
OLR Bill Analysis

SB 576

AN ACT REQUIRING THE ESTABLISHMENT OF THE LEARN HERE, LIVE HERE PROGRAM, INCREASING THE ANNUAL EXPENDITURE ON SUCH PROGRAM AND MAKING SUCH PROGRAM AVAILABLE TO CERTAIN INDIVIDUALS.

SUMMARY

This bill requires the Department of Economic and Community Development (DECD) commissioner, in consultation with the Department of Revenue Services (DRS) commissioner and Connecticut State Colleges and Universities chancellor, to establish the Learn Here, Live Here program by October 1, 2025. Current law allows these officials to establish the program, but they have not done so to date.

Under current law, the Learn Here, Live Here program, if established, allows eligible graduates to segregate a portion of their income tax payments and use them later for a down payment on the purchase of their first home in Connecticut. In mandating the program's establishment, the bill generally retains the program parameters in current law, except that it:

1. increases, from \$1 million to \$5 million, the cap on the aggregate amount of income tax payments that may be segregated annually under the program;
2. extends eligibility to in-state high school graduates (current law generally limits eligibility to graduates of in-state postsecondary institutions, see BACKGROUND); and
3. limits eligibility to people whose annual federal adjusted gross income is \$75,000 or less (current law does not set an income limit).

The bill also makes conforming changes to the program's

implementation deadlines. Under current law, the program must be open to eligible students who graduate on or after January 1, 2014, from eligible institutions. The bill instead opens it to eligible students who graduate on or after January 1, 2026. It similarly delays, from January 1, 2014, to January 1, 2026, the date by which the DRS commissioner must begin segregating participating graduates' income tax payments. The bill also requires the DECD commissioner to market the program by (1) developing a comprehensive public education program for recent graduates by December 1, 2025, and (2) implementing it by January 1, 2026. Lastly, the bill makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2025

BACKGROUND

Learn Here, Live Here Program Requirements

Once activated, the law allows participating graduates to segregate up to \$2,500 per year from their income tax payments for up to 10 years after graduation into the Connecticut first-time homebuyers account. A participant may apply to the DECD commissioner to withdraw some or all of the funds for a down payment any time within 10 years after graduation, and any balance remaining after 10 years must be deposited in the General Fund. If the participant does not withdraw any funds after 10 years, the entire amount must be deposited in the General Fund. If the participant moves out of Connecticut within five years after receiving funds for a down payment, he or she must repay the amount received on a prorated basis (e.g., 40% of the amount received for departures within four years after the payment).

Eligibility

The Learn Here, Live Here program is designed to help students graduating from specific educational institutions save money toward the purchase of their first home in Connecticut. Under current law, the program, once activated, is open to students graduating from regional technical schools, public or private universities and colleges, and health care training schools located here. The latter includes medical or dental schools, chiropractic colleges, optometry schools or colleges, chiropody or podiatry schools or colleges, occupational therapy schools, hospital-

based occupational schools, naturopathy schools or colleges, dental hygiene schools, physical therapy schools, and any other healing arts school or institution.

COMMITTEE ACTION

Commerce Committee

Joint Favorable

Yea 20 Nay 0 (03/18/2025)