

Finance, Revenue and Bonding Committee

JOINT FAVORABLE REPORT

Bill No: SB-85 / [Bill Status](#) / [Public Hearing Testimony](#)

Title: AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE AND ESTABLISHING A SUPPLEMENTAL GRADUATE STUDENT LOAN PROGRAM.

Vote Date: 3/31/2026

Vote Action: Joint Favorable Substitute

PH Date: 3/11/2026

File No.:

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SPONSORS OF BILL:

Request of the Governor, pursuant to Joint Rule 9

REASONS FOR BILL:

This bill outlines the issuance, allocation, administration, and repayment terms of state bonds to fund various capital projects and financial aid initiatives in the state of Connecticut. Along with that, this bill establishes a Supplemental Graduate Student Loan Program to aid in ensuring access and affordability for Connecticut graduate students seeking to further their education.

SUBSTITUTE LANGUAGE (IF APPLICABLE):

Refer to the File Copy for SB 85

RESPONSE FROM ADMINISTRATION/AGENCY:

Michelle Gilman, Department of Administrative Services, Commissioner submitted testimony in support of this legislation pointing out that Section 2 of the bill proposes a new authorization of \$20 million to replace the current fleet garage in Wethersfield in FY 27, which she shares is needed, as renovating the current facility to meet modern standards would not be cost-effective. Director Gilman stated that Section 16 of the bill increases the total authorization for the School Building Projects Grant Program by \$50 million, bringing the total to \$600 million in FY 27. She stated that these additional funds are needed to ensure reimbursement to school districts for priority and non-priority list school construction projects and to cover legislative notwithstanding clauses and provide further context as it relates to the grant program. She shared that Section 22 increases the total authorization for a new data center by \$32 million, raising the total authorization to \$48 million. She stated that the

State operates primary physical data centers in Groton and Springfield, neither of which are owned by the state. The lease for the Groton Data Center is set to end, and the State must be out of the property by January 2029. She expressed that to continue the cost-effective and efficient operation of technology in the state, DAS is pursuing a replacement computing facility, and the \$32 million will be utilized to establish a new computing center within a co-location facility, establish equipment and networking in that location, and move state networks to that location. She emphasized that the additional \$32 million is not an increase in what was originally identified for the total cost of the project, but rather, this would move the remaining planned funds into the current biennium rather than into the FY 28-29 budget. She stated that this would allow DAS to access the planned funds earlier and allow the State the option to exit the current data facility before the end of the lease.

Ronnell A. Higgins, Department of Emergency Services and Public Protection, Commissioner submitted testimony in support of this legislation noting that Section 2 includes \$1.5 million to support the development of a statewide Mesonet system, which is critical in advancing the Department's emergency management mission. He shared that the state's vulnerability to extreme weather has been well documented over the past four decades and in recent years, increasingly intense rainfall events have led to multiple flooding disasters, which underscores the need for improved weather monitoring and early warning capabilities. He stated that currently, the three National Weather Service's offices that have forecast responsibility for the state rely on 8 automated surface observing system (ASOS) stations across the state. He expressed that these stations are located at airports and are not representative of the state's complex topography and weather. He noted that the ASOS network does not provide the high-resolution data needed to support monitoring and predictive modeling of events responsible for weather-related risks like rainfall/floods, heavy snow/ice, and high winds statewide. Commissioner Higgins emphasized that the State lacks modern, high-resolution infrastructure that can capture critical weather observations and hydrological measurements throughout the state. He added that the proposed statewide Mesonet will provide real-time and longitudinal weather data through a network of approximately 23 stations, modeled after a successful Mesonet that has been operating in New York State since 2016. He said that additionally 13 sites will be equipped with additional sensors to enhance fire weather forecasting conducted by the State's Department of Energy and Environmental Protection, and those stations will collect critical information. He emphasized that this network will be operated and maintained through a partnership with SUNY Albany, which will also provide expanded high-resolution, short-range weather modeling for Connecticut. He stated that this enhanced data and modeling capability will support more timely and accurate severe weather warnings and improve situational awareness for emergency managers and public safety officials across the state.

