

OFFICE OF FISCAL ANALYSIS

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SB-1165

AN ACT CONCERNING FINANCIAL LITERACY INSTRUCTION. AMENDMENT

LCO No.: 7328

File Copy No.: 257

Senate Calendar No.: 182

OFA Fiscal Note

State Impact: None

Municipal Impact:

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

Explanation

The amendment strikes the underlying bill and its associated fiscal impact.

The amendment 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

¹ 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.

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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.

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 amendment 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.

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.