



House of Representatives

General Assembly

File No. 685

February Session, 2026

Substitute House Bill No. 5446

House of Representatives, April 20, 2026

The Committee on Appropriations reported through REP. WALKER of the 93rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING TEACHERS' DISABILITY AND RETIREMENT BENEFITS AND PARAEducATORS' SALARY AND RETIREMENT CONTRIBUTIONS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective from passage*) (a) The chief administrative officer of
2 the teachers' retirement system, in consultation with the president of the
3 Connecticut Education Association and the president of AFT
4 Connecticut, shall study the feasibility of making changes to teachers'
5 disability and retirement benefits to permit (1) retired teachers to be
6 reemployed full-time by local and regional boards of education without
7 the salary from such employment being included in such teachers'
8 pension calculations, and (2) retroactive application of disability
9 benefits so that former teachers are able to apply for and receive a
10 disability allowance after leaving employment as a teacher, provided
11 the disabling condition began when the former teacher was actively
12 employed.

13 (b) Not later than January 1, 2027, the chief administrative officer

14 shall report, in accordance with the provisions of section 11-4a of the
15 general statutes, to the joint standing committee of the General
16 Assembly having cognizance of matters relating to appropriations and
17 the budgets of state agencies on the results of the study. Such report
18 shall include, but need not be limited to: (1) A potential timeline for
19 implementing such benefit changes; (2) the approximate cost of such
20 benefit changes; (3) a description of the resources needed to implement
21 such benefit changes; and (4) a description of any potential barriers to
22 implementing such benefit changes.

23 Sec. 2. (NEW) (*Effective July 1, 2026*) Any collective bargaining
24 agreement entered into, amended or extended on or after July 1, 2026,
25 between a local or regional board of education and the representatives
26 of the exclusive bargaining unit for paraeducators shall establish a
27 minimum salary for a full-time paraeducator that is not less than forty-
28 five thousand dollars annually.

29 Sec. 3. (NEW) (*Effective July 1, 2026*) For the fiscal year ending June 30,
30 2028, and annually thereafter, the Office of Policy and Management
31 shall provide to each local or regional board of education a subsidy for
32 each paraeducator employed by such board of education in an amount
33 equal to the difference between the annual salary, as of July 1, 2026, of
34 such paraeducator and the minimum salary required pursuant to
35 section 2 of this act. Any such subsidy provided to a local or regional
36 board of education under this section shall not be combined with any
37 other state grant provided to local or regional boards of education under
38 any provision of the general statutes.

39 Sec. 4. (NEW) (*Effective July 1, 2026*) (a) Notwithstanding any
40 provision of the general statutes, each local and regional board of
41 education shall pay for each paraeducator employed by such board the
42 employee contribution required pursuant to the municipal employees'
43 retirement system or any other retirement system in which such board
44 participates, provided such payment shall not exceed the amount of the
45 employee contribution required pursuant to the municipal employees'
46 retirement system. Any amount of a required employee contribution to

47 a retirement system that exceeds the amount paid by such board
48 pursuant to this subsection shall be paid by the paraeducator.

49 (b) The Comptroller shall annually pay to each local or regional board
50 of education not less than fifty per cent of the cost to such board for the
51 payment of the employee contribution for retirement benefits pursuant
52 to subsection (a) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2026</i>	New section
Sec. 3	<i>July 1, 2026</i>	New section
Sec. 4	<i>July 1, 2026</i>	New section

Statement of Legislative Commissioners:

The first sentence of Section 3 was rewritten for clarity.

APP *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do 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.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Teachers' Retirement Bd.	GF - Cost	160,000	None
State Comptroller - Fringe Benefits ¹	GF - Cost	25,000	None
Policy & Mgmt., Off.	GF - Cost	None	Up to 210.9 million
Comptroller	GF - Cost	18 million	18 million

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 27 \$	FY 28 \$
Local and Regional School Districts	STATE MANDATE ² - Cost	Up to 210.9 million	Up to 210.9 million
Local and Regional School Districts	Revenue Gain	None	Up to 210.9 million
Various Municipalities	STATE MANDATE - Cost	57.9 million	57.9 million

Explanation

The bill makes several provisions concerning paraeducators and requires the teachers' retirement board to conduct a study which results in the fiscal impacts described below.

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.82% of payroll in FY 27.

² 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.

Section 1 requires a feasibility study of retired teachers' disability and retirement benefits which results in a cost of \$185,000 in FY 27 associated with salary and fringe benefits of approximately, \$60,000 and \$25,000, respectively, for two half-year positions, and a contract with the state's actuary estimated to cost \$100,000.