Josh Hurlock, Connecticut Higher Education Supplemental Loan Authority, Deputy Director submitted testimony in support of this legislation with minor technical amendments. He stated that graduate and professional students in the state are facing an uncertain financing landscape as federal options change, potentially driving a shift toward higher-cost private loans. He noted that a state-level, lower-cost alternative is timely and necessary to sustain access to advanced credentials that fuel our workforce and economy. Deputy Director Hurlock stated that CHESLA will utilize the funding to stand up the Supplemental Graduate Student Loan Program envisioned in this legislation, to leverage its existing lending, servicing, and compliance infrastructure to deliver low, fixed-rate loans with transparent terms and sound underwriting. He requested that Sections 9 and 23 of the legislation be amended

to be effective upon passage of the legislation, as that would allow CHESLA to move forward with systems configuration, servicing and compliance set-up, vendor onboarding, and institutional and borrower outreach in time for the upcoming graduate enrollment cycle. He shared that an "upon passage" effective date helps ensure the state's graduate students have timely access to the lower-cost, fixed-rate financing contemplated in this legislation, avoiding unnecessary delays that could otherwise push first availability beyond the enrollment window. Deputy Director Hurlock stated the resulting program will offer affordability and predictability, workforce development and economic strength, and efficient implementation to minimize overhead and maximize impact per dollar of state authorization.

Joshua Wojcik, Office of Policy and Management, Interim Secretary submitted testimony in support of this legislation expressing that it makes minor changes and adjustments to ensure sufficient resources to expand on the capital budget that invested in the state's capital assets and prioritized programs that support municipalities, employment opportunities, and transportation infrastructure. Secretary Wojcik stated the Governor is proposing \$308.1 million of new and supplemental General Obligation bond authorizations for FY 2027. He shared those adjustments include: \$50 million to the Department of Administrative Services (DAS) for additional resources to the School Construction Program, \$32 million to DAS for additional resources to replace the State's data center in Groton, \$20 million DAS to replace the state's current fleet garage in Wethersfield, \$1.5 million to the Department of Emergency Services and Public Protection for a statewide Mesonet weather monitoring system, \$34.6 million to the Office of the Chief Medical Examiner for additional resources to renovate the existing facility in Farmington, \$150 million to the Technical Education and Career System for additional resources to replace Windham Technical High School, \$10 million to the Department of Corrections for security cameras and upgrades, and \$10 million to CHESLA to replace loans previously provided through the federal government's Grad PLUS loan program.

Dr. Alice Pritchard, Connecticut Technical Education and Career System (CTECS), Executive Director submitted testimony in support of this legislation noting Section 20 amends Public Act 25-174 for the design and construction of a new Windham Technical High School. Dr. Pritchard stated that the school has aging infrastructure and needs replacement, with essential systems like heating, plumbing and electrical becoming costly to repair. She stated that outdated buildings can be inefficient to heat and maintain, creating long term financial burdens for the agency. She expressed that the new Windham Technical High School will allow for updated learning spaces, technology, and security features that today's technical educational environments require and a safe, efficient, future ready facility that better supports student learning and well-being.

NATURE AND SOURCES OF SUPPORT:

Capece, Vincent, President, CEO-Middlesex Health testified in support of the section of the bill involving the CT Supplemental Graduate Student Loan Program to improve access and affordability for graduate students, particularly in the fields of healthcare. They highlight those recent federal changes to graduate student lending, reduce borrowing limits and exclude key healthcare programs, threaten the state's healthcare workforce. They believe this loan program could be vital in responding to these growing challenges and ensure high-quality care for numerous communities within Connecticut.

Capetta, Maryclaire, President, APTA of CT submits testimony in support of the bill. Speaking as a licensed therapist and as a Program Director of the University of Connecticut's Doctor of Physical Therapy program, Maryclaire highlights Connecticut's growing shortage of physical therapists, especially in rural areas of the state and many outpatient facilities which greatly impacts patient access and care. She emphasizes that recent federal loan changes, including elimination of Grad PLUS loans and strict borrowing caps, create a significant financial barrier for students, whose education costs exceed federal loan limits. Many students face the risk of high-interest private loans or not being able to study in the program altogether. Because of this, Maryclaire writes in strong support of the bill's provision for a state-backed supplemental graduate student loan program.

