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## **OLR Bill Analysis**

**sHB 6886**

### ***AN ACT ESTABLISHING A NURSING STUDENT LOAN REIMBURSEMENT PROGRAM.***

#### **SUMMARY**

This bill requires the Office of Higher Education (OHE) to establish a nursing student loan reimbursement program within available appropriations. Grants must be awarded on a first-come, first-serve basis in an amount of no more than \$5,000 annually.

To qualify, an individual must (1) be a licensed registered or practical nurse, (2) be a Connecticut resident, and (3) have a student loan.

Additionally, to maintain program eligibility, an applicant must annually complete at least 50 unpaid community service hours and submit a report to OHE.

The community service must be completed for either a tax-exempt nonprofit organization or municipal government, and must be done in either (1) a state-designated distressed municipality or (2) an area in the state that (under a federal designation) has a health professional shortage, is medically underserved, or has a medically underserved population.

The annual report must include:

1. a student loan servicer statement with the (a) outstanding loan balance amount and (b) total amount from all payments made year-to-date and
2. a form, signed by an employee of the organization or government where the individual volunteered, documenting the (a) number of hours and (b) nature of the volunteer work completed.

Under the bill, OHE:

1. must establish the program by January 1, 2026, and post the program's application forms on its website by that date;
2. must report to the Higher Education and Employment Advancement and Appropriations committees annually on the program's operation, effectiveness, and any recommendations to expand it, starting by January 1, 2027; and
3. may use up to 2.5% of the program's appropriated funds annually toward administration, promotion, and recruitment costs.

EFFECTIVE DATE: July 1, 2025

## **BACKGROUND**

### ***Distressed Municipality***

The Department of Economic and Community Development (DECD) annually ranks municipalities based on their relative economic and fiscal distress and designates the top 25 as "distressed municipalities" (CGS § 32-9p(b)). Most recently, in 2024, DECD designated the following municipalities as distressed: Ansonia, Bridgeport, Chaplin, Derby, East Hartford, Griswold, Hartford, Lisbon, Mansfield, Meriden, Montville, Naugatuck, New Britain, New London, Norwich, Plainfield, Plymouth, Putnam, Sprague, Sterling, Torrington, Waterbury, West Haven, Winchester, and Windham.

### ***Related Bills***

HB 6979 (File 116), favorably reported by the Public Health Committee, requires the Department of Public Health (DPH), within available appropriations, to establish a student loan repayment program for in-state providers of primary care and behavioral health services.

sSB 1450, favorably reported by the Public Health Committee, requires DPH, within available appropriations, to establish a health care provider loan reimbursement program for providers who are employed full-time within the state and meet other eligibility requirements.

**COMMITTEE ACTION**

Higher Education and Employment Advancement Committee

Joint Favorable Substitute

Yea 15 Nay 3 (03/13/2025)