



General Assembly

February Session, 2026

**Committee Bill No. 8**

LCO No. 1192



Referred to Committee on HIGHER EDUCATION AND  
EMPLOYMENT ADVANCEMENT

Introduced by:  
(HED)

**AN ACT SUPPORTING GRADUATE STUDENTS IN THE STATE.**

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

- 1 Section 1. (NEW) (*Effective July 1, 2026*) (a) As used in this section:
- 2 (1) "Authority loans" has the same meaning as provided in section  
3 10a-223 of the general statutes; and
- 4 (2) "Eligible graduate program" means an advanced academic or  
5 professional degree program, as designated by the Connecticut Higher  
6 Education Supplemental Loan Authority, that requires completion of a  
7 bachelor's degree as a prerequisite to enrollment.
- 8 (b) On and after July 1, 2026, the Connecticut Higher Education  
9 Supplemental Loan Authority shall establish, subject to available  
10 funding pursuant to subsection (d) of this section, a Supplemental  
11 Graduate Student Loan Program for the purpose of providing authority  
12 loans to any student enrolled in an eligible graduate program who  
13 meets the eligibility criteria established by the authority.
- 14 (c) The Connecticut Higher Education Supplemental Loan Authority

15 shall establish the eligibility criteria and administrative guidelines for  
16 the Supplemental Graduate Student Loan Program in accordance with  
17 the written procedures adopted pursuant to subdivision (6) of  
18 subsection (f) of section 10a-224 of the general statutes.

19 (d) The Connecticut Higher Education Supplemental Loan Authority  
20 shall maintain a separate, nonlapsing account to hold funds for the  
21 Supplemental Graduate Student Loan Program. The account shall  
22 contain any moneys required by law to be deposited in the account,  
23 including, but not limited to, any state appropriation or the proceeds  
24 from the sale of bonds issued for the purpose of the program. Moneys  
25 in the account shall be used (1) for reasonable and necessary expenses  
26 for the administration of the Supplemental Graduate Student Loan  
27 Program, and (2) for the issuance of authority loans for said program.

28 Sec. 2. (*Effective July 1, 2026*) (a) For the purposes described in  
29 subsection (b) of this section, the State Bond Commission shall have the  
30 power from time to time to authorize the issuance of bonds of the state  
31 in one or more series and in principal amounts not exceeding in the  
32 aggregate ten million dollars.

33 (b) The proceeds of the sale of such bonds, to the extent of the amount  
34 stated in subsection (a) of this section, shall be used by the Connecticut  
35 Higher Education Supplemental Loan Authority for the purpose of the  
36 Supplemental Graduate Student Loan Program established pursuant to  
37 section 1 of this act.

38 (c) All provisions of section 3-20 of the general statutes, or the exercise  
39 of any right or power granted thereby, that are not inconsistent with the  
40 provisions of this section are hereby adopted and shall apply to all  
41 bonds authorized by the State Bond Commission pursuant to this  
42 section. Temporary notes in anticipation of the money to be derived  
43 from the sale of any such bonds so authorized may be issued in  
44 accordance with section 3-20 of the general statutes and from time to  
45 time renewed. Such bonds shall mature at such time or times not  
46 exceeding twenty years from their respective dates as may be provided

47 in or pursuant to the resolution or resolutions of the State Bond  
48 Commission authorizing such bonds. None of such bonds shall be  
49 authorized except upon a finding by the State Bond Commission that  
50 there has been filed with it a request for such authorization that is signed  
51 by or on behalf of the Secretary of the Office of Policy and Management  
52 and states such terms and conditions as said commission, in its  
53 discretion, may require. Such bonds issued pursuant to this section shall  
54 be general obligations of the state and the full faith and credit of the state  
55 of Connecticut are pledged for the payment of the principal of and  
56 interest on such bonds as the same become due, and accordingly and as  
57 part of the contract of the state with the holders of such bonds,  
58 appropriation of all amounts necessary for punctual payment of such  
59 principal and interest is hereby made, and the State Treasurer shall pay  
60 such principal and interest as the same become due.

