



# Senate

General Assembly

**File No. 695**

February Session, 2026

Senate Bill No. 223

*Senate, April 20, 2026*

The Committee on Appropriations reported through SEN. OSTEN of the 19th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

## **AN ACT CONCERNING THE PARAEDUCATOR HEALTH CARE SUBSIDY PROGRAM.**

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

1 Section 1. Section 203 of public act 23-204, as amended by section 124  
2 of public act 24-81, is repealed and the following is substituted in lieu  
3 thereof (*Effective July 1, 2026*):

4 (a) As used in this section:

5 (1) "Health benefit plan" has the same meaning as provided in section  
6 38a-1080 of the general statutes; [ ] and

7 (2) "Partnership plan" has the same meaning as provided in section 3-  
8 123aaa of the general statutes.

9 (b) For the fiscal [years] year ending [June 30, 2024, and June 30, 2025]  
10 June 30, 2027, and each fiscal year thereafter, the Comptroller shall  
11 establish a program to provide a subsidy, within available  
12 appropriations, to each paraeducator who (1) opens a health savings

13 account, pursuant to Section 223 of the Internal Revenue Code of 1986,  
14 or any subsequent corresponding internal revenue code of the United  
15 States, as amended from time to time, or is eligible for Medicare and  
16 enrolls in a high deductible health plan, and (2) is employed [by a local  
17 or regional board of education] in a public school. Such subsidy shall be  
18 in an amount up to a certain percentage, as specified by the Comptroller,  
19 of the deductible for the health plan in which such paraeducator is  
20 enrolled, minus the amount of any employer contributions to a health  
21 savings account or health reimbursement account, and not exceeding an  
22 amount specified by the Comptroller. No paraeducator may receive  
23 more than one subsidy pursuant to this section. The Comptroller may  
24 work with the local or regional board of education that employs such  
25 paraeducator to distribute such subsidy.

26 (c) For the fiscal year ending [June 30, 2025] June 30, 2027, and each  
27 fiscal year thereafter, the Comptroller shall establish a program to  
28 provide a subsidy, from any funds appropriated for such purpose, to  
29 each local or regional board of education that provides coverage to  
30 paraeducators and their dependents under a health benefit plan or a  
31 partnership plan for such fiscal year or any portion thereof. Such  
32 subsidy shall be (1) in an amount not more than ten per cent of the  
33 aggregate premium cost, inclusive of the employee and employer  
34 shares, paid by such board of education for coverage under such health  
35 benefit plan or partnership plan, divided by the number of  
36 paraeducators employed by such board of education and enrolled in  
37 health coverage, and (2) used to offset the employee's share of such  
38 premium that is deducted from the payroll check of each paraeducator  
39 employed by such board of education during any pay period during  
40 such fiscal year. The provisions of this subsection shall not apply to a  
41 local or regional board of education that provides coverage under a high  
42 deductible health plan, as that term is used in subsection (f) of section  
43 38a-520 of the general statutes. Pursuant to the provisions of subsection  
44 (b) of section 10-66dd of the general statutes, the provisions of this  
45 section shall apply to charter schools.

46 [(d) The Comptroller and the Commissioner of Education shall enter



*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.*

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**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Comptroller	GF - Cost	10 million	10 million

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill 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.<sup>1</sup>

**The Out Years**

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

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<sup>1</sup> Funding for this program ranged between \$5 to \$10 million beginning in FY 24. The FY 26 and 27 Budget appropriated \$10 million to this program within OSC. Subsidies were dispersed subject to fund availability.

**OLR Bill Analysis****SB 223*****AN ACT CONCERNING THE PARAEDUCATOR HEALTH CARE SUBSIDY PROGRAM.*****SUMMARY**

This bill makes permanent two health care subsidy programs for paraeducators employed by local or regional boards of education and expands the programs to include paraeducators at charter schools. Under current law, the programs expired on June 30, 2025 (but the state budget included funds for the comptroller to continue the subsidies for FY 26).

One program provides subsidies for paraeducators who (1) open a health savings account (HSA) or (2) are Medicare-eligible and enroll in a high deductible health plan (HDHP). The subsidy covers a percentage, determined by the comptroller, of the deductible for the paraeducator's health plan minus the amount of any employer contributions to an HSA or health reimbursement account.

The second program provides subsidies to school boards that provide paraeducators coverage under an employer health plan (generally, a health insurance plan) or the partnership plan (a health benefit plan the comptroller offers to nonstate public employers and certain others). The subsidy covers up to 10% of the aggregate premium cost (including both the employee and employer shares), paid by the board of education for the coverage, divided by the number of paraeducators the board employs who are enrolled in the health plan. The subsidy must be used to offset the paraeducators' share of the premium.

The bill also eliminates an obsolete provision.

EFFECTIVE DATE: July 1, 2026

**COMMITTEE ACTION**

Education Committee

Joint Favorable Change of Reference - APP

Yea 42 Nay 2 (02/27/2026)

Appropriations Committee

Joint Favorable

Yea 42 Nay 9 (04/01/2026)