



Legislative Council Staff

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Fiscal Note

Drafting Number:	LLS 23-0058	Date:	January 13, 2023
Prime Sponsors:	Rep. Kipp; McLachlan Sen. Zenzinger	Bill Status:	House Education
		Fiscal Analyst:	Anna Gerstle 303-866-4375 anna.gerstle@coleg.gov

Bill Topic: EXPANDING ASSISTANCE FOR EDUCATOR PROGRAMS

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill modifies the Temporary Educator Loan Forgiveness Program, Educator Test Stipend Program, and Student Educator Stipend Program. The bill increases state workload through FY 2026-27.

Appropriation Summary: No appropriation is required.

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

Summary of Legislation

The bill makes changes to the Temporary Educator Loan Forgiveness Program, Educator Test Stipend Program, and Student Educator Stipend Program administered by the Department of Higher Education (DHE). These programs are intended support new and pre-service educators.

Temporary Educator Loan Forgiveness Program. The bill changes the temporary educator loan forgiveness program to:

- add principals and special services providers to the definition of eligible educator;
- clarify educator eligibility criteria;
- expand the program to include an eligible educator in any educator position in a Colorado public school;
- extend the application deadline by a year, until July 1, 2023; and
- modify the prioritization of applicants, including removing the requirement that some prioritized applicants must work in schools that had at least 60 percent at-risk students in FY 2021-22 and maintaining priority for educators teaching in rural schools and content shortage areas.

Stipend programs. The bill raises the income threshold for student eligibility for the stipend programs from 200 percent of the federal Pell-eligible family contribution to 300 percent for FY 2023-24 and 250 percent in other years.

Student Educator Stipend Program. The bill allows a student teacher to be eligible for a stipend if they student teach either in Colorado, or within 100 miles of the state border. When distributing federal American Rescue Plan Act (ARPA) funds, the Colorado Commission on Higher Education (CCHE) must first consider students whose family contribution does not exceed 300 percent of the maximum federal Pell-eligible contribution.

Educator Test Stipend Program. When distributing ARPA funds for this program, the CCHE must first consider students whose family contribution does not exceed 300 percent of the maximum federal Pell-eligible contribution, and then consider graduates placed as student educators before having passed the state assessment of professional competencies during the 2019-20, 2020-21, and 2021-22 fiscal years.

Background

House Bill 22-1220 created the two stipend programs and the loan forgiveness program, and funded all three programs with ARPA funds. The programs repeal on January 31, 2027.

Student educator stipend program. This program awards stipends to eligible students to reduce the financial barriers to entering the workforce while placed as a student teacher. Eligible students may receive a stipend of \$11,000 for a 16-week residency and \$22,000 for a 32-week residency. HB 22-1220 appropriated \$39.0 million in ARPA funds for the program.

Educator test stipend program. This program awards stipends to institutions of higher education to reduce student fees and costs associated with professional competency assessments required for licensure. HB 22-1220 appropriated \$3.0 million in ARPA funds for the program.

Temporary educator loan forgiveness programs. The program provides up to \$5,000 in loan forgiveness to eligible educators who are new to the profession. HB 22-1220 appropriated \$10.0 million in ARPA funds for the program.

State Expenditures

The bill modifies the workload for DHE to adjust processes and materials through FY 2026-27. The bill modifies eligibility criteria, application prioritization order, and application deadlines, but does not change the amount of funding required for the programs, or the administrative resources necessary to implement them. Shifts in workload are expected to be minimal and no change in appropriations is required.

Effective Date

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

State and Local Government Contacts

Education

Higher Education