA 21-111, Sec. 13(g)

Statement of Purpose:

To expand the (1) Alliance District Educator Counselor Loan Subsidy Program to include other high priority occupations, and (2) High Priority Occupation Loan Subsidy Program by allowing the use of existing bonding funds for such purpose.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]