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REVISED FISCAL NOTE

(replaces fiscal note dated January 30, 2018)

Drafting Number: LLS 18-0811 Date: April 19, 2018
Prime Sponsors: Sen. Todd Bill Status: House Education
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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 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 requires an appropriation of \$240,000 to the Department of Higher Education.

Fiscal Note Status: The fiscal note reflects the reengrossed 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; and
- in need of additional course work or credentials to be certified as a concurrent enrollment teacher.

The bill specifies that 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. Stipends 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 who receives a stipend must remain employed in a rural school or school district in Colorado for a minimum of three years.

### **Background**

The current national board certified teacher and concurrent enrollment stipend programs were created by Senate Bill 16-085 and are administered by the Colorado Center for Rural Education at the University of Northern Colorado, in conjunction with the Department of Higher Education. Since the programs were first available in the spring of 2017, 15 scholarships have been awarded, 10 of which were for concurrent enrollment certification and five of which were for national board certified teacher certification. Between the two programs, recipients work in nine rural school districts.

### **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 takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

**State Appropriations**

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

**State and Local Government Contacts**

Education

Higher Education