



Fiscal Note

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HB 26-1357: PHASE-OUT OF TREP PROGRAM

Prime Sponsors:

Rep. Sirota; Taggart
Sen. Amabile; Bridges

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Fiscal note status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2026-27 budget package

Summary Information

Overview. The bill limits funding and enrollment in the Teacher Recruitment Education and Preparation program in FY 2026-27, and repeals the program beginning in FY 2027-28.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- State Expenditures
- School Districts

Appropriations. For FY 2026-27, the bill requires an appropriation reduction of \$1.6 million to the Colorado Department of Education.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures (State Education Fund)	-\$1,622,754	-\$2,902,943
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill phases out the Teacher Recruitment Education and Preparation (TREP) program.

In FY 2026-27, the bill decreases the per pupil rate for TREP students from \$10,721 to \$7,104. It also specifies that CDE may not designate any new students for the program in FY 2026-27, allowing currently enrolled students to complete the program. The program is repealed beginning in FY 2027-28.

Background and Assumptions

The Teacher Recruitment Education and Preparation (TREP) program was created in [Senate Bill 21-185](#), and provides funding through the school finance formula for students who remain enrolled in a fifth and sixth year of high school to take postsecondary courses related to a teacher career pathway. TREP students are counted as extended high school students who are funded at a flat per pupil rate.

Since the program's inception, the Long Bill has capped participation at 250 student FTE. In FY 2025-26, 193.0 FTE are participating in the program, of which 137.5 FTE are in their first year of the program and will finish the program in FY 2026-27.

Under current law, the initial state appropriation for school finance is assumed to include funding for 250 FTE; thus, the fiscal note reflects the impact of going from 250 FTE to 137.5 FTE in FY 2026-27, before the program is eliminated in FY 2027-28.

State Expenditures

In FY 2026-27, the bill reduces total program for school finance by \$1,638,566, of which \$1,622,754 is a reduction in the state share and \$15,812 is a reduction in the local share. This change reflects a decrease from 250 FTE to 137.5 FTE, and a reduction in the per pupil rate from \$10,721 to \$7,104.

In FY 2027-28, the bill reduces total program for school finance by \$2,918,132, of which \$2,902,943 is a reduction in state share and \$15,189 is a reduction in the local share. This change reflects the elimination of the TREP program.

The state share reduction in both years is from the State Education Fund.

School District

The bill reduces school district total program funding by \$1.6 million in FY 2026-27 and \$2.9 million in FY 2027-28. A total of 30 districts in FY 2026-27 and 34 districts in FY 2027-28 are expected to have reduced total program under the bill, with district funding reductions range from \$85 to \$308,787 in FY 2026-27.

As discussed above, most of the decrease is a reduction in the state share of school finance; however, the bill reduces the property tax revenue for fully locally funded districts by about \$15,000 per year.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, except that sections repealing the TREP program take effect July 1, 2027.

State Appropriations

For FY 2026-27, the bill requires a reduction in State Education Fund appropriations of \$1,622,754 to the Colorado Department of Education for the state share of school finance.

State and Local Government Contacts

Education

Joint Budget Committee Staff

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).