CHA, CHA, Connecticut Hospital Association submits testimony in support of the bill and focuses on the section of the bill regarding the supplemental graduate student loan authority. The Connecticut Hospital Association shares how recent federal cuts to graduate student lending have impacted current students and how these changes exclude key healthcare and social service graduate programs, threatening the state's healthcare and social service graduate programs. As well as threatening the future of Connecticut's healthcare workforce by making advanced education less affordable and can impact more rural and underserved areas within the state if nothing is done. The association believes this program will help to relieve that issue and offer a crucial solution to maintain access to graduate education, sustain the healthcare workforce pipeline, and ensure high-quality care across the state.

Free, Rhona, President, University of Saint Joseph submits testimony in strong support of the bill. President Free put emphasis on the section involving the Supplemental Graduate Student Loan Program. The president explains how there are 430 graduates annually from critical workforce programs and mostly residents of Connecticut remain in-state to serve those communities. They share how the University of Saint Joseph has many students who rely on Grad PLUS and Direct Loans to afford tuition, and that this program would be vital to many in maintaining access to advanced education in fields such as healthcare, education, behavioral health, and social work. Helping to better ensure loan terms align with workforce needs while making graduate education more accessible based on merit.

Corry, Unis, VP of Strategic Enrollment Management, Fairfield University submits testimony in support, believing the Supplemental Student Graduate Loan Program will help alleviate the financial burden of graduate education within the state of Connecticut. The program aims to help students manage and repay loan debt, increase accessibility to advanced degrees, and encourage talented individuals to stay in-state for their studies and future careers.

Hardin, Marie, President, Quinnipiac University

Submitted testimony in support stating it establishes a state supported Supplemental Graduate Student Loan Program through CHESLA at a critical time when federal funding is being cut. Hardin explains that Quinnipiac graduate students borrowed \$18.5 million during 2024-2025, with over 269 students relying on nearly \$8.0 million to cover the costs that were not covered by federal unsubsidized loans. Those loans also supported graduate programs that were not classified as professional degrees. Students in those programs will see their federal borrowing capacity reduced unless a state alternative is provided. They explain

without SB 85 students would be forced into private lending markets with higher interest rates that would harm first generation students and working adults.

Matney, Sarah, Chief Nursing Officer, Connecticut Children's Hospital

Submitted testimony in support stating SB 85 funds the State's Supplemental Graduate Student Loan Program to help ensure affordability for CT's graduate students. This would ensure a sustainable pipeline of professionals essential to meeting the growing healthcare needs of families across CT. Matney explains the OBBBA bill enacted sweeping changes to federal graduate student lending and excludes several essential graduate level degrees in healthcare. Those professionals are critical members of the pediatric care team that federal borrowing limits would affect and make graduate education financially unattainable. CT's plans to strengthen graduate loan access through the Supplemental Graduate Student Loan Program administered through CHESLA is a thoughtful response to the changes from the federal government. By closing the financial gaps that are emerging the state can protect those educational pathways and ensure CT has the health professionals it needs.

Mona, Lucas, Assist. Vice President for Enrollment, University of Connecticut

Submitted testimony in support stating it would allow graduate and professional education access for CT students after recent federal restrictions were enacted. The changes from the federal government were the elimination of the Graduate PLUS loans, reduced borrowing, and new caps for Direct Unsubsidized loans. Lucas explains that this would create significant barriers to pursuing advanced degrees. Those student borrowers represent future physicians, dentists, lawyers, and educators that SB 85 offers an effective state response for. The state steps in while the federal government steps back, ensuring CT continues to have a highly educated workforce. They state that SB 85 is a fiscally responsible response that UConn is proud to support.

Petillo, John, President, Sacred Heart University

Submitted testimony in support stating CT's economic future depends on maintaining strong pathways to professions such as those in the health care, education, and health fields. Petillo explains that there are persistent workforce shortages affecting hospitals and that CT is not immune to the pressures facing the health care field. Graduate and Professional programs require significant clinical training and are critical talent pipelines for CT's employers. With the federal Grad PLUS loan program being eliminated graduate students face new uncertainty. Petillo explains that students at Sacred Heart University borrowed about \$6.8 million from the Grad PLUS loans. Without a state alternative students will face shrinking federal loan caps and increased barriers to degree completion. SB 85 establishes a state financing pathway to protect access to graduate education and reduce student dependence on high interest private loans. They state investing in accessible graduate financing is not an affordability issue but is a workforce development strategy.