Sections 2 and 3 result in a cost of up to \$210.9 million to local and regional boards of education (BOEs) beginning in FY 27 and the Office of Policy and Management (OPM) beginning in FY 28. The cost is associated with establishing a minimum salary of \$45,000 for paraeducators and a corresponding subsidy program administered by OPM. The cost to BOEs is at least partially offset, beginning in FY 28, by a revenue gain.

Section 2 requires new, extended, or amended collective bargaining agreements between BOEs and paraeducators as of July 1, 2026 to establish a minimum salary for full-time paraeducators of \$45,000. Agreements for FY 27 that are finalized before the start of the fiscal year are not subject to the requirement. Section 3 requires OPM to provide a subsidy to BOEs, beginning in FY 28, in an amount equal to the difference between the annual paraeducator salary on July 1, 2026 and the new minimum salary of \$45,000. If a BOE adopts a paraeducator salary of at least \$45,000 on or before July 1, 2026, they will not be eligible for the subsidy through OPM.

The costs to a BOE in FY 27 (and annually thereafter) and OPM in FY 28 (and annually thereafter) is dependent on the number of full-time paraeducators employed by a BOE, the difference between their salary on July 1, 2026 and \$45,000, and when the minimum salary takes effect for the BOE's paraeducators. The maximum cost of \$210.9 million is based on the number of paraeducators who are employed at least half-time and the lower of two average paraeducator salary estimates.³

³ The estimated average paraeducator salary ranges from \$29,563 to \$37,450 (using data from the Office of the State Comptroller and the Connecticut Association of School Business Officials) and 13,664 paraeducators qualify for health insurance subsidies through the Office of the State Comptroller (OSC). Not all paraeducators who qualify through OSC are full-time, but it is expected that the majority are.

Section 4 results in a cost of approximately \$57.9 million to municipalities with boards of education employing paraeducators and \$18 million to the Office of the State Comptroller beginning in FY 27 and annually thereafter, subject to changes in the normal cost established by annual valuations. The bill requires municipalities to pay for the cost of employee contributions to the municipal employees' retirement system for the inclusion of paraeducators, which additionally increases such employer's cost to the retirement system. The Comptroller will reimburse such municipalities 50% of the employee contribution portion.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of full-time paraeducators employed by BOEs and when a collective bargaining agreement is adopted containing the \$45,000 minimum paraeducator salary.

OFA Bill Analysis**HB 5446*****AN ACT CONCERNING TEACHERS' DISABILITY AND RETIREMENT BENEFITS AND PARAEDUCATORS' SALARY AND RETIREMENT CONTRIBUTIONS.*****SUMMARY:**

The bill makes several changes to paraeducator benefits and requires a study conducted by the Teachers' Retirement System (TRS) chief administrative officer. The bill requires: (1) study of teachers' disability and retirement benefits, (2) minimum salary for paraeducators, and (3) inclusion of paraeducators into municipal employee retirement systems.

EFFECTIVE DATE: July 1, 2026, except Section 1 is effective from passage.

Feasibility Study

The bill requires the chief administrative officer of TRS, in consultation with the presidents of both the Connecticut Education Association and AFT Connecticut, to study (1) the feasibility of allowing retired teachers to be reemployed full-time by local and regional boards of education without including the salary earned in their pension calculations, and (2) retroactive application of disability allowance after leaving employment.

Currently, retired teachers are allowed to be reemployed subject to certain limitations. Members can be reemployed and earn up to 45% of the maximum salary for their position, including benefits, while still collecting a monthly pension benefit. Members may return to work full-time if they suspend their pension payments. Collecting a pension payment while working full-time results in the excess salary being reimbursed to the Teachers' Retirement Board.

Disability allowance is available to active teachers who are certified as disabled by the Connecticut Teachers' Retirement Board Medical Review Committee, and either have five years of credited service or became disabled while performing within their scope of employment. Members receiving a disability allowance are converted to a normal retirement benefit at age 60.

EFFECTIVE DATE: Upon passage

Paraeducator Salary Minimum

The bill establishes a minimum salary of \$45,000 annually for paraeducators working full-time. It requires the Office of Policy and Management to provide a subsidy to local or regional boards of education for the difference between the annual salary as of July 1, 2026, and the newly established minimum under this bill.

EFFECTIVE DATE: July 1, 2026

Paraeducator Pension

Paraeducators do not qualify for TRS. Instead, the bill requires local and regional boards of education employing paraeducators to pay, on their behalf, the employee's contribution to participate in the municipal retirement system or any other retirement system in which the board participates. Under the bill, the Comptroller will reimburse such boards of education half of these costs. There is additionally a corresponding employer contribution rate that boards of education must pay to participate in a retirement system, which will not be reimbursed.

EFFECTIVE DATE: July 1, 2026

COMMITTEE ACTION

Appropriations Committee

Joint Favorable Report
Yea 39 Nay 13 (04/01/2026)