

# OFFICE OF FISCAL ANALYSIS

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SB-1165

AN ACT CONCERNING FINANCIAL LITERACY INSTRUCTION.

As Amended by Senate "A" (LCO 7328)

Senate Calendar No.: 182

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## ***OFA Fiscal Note***

***State Impact:*** None

***Municipal Impact:***

Municipalities	Effect	FY 24 \$	FY 25 \$
Local and Regional School Districts	STATE MANDATE <sup>1</sup> - Cost	Potential	Potential

## ***Explanation***

The bill results in a potential cost to local and regional school districts beginning in FY 24 by establishing a half-credit financial literacy requirement for high school graduation.

Costs to districts will depend on whether they must hire additional staff to teach the course, and if any, how many staff they must hire. Average salary plus fringe costs for a full-time teacher is approximately \$100,000. If a district can offer this credit by training a current employee instead of hiring a new employee, and can fit the new responsibility within the current employee's schedule, costs could be substantially less. If a large district has no qualified staff available to teach the course to every student in a class, the cost to the district will be substantial.

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<sup>1</sup> State mandate is defined in Sec. 2-32b(2) of the Connecticut General Statutes, "state mandate" means any state initiated constitutional, statutory or executive action that requires a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

It is anticipated that the State Department of Education would develop materials to help districts develop a financial literacy course. It is expected that SDE can do so within existing resources.

The bill additionally results in a potential minimal savings to local and regional school districts by removing a one-credit mastery-based diploma assessment as a graduation requirement, beginning in FY 24. The bill allows districts to maintain the assessment as a graduation requirement if they choose. To the extent districts choose to discontinue the assessment, there is a potential savings associated with reduced purchasing of materials.

Senate "A" strikes the underlying bill and results in the above identified fiscal impact.

### ***The Out Years***

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

*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.*