Riley, Melissa, Director, Office of Government Affairs, Hartford Healthcare

Submitted testimony in support stating that Hartford Healthcare's ability to meet the healthcare needs of CT's communities depends on maintaining a strong pipeline of graduate trained healthcare professionals. CT's health systems continue to experience workforce

pressures and policies that strengthen access to graduate health professions is important to ensuring that the healthcare systems can continue to meet patient's needs. Section 9 and 23 establish the Supplemental Graduate Student Loan Program authorizing up to \$10 million in state bonds, increases the bonding capacity for CHESLA and allocates \$60 million annually in private activity bonds to expand access to supplemental graduate loans. They explain this is needed due to the recent cuts and changes from the federal government to their student loan programs. Future students pursuing careers as physician assistants, nurses, and many other healthcare professionals may face significant reductions in available federal student loan support. SB 85 would protect CT's healthcare workforce pipeline, promote workforce diversity, and expand loan access to help ensure that talented students have access to higher education.

Sander, Kimberly, Executive Director, Connecticut Nurses Association

Submitted testimony in support mentioning section 9, that addresses the sale of bonds for the CT Higher Education Supplemental Loan Authority for the Supplemental Graduate Student Loan Program. They explain that it would mitigate the impact of the federal rule making under HR 1 that would impact the nursing profession. HR 1 would reduce access to graduate education for health professionals by introducing two federal loan caps of \$20,500 annual/\$100,000 lifetime for graduate programs and \$50,000 annual /\$200,000 lifetime for professional programs. Graduate education is required for advanced practice nurses, certified nurse midwives, nurse leaders and many other specialized roles. Without financing many students who want those degrees would be unable to enroll. CT has acknowledged healthcare workforce shortages with investments such as the \$35 million to expand nursing programs, the Health Horizons initiative, with more than \$250 million annually in hospital workforce investments. They state that a state funded graduate loan program is a strategic investment to protect workforce pipelines and ensure continued access to care for CT residents.

Williams, Ena M., Yale New Haven Health

Submits testimony in strong support of SB 85. Working at New Haven Health, she shares how they're a major employer in the state and emphasizes the importance of investing in the nursing workforce and advanced education to meet growing patient needs. She believes the proposed federal policy changes that limit graduate loans for essential healthcare professionals could threaten to exacerbate workforce shortages. However, with SB 85, this is a critical step in expanding the educational pathways and reducing barriers for nurses and allied health professionals, ensuring the sustainability of patient care in the state.

Connecticut Education Association submits testimony in support of the bill, specifically the section involving the Supplemental Student Loan Authority Program.

Joselyn DeLancey, Vice President
Kate Dias, President

The following individuals also submitted testimony in support of SB 85 and expressed strong support for the section of the bill involving the Supplemental Student Loan Program.

Amy Di Mauro, President, NASW CT
Petra Dufner, Director, CT Area Health Education Center
Emmeline Franklin, Public Policy, Advocacy Association CT Community Non-Profit Alliance

Madison Gordon
Marie Hardin, President, Quinnipiac University
Laura Prior, APRN-CT APRN Society
Joyce Rioux, ConnOTA Government Affairs, CT Occupational Therapy
Jamie Rodriguez, Advocacy Chair, CTAMFT
Benjamin Schaedler, Marketing Associate, CT Area Health Education Center
Lisa Tonski
Leah Ward
Jennifer Widness
Terri Williams

The following people submitted testimony in support of the bill, they also requested funding for renovations and repairs to their respective medical/educational facilities.

Gretchen Richardson, Executive Vice President, Continuum of Care
Cynthia Roman, CPA, Mugford & DiBella LLC
Alisa Savetamal, Medical Director, CT Burn Center, Bridgeport Hospital
Donald Thompson, Chief Executive Officer, StayWell Health Center

NOTE: The following people from the organization, Catholic Charities, submitted testimony in support of the bill, requesting funding to repair their facilities.

Mary-Jane Duplin
Vilmary Garcia
Jennifer Jones
Sharon Haffenden
Danielle Trocolla

NATURE AND SOURCES OF OPPOSITION:

Katherine Klimkoski as well as another individual submitted testimony in opposition of the bill.

**Reported by: Lawrence Sanchez, Jason Snukis, Date: 4/14/26
& Tyler Fischer**