



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Final Fiscal Note

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<b>Drafting Number:</b>	LLS 21-0235	<b>Date:</b>	August 26, 2021
<b>Prime Sponsors:</b>	Sen. Danielson; Garcia Rep. Gonzales-Gutierrez; Ortiz	<b>Bill Status:</b>	Signed into Law
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**Bill Topic:** EDUCATOR PAY RAISE FUND

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**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure ( <i>conditional</i> )	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input checked="" type="checkbox"/> School District ( <i>conditional</i> )

The bill creates the Educator Pay Raise Cash Fund. The bill may increase state expenditures and school district revenue in the future.

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**Appropriation Summary:** No appropriation is required.

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**Fiscal Note Status:** This fiscal note reflects the enacted bill.

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## Summary of Legislation

The bill creates the Educator Pay Raise Fund, which contains any money appropriated or transferred by the General Assembly. The Colorado Department of Education (CDE) must distribute money in the fund to school districts and charter schools to increase teacher salaries and hourly wages paid to non-licensed employees.

The bill also creates the 12- person Educator Pay Raise Fund Task Force to recommend a process for distributing money from the fund. The bill specifies the composition of task force and topics to be considered in the recommendations. Appointments by legislative leadership must occur by August 1, 2021, and the task force must hold its first meeting by August 15, 2021 at the call of the Speaker. Subsequent meetings are held at the call of the chair.

## State Expenditures

Creating a cash fund does not change state expenditures; however, if money is deposited into the fund, state expenditures in CDE will increase. The fund is created only if voters approve an increase in state tax revenue to be deposited into the fund. Depending on the amount available and how the funds are distributed, CDE will also incur administrative expenses to allocate the funds to school districts and charter schools. The bill minimally increases workload for CDE to consult with the newly created task force. No change in appropriations is required.

## **School District**

If voters approve a tax increase to be deposited in the fund, school districts and charter schools that receive a distribution will have increased revenue for salaries and wages.

## **Effective Date**

The bill was signed into law by the Governor and took effect on July 7, 2021, except that the section creating the fund only takes effect if voters approve a measure to increase state tax revenue and deposit the new revenue into the fund at an election held no later than November, 2027.

## **State and Local Government Contacts**

Education

School Districts