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FINAL FISCAL NOTE

Drafting Number: LLS 18-0811 Date: June 26, 2018
Prime Sponsors: Sen. Todd Bill Status: Signed into Law
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Bill Topic: FINANCIAL INCENTIVES FOR EDUCATION IN RURAL AREAS

- Summary of Fiscal Impact:
- State Revenue
- TABOR Refund
- State Expenditure
- Local Government
- State Transfer
- Statutory Public Entity

The bill expands an existing program providing stipends to teachers and special services providers who are pursuing additional certification and agree to teach in rural areas. The bill increases state expenditures in the Department of Higher Education on an ongoing basis.

Appropriation Summary: The bill contains an appropriation of \$240,000 to the Department of Higher Education.

Fiscal Note Status: The fiscal note reflects the enacted bill.

Table 1
State Fiscal Impacts Under SB 18-085

Table with 3 columns: Category, FY 2018-19, FY 2019-20. Rows include Revenue, Expenditures (General Fund), and Transfers.

Summary of Legislation

Under current law, the Department of Higher Education provides up to 20 stipends to teachers in rural school districts who are seeking certification as a national board certified teacher or concurrent enrollment teacher. Stipends cannot exceed \$6,000 per teacher and teachers who accept the stipend must commit to teaching in a rural area for a total of three years.

The bill expands the number of available stipends to 60 and modifies the program to include teachers in rural school districts who are:

- completing an alternative licensure program that leads to initial licensure and employment as a teacher in rural area;
- in need of additional course work or credentials to be certified as a concurrent enrollment teacher; and
- completing the course work leading to certification as a special services provider and employment in a rural area.

The bill defines a special services provider and specifies that DHE must prioritize stipend awards for teachers. After all teacher applications have been funded, stipends may be awarded to special services providers. Stipends may be used to cover application, tuition, evaluation, or other costs associated with obtaining initial licensure or in support of professional development for the teacher or special services provider, and may only be used to offset costs associated with an institution of higher education or alternative licensure program that is approved by the State Board of Education.

In addition, the bill clarifies that a teacher or special services provider who receives a stipend must remain employed in a rural school, school district, or board of cooperative educational services in Colorado for a minimum of three years.

State Expenditures

The bill increases General Fund expenditures in the Department of Higher Education by \$240,000 annually beginning in FY 2018-19, as the bill expands the program by an additional 40 stipends of up to \$6,000 each. In addition, the bill increases the workload for the department to adjust program materials and process additional stipend applications. The workload increase can be accomplished within existing appropriations.

Effective Date

The bill was signed into law by the Governor on May 24, 2018, and takes effect on August 8, 2018, assuming no referendum petition is filed.

State Appropriations

For FY 2018-19, the bill requires and includes a General Fund appropriation of \$240,000 to the Department of Higher Education

State and Local Government Contacts

Education

Higher Education