



Governor Ned Lamont

Fact Sheet: 2026 Legislative Proposal

SENATE BILL 85

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

The Current Situation

To implement the Governor's capital budget midterm adjustments.

Governor Lamont's Solution

The Governor's midterm adjustments to the capital budget shore up key investments in school construction, public safety, and several current renovations of state properties. It also proposes a new authorization to provide low-interest loans for graduate students that no longer have the same federally funded loan options available to them as previously.

The Governor is proposing \$308.1 million of new and supplemental General Obligation (GO) bond authorizations for FY 2027. This is in addition to \$3.27 billion of GO authorizations that become available on July 1, 2026.



	<u>FY 2027</u>	<u>FY 2027</u>	<u>FY 2027</u>
	<u>Initial</u>	<u>Revised</u>	<u>Additional Funds</u>
Department of Administrative Services			
School Construction	\$550,000,000	\$600,000,000	\$ 50,000,000
Replace current Fleet Garage in Wethersfield	-0-	20,000,000	20,000,000
Groton Data Center	16,000,000	48,000,000	32,000,000
Dept. of Emergency Services and Public Protection			
Mesonet System	-0-	1,500,000	1,500,000
Office of the Chief Medical Examiner			
Renovation of Existing Facility	24,200,000	58,800,000	34,600,000
Technical Education and Career System			
Replace Windham Technical High School	113,705,019	263,705,019	150,000,000
Connecticut Higher Education Supplemental Loan Authority			
Grad PLUS Loan Replacement	-0-	10,000,000	10,000,000
Department of Corrections			
Security Cameras and Upgrades	-0-	10,000,000	10,000,000
New General Obligation Total	\$590,200,000	\$743,300,000	\$ 308,100,000

Modify and add bond programs:

Sec. 23 establishes a new Supplemental Graduate Student Loan Program under the Connecticut Higher Education Supplemental Loan Authority. This program will provide graduate students with lower cost loans who can no longer receive loans under the expiring Federal GradPLUS program which was eliminated under HR 1. This is not a full replacement of the current program, but will help to cover the gap created by the elimination of the federal program.

Sec. 24 modifies the Office of Policy and Management Grants to Municipalities Program to add a reporting requirement to the Department of Transportation. There will be a 10% penalty for municipalities that do not comply.

Sec. 25 modifies Special Tax Obligation bond statutes to allow for borrowing terms of the federal Transportation Infrastructure Finance and Innovation Act (known as TIFIA) and Railroad Rehabilitation and Improvement Financing

(known as RRIF) loans for longer than 30 years, up to their max maturity date but no longer than the expected life of the asset. Currently statutes cap all transportation funding at a term of 30 years. This change only applies to federal programs, the Special Tax Obligation Bond program will remain capped at 30 years.