

OFFICE OF FISCAL ANALYSIS

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sSB-1034

AN ACT CONCERNING MINORITY TEACHER RECRUITMENT
AND RETENTION.

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 22 \$	FY 23 \$
Various Local and Regional School Districts	See Below	See Below	See Below

Explanation

The bill requires a portion of Alliance District funds (a component of the Education Cost Sharing grant for recipient towns) to be spent on minority teacher recruitment and retention. The bill requires, beginning in FY 22, the State Department of Education to annually withhold ten percent of each Alliance District's increase (AD) in those funds (from FY 20), and the funds will be released to each town for residency program-related costs, including hiring and retention. If a board of education does not apply for some or all of the withheld funds, the town may experience a revenue reduction, but it is anticipated all affected towns will apply, given the bill's mandate for these towns to participate in a minority teacher recruitment residency program.

The amount withheld from each Alliance District in any year depends on each town's change in Alliance District funding compared to FY 20. These funds are anticipated to total approximately \$7.5 million across Alliance Districts in FY 22 under the current ECS formula, with a median amount per affected Alliance District of

approximately \$240,000. The lowest amount is anticipated to be approximately \$10,000 and the highest, nearly \$1.4 million. For FY 22, twenty-five of the 33 Alliance Districts will have increases in ECS Alliance District funds since FY 20 and therefore will be impacted by this bill. Because the withholding under the bill is a percentage of the increase in ECS funds, the amount withheld will grow annually until FY 28, as ECS grants to impacted towns rise under the ECS formula phase-in.

The bill also requires SDE to administer a minority teacher candidate certification, retention, or residency year program, which is not anticipated to result in a fiscal impact to the state.

The Out Years

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