61 Sec. 3. Subdivision (2) of subsection (a) of section 32-141 of the general  
62 statutes is repealed and the following is substituted in lieu thereof  
63 (*Effective July 1, 2026*):

64 (2) The total amount of private activity bonds which may be issued  
65 by state issuers in the calendar year commencing January 1, 2007, and  
66 each calendar year thereafter, under the state ceiling in effect for each  
67 such year, shall be allocated as follows: (A) Sixty per cent to the  
68 Connecticut Housing Finance Authority; (B) twelve and one-half per  
69 cent to Connecticut Innovations, Incorporated; and (C) twenty-seven  
70 and one-half per cent to municipalities and political subdivisions,  
71 departments, agencies, authorities and other bodies of municipalities,  
72 the Connecticut Higher Education Supplemental Loan Authority and  
73 the Connecticut Green Bank, then to the Connecticut Student Loan  
74 Foundation and then for contingencies, provided not less than sixty  
75 million dollars of such bonds shall be allocated to the Connecticut  
76 Higher Education Supplemental Loan Authority. At least ten per cent of  
77 bonds allocated under subparagraph (A) of this subdivision shall be  
78 used for multifamily residential housing in the calendar year  
79 commencing January 1, 2008. In each calendar year commencing

80 January 1, 2009, fifteen per cent of such bonds shall be used for  
81 multifamily residential housing.

82 Sec. 4. Section 10a-232 of the 2026 supplement to the general statutes  
83 is repealed and the following is substituted in lieu thereof (*Effective July*  
84 *1, 2026*):

85 (a) Revenue bonds or notes issued under the provisions of this  
86 chapter shall not be deemed to constitute a debt or liability of the state  
87 or of any political subdivision thereof or a pledge of the full faith and  
88 credit of the state or of any such political subdivision, but shall be  
89 payable solely from the revenues and funds herein provided therefor.  
90 All such revenue bonds or notes shall contain on the face thereof a  
91 statement to the effect that: (1) The state of Connecticut shall not be  
92 obligated to pay the same or the interest thereon and (2) the authority  
93 shall not be obligated to pay the same or the interest thereon except from  
94 revenues of the education loan program or programs or the portion  
95 thereof for which they are issued, and that neither the full faith and  
96 credit nor the taxing power of the state of Connecticut or of any political  
97 subdivision thereof is pledged to the payment of the principal of or the  
98 interest on such bonds or notes.

99 (b) Notwithstanding the foregoing, (1) the constituent units of the  
100 state system of higher education may participate in one or more  
101 education loan programs with the authority and may incur  
102 indebtedness pursuant to authority loans, and (2) the authority may  
103 create and establish one or more reserve funds to be known as special  
104 capital reserve funds and may fund such special capital reserve funds  
105 with (A) any moneys appropriated and made available by the state for  
106 the purposes of such funds, (B) any proceeds of the sale of notes or  
107 bonds, to the extent provided in the resolution of the authority  
108 authorizing the issuance thereof, (C) any other moneys that may be  
109 made available to the authority for the purpose of such funds from any  
110 other source or sources, and (D) any surety policy or other similar  
111 instrument valued at par and payable or available to be drawn upon on

112 or before any date by which debt service on the bonds secured thereby  
113 is required to be paid and issued by a financial institution that, at the  
114 time of issuance of such surety policy or similar instrument, is rated  
115 "AA" or better by any nationally recognized statistical rating  
116 organization and approved by the State Treasurer. The assets held in or  
117 credited to any special capital reserve fund established under this  
118 section, except as hereinafter provided, shall be used solely for the  
119 payment of the principal of notes and bonds of the authority secured by  
120 such capital reserve fund as the same become due, the purchase of such  
121 notes and bonds of the authority, the payment of interest on such notes  
122 and bonds of the authority or the payment of any redemption premium  
123 required to be paid when such bonds are redeemed prior to maturity or  
124 released by the authority; provided, the authority shall have power to  
125 require that moneys in any such fund shall not be withdrawn therefrom  
126 at any time in such amount as would reduce the amount of such funds  
127 to less than the maximum amount of principal and interest becoming  
128 due by reason of maturity or a required sinking fund installment in any  
129 succeeding calendar year on the bonds of the authority then outstanding  
130 and secured by such special capital reserve fund, or such lesser amount  
131 specified by the authority in its resolution authorizing the issuance of  
132 any such bonds, such amount being herein referred to as the "required  
133 minimum capital reserve", except for the purpose of paying such  
134 principal of, redemption premium and interest on such bonds of the  
135 authority secured by such special capital reserve becoming due and for  
136 the payment of which other moneys of the authority are not available.  
137 The authority may provide that it shall not issue bonds at any time if the  
138 required minimum capital reserve on outstanding bonds secured by a  
139 special capital reserve fund and the bonds then to be issued and secured  
140 by a special capital reserve fund will exceed the amount of such special  
141 capital reserve fund at the time of issuance, unless the authority, at the  
142 time of the issuance of such bonds, shall deposit in such special capital  
143 reserve fund from the proceeds of the bonds so to be issued, or  
144 otherwise, an amount which, together with the amount then in such  
145 special capital reserve fund, will be not less than the required minimum

