



**Colorado
Legislative
Council
Staff**

SB16-104

**REVISED
FISCAL NOTE**

(replaces fiscal note dated February 15, 2016)

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0657
Prime Sponsor(s): Sen. Todd
Rep. Becker J.

Date: March 15, 2016
Bill Status: Senate Appropriations
Fiscal Analyst: Josh Abram (303-866-3561)

BILL TOPIC: INCENTIVES TO BUILD NUMBER OF RURAL TEACHERS

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	<u>\$444,307</u>	<u>\$444,364</u>
General Fund	441,095	441,095
Centrally Appropriated Costs	3,212	3,269
FTE Position Change	0.25 FTE	0.25 FTE
Appropriation Required: \$441,095 - Department of Higher Education (FY 2016-17)		
Future Year Impacts: Ongoing expenditure and workload increase through at least FY 2020-21.		

Summary of Legislation

This bill, *as amended by the Senate Education Committee*, creates several new programs to provide incentives for individuals to become teachers in rural school districts, and to support the needs of professional educators in rural school districts.

Rural education coordinator. No later than July 1, 2017, the Department of Higher Education (DHE) is required to establish a rural education coordinator to represent a rural region of the state . The coordinator must be based at an institution of higher education. The purpose of the coordinator is to provide an emphasis on access to teacher preparation programs that focus on teaching in rural areas, increase rural teacher recruitment, develop an educator pipeline to rural schools and districts, and provide other support mechanisms to rural education providers.

No later than September 1, 2016, the DHE, in collaboration with the Colorado Department of Education (CDE) and other interested stakeholders, must develop and issue an RFP to fund a rural education coordinator. No later than January 1, 2017, the DHE must select an institution of higher education to house the coordinator for five years. The selected institution is required to provide an annual summary report. Prior to the completion of the five year funding period, the DHE and the CDE are required to evaluate the effectiveness of the rural education coordinator and make recommendations for continued funding.

Financial incentives for student teachers. No later than January 1, 2017, the DHE is required to provide up to 40 financial stipends annually, not to exceed \$2,800 per student, to offset tuition costs for students in approved educator preparation programs who agree to student teach in rural school districts. Stipends are paid from the DHE to the institution of higher education that enrolls the student for credit to the student's account.

Teacher cadet program. No later than January 1, 2017, the DHE is required to establish teacher cadet programs in identified rural schools and school districts. Money may be provided to school districts, charter schools, or the Charter School Institute, any of which may contract with Boards of Cooperative Educational Services (BOCES) to identify and support high school students interested in pursuing teaching careers in rural Colorado. The DHE and the CDE are required to evaluate the program every five years.

National board certification, concurrent enrollment certification, professional development stipends. The DHE is required to provide up to 20 financial stipends, not to exceed \$6,000 each, to any teacher in a rural school or district who is seeking certification as either a National Board Certified Teacher or as a concurrent enrollment teacher, or is furthering his or her professional development plan through continuing education. A teacher who receives a stipend must commit to teach for a total of three years in his or her rural school.

State Expenditures

This bill increases state expenditures by \$444,307 and 0.25 FTE for FY 2016-17, and by \$444,364 and 0.25 FTE for FY 2017-18. New expenditures are summarized in Table 1 and described below.

Cost Components	FY 2016-17	FY 2017-18
Personal Services	\$14,095	\$14,095
FTE	0.25	0.25
Rural Education Coordinator	145,000	145,000
Financial Incentives for Student Teachers	112,000	112,000
Teacher Cadet Program	50,000	50,000
NBCT concurrent enrollment stipends	120,000	120,000
Centrally Appropriated Costs*	3,212	3,269
TOTAL	\$444,307	\$444,364

* Centrally appropriated costs are not included in the bill's appropriation.

Personal services. The DHE requires new staff beginning with FY 2016-17 to manage the RFP process for a rural education coordinator, allocate tuition stipends for student teachers, create a teacher cadet program, and assist educators with NBCT certification fees and to offset the district costs to certify concurrent enrollment teachers. New staff will collect data, set up policies and application procedures for teachers, students, school districts, and institutions of higher education with teacher preparation programs, and disburse various financial supports and incentives.

Rural education coordinator. Western State Colorado University has run a rural education assistance program similar to the work envisioned for a rural education coordinator. That program runs with about 1.5 FTE, which includes a full time director and a part time assistant director, and incurs routine expenses for travel and site visits to rural education areas. These combined costs are currently funded with a federal grant estimated to be about \$145,000. The bill requires that DHE designate an institution of higher education to host the coordinator and that the position be funded for five years. If state funding is provided at a similar level, state expenditures increase by at least \$145,000 annually through FY 2020-21.

Student teacher stipends. Beginning January 2017, the DHE will fund up to 40 student participants annually to student teach in rural districts. The average resident tuition rate for these students is about \$2,800 and the total expenditure necessary for the stipends is \$112,000 in each fiscal year.

Teacher cadet program. Based on the experience of the Colorado Community College System with a similar initiative, a teacher cadet program to provide financial resources to school districts and BOCES that identify and support high school students interested in pursuing a career in rural education will require up to \$50,000 annually. The DHE must begin providing this financial assistance no later than January 2017.

NBCT and concurrent enrollment stipends. Both national board certification and certification to instruct postsecondary courses via a concurrent enrollment agreement are estimated to be about \$6,000 for each separate certification. Assuming the DHE annually supports 20 rural educators to either obtain NBCT or to certify to teach as concurrent enrollment instructors, the bill's cost is \$120,000.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

Cost Components	FY 2016-17	FY 2017-18
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$2,006	\$2,006
Supplemental Employee Retirement Payments	1,206	1,263
TOTAL	\$3,212	\$3,269

School District Impact

Teachers and students in rural areas, including postsecondary students pursuing a teacher certification, or high school students considering a career in rural education, will receive certain incentives and supports to accomplish these goals.

Under current law, school districts and Boards of Cooperative Educational Services (BOCES) may submit a separate estimate of fiscal impacts within seven days of a bill's introduction. Estimates submitted by districts or BOCES for this bill can be found on the Legislative Council website at this address: <http://1.usa.gov/23AxLIT>

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2016-17, the bill requires a General Fund appropriation of \$441,095 and an allocation of 0.25 FTE to the Department of Higher Education.

State and Local Government Contacts

Education Higher Education