

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◊ (860) 240-0200
<http://www.cga.ct.gov/ofa>

sSB-220

AN ACT CONCERNING STUDENT LITERACY.

As Amended by Senate "A" (LCO 4641), House "A" (LCO 6248), House
"B" (LCO 6223)

House Calendar No.: 531

Senate Calendar No.: 412

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Comptroller	GF - Cost	10 million	10 million
Education, Dept.	GF - Cost	See Below	See Below
CHFA	CHFA - Cost/Potential Revenue Impact	Minimal	Minimal

Note: GF=General Fund; CHFA=Resources of CHFA

Municipal Impact: None

Explanation

The bill makes various changes to education statutes, resulting in the fiscal impacts described by section below.

Section 1 has no fiscal impact. It requires the State Department of Education (SDE) to develop guidance related to intervention for students struggling with reading. It is anticipated SDE has the necessary expertise to meet the requirements.

Section 2 expands eligibility for the Aspiring Educators Scholarship Program to students who graduated from any Connecticut public high school, rather than in Alliance Districts only, and are underrepresented in the teaching profession. This results in a cost annually to SDE

Primary Analyst: CF
Contributing Analyst(s): NN, BP
Reviewer: JS

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beginning in FY 27. Costs will vary based on the number of additional award recipients due to the bill, and the amount of grants they receive.¹ In FY 26, \$6 million was appropriated for the program and approximately \$1 million is anticipated to be spent.

Additionally, Section 2 allows SDE to use up to \$300,000 from the Aspiring Educators Scholarship Program account, if it is continues to be expected to lapse funds at the close of FY 26, to expand the paraeducator healthcare subsidy program to include charter school paraeducators who are employed in FY 27.

Section 3 requires the Connecticut Housing Finance Authority (CHFA) to expand an existing mortgage assistance program for teachers, which results in costs to CHFA from the authority's own resources beginning in FY 27 associated with altering and marketing the program.²

Additional utilization of the Teachers Mortgage Assistance program is anticipated to result in minimal changes to CHFA's operating revenues. The section is not anticipated to materially change the rate of spending.

The section additionally requires SDE to annually determine populations that are underrepresented in the teaching profession in order to implement Section 2. This has no fiscal impact as SDE has sufficient expertise to make the determination.

Sections 4 - 5 establish an American Sign Language working group, which has no fiscal impact as the working group has the necessary expertise to carry out the requirements of the bill.

¹ The scholarship is up to \$10,000 per student per year enrolled in a teacher preparation program.

² CHFA is a quasi-public authority that issues its own federally tax-exempt and taxable mortgage revenue bonds. The authority pays its operating expenses using funds derived from the excess of interest income from loans over bond interest expenses.

² In 2025, CHFA assisted approximately 3,800 first-time homebuyers. Of these buyers, 27 utilized the Teachers Mortgage Assistance Program.

Section 6 extends the paraeducator health care subsidy program within the Office of the State Comptroller (OSC) from FY 27 onwards and expands eligibility to paraeducators employed in charter schools, resulting in an annual cost of \$10 million.³

Section 501 requires OSC to calculate the cost of including paraeducators who work in charter schools in the healthcare subsidy program, which has no fiscal impact as it is anticipated OSC has the necessary expertise to meet the requirement.

Senate "A" eliminates the original bill and its associated fiscal impacts, largely resulting in the fiscal impacts described above (except as adjusted by the House amendments detailed below).

"House A" changes the amount and use of potential lapsing funds from the Aspiring Educators Scholarship Program account within SDE in FY 26, removes a provision directing the use of potential lapsing funds in future fiscal years, and adds the requirement for OSC to calculate the cost of included charter school paraeducators in the healthcare subsidy program.

"House B" eliminates a requirement for school districts to administer approved reading assessments, which has no fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and program participation.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

³ Funding for this program ranged between \$5 to \$10 million beginning in FY 24. The FY 26 and FY 27 Budget appropriated \$10 million to this program within OSC. Subsidies were dispersed subject to fund availability.