146 capital reserve. The authority may, as part of the contract of the  
147 authority with the owners of such bonds, provide that on or before  
148 December first, annually, there is deemed to be appropriated from the  
149 state General Fund such sums, if any, as shall be certified by the  
150 chairman of the authority to the Secretary of the Office of Policy and  
151 Management and the Treasurer of the state, as necessary to restore each  
152 such special capital reserve fund to the amount equal to the required  
153 minimum capital reserve of such fund, and such amounts shall be  
154 allotted and paid to the authority. For the purpose of evaluation of any  
155 such special capital reserve fund, obligations acquired as an investment  
156 for any such fund shall be valued at amortized cost. Nothing contained  
157 in this section shall preclude the authority from establishing and  
158 creating other debt service reserve funds in connection with the issuance  
159 of bonds or notes of the authority. Subject to any agreement or  
160 agreements with owners of outstanding notes and bonds of the  
161 authority, any amount or amounts allotted and paid to the authority  
162 pursuant to this section shall be repaid to the state from moneys of the  
163 authority at such time as such moneys are not required for any other of  
164 its corporate purposes and in any event shall be repaid to the state on  
165 the date one year after all bonds and notes of the authority theretofore  
166 issued on the date or dates such amount or amounts are allotted and  
167 paid to the authority or thereafter issued, together with interest on such  
168 bonds and notes, with interest on any unpaid installments of interest  
169 and all costs and expenses in connection with any action or proceeding  
170 by or on behalf of the owners thereof, are fully met and discharged.  
171 Notwithstanding any other provisions contained in this chapter, the  
172 aggregate amount of bonds outstanding at any time secured by such  
173 special capital reserve funds authorized to be created and established by  
174 this section shall not exceed [three] seven hundred fifty million dollars  
175 and no such bonds shall be issued to pay program costs unless the  
176 authority is of the opinion and determines that the revenues to be  
177 derived from the program shall be sufficient (i) to pay the principal of  
178 and interest on the bonds issued to finance the program, (ii) to establish,  
179 increase and maintain any reserves deemed by the authority to be

180 advisable to secure the payment of the principal of and interest on such  
 181 bonds, (iii) to pay the cost of maintaining and servicing the program and  
 182 keeping it properly insured, and (iv) to pay such other costs of the  
 183 program as may be required.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2026	New section
Sec. 2	July 1, 2026	New section
Sec. 3	July 1, 2026	32-141(a)(2)
Sec. 4	July 1, 2026	10a-232

**Statement of Purpose:**

To establish the Supplemental Graduate Student Loan Program, allow up to ten million dollars in state bonds for said program, allocate not less than sixty million dollars in annual private activity bonds for the Connecticut Higher Education Supplemental Loan Authority and increase the authority's bonding authorization cap.

*[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.]*

Co-Sponsors: SEN. LOONEY, 11th Dist.; SEN. DUFF, 25th Dist.  
 SEN. ANWAR, 3rd Dist.; SEN. CABRERA, 17th Dist.  
 SEN. COHEN, 12th Dist.; SEN. FLEXER, 29th Dist.  
 SEN. GADKAR-WILCOX, 22nd Dist.; SEN. GASTON, 23rd Dist.  
 SEN. HARTLEY, 15th Dist.; SEN. HOCHADEL, 13th Dist.  
 SEN. HONIG, 8th Dist.; SEN. KUSHNER, 24th Dist.  
 SEN. LESSER, 9th Dist.; SEN. LOPES, 6th Dist.  
 SEN. MAHER, 26th Dist.; SEN. MARONEY, 14th Dist.  
 SEN. MARX, 20th Dist.; SEN. MCCRORY, 2nd Dist.  
 SEN. MILLER P., 27th Dist.; SEN. NEEDLEMAN, 33rd Dist.  
 SEN. OSTEN, 19th Dist.; SEN. RAHMAN, 4th Dist.  
 SEN. SLAP, 5th Dist.

S.B. 8

