



## Fiscal Note

### Legislative Council Staff

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## HB 26-1357: PHASE-OUT OF TEACHER RECRUITMENT EDUC PROGRAM

**Prime Sponsors:**

Rep. Sirota; Taggart  
Sen. Amabile; Bridges

**Fiscal Analyst:**

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**Fiscal note status:** This revised fiscal note reflects the rerevised bill. The bill was recommended by the Joint Budget Committee as part of its FY 2026-27 budget package.

### Summary Information

**Overview.** The bill reduces the per pupil rate for the Teacher Recruitment Education and Preparation program beginning in FY 2026-27, limits program enrollment in FY 2027-28, and repeals the program beginning in FY 2028-29.

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

- State Expenditures
- State Transfers
- School Districts

**Appropriations.** For FY 2026-27, the bill requires and includes an appropriation reduction of \$853,612 to the Colorado Department of Education.

**Table 1**  
**State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
State Revenue	\$0	\$0	\$0
State Expenditures	-\$853,612	-\$1,817,378	-\$2,902,943
Transferred Funds	\$799,200	\$0	\$0
Change in TABOR Refunds	\$0	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE	0.0 FTE

FY 2028-29 expenditure savings represent a preliminary estimate and actual savings may be slightly higher than estimated.

**Table 1A  
 State Expenditures**

<b>Fund Source</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>	<b>Out Year FY 2028-29</b>
General Fund	\$0	\$0	\$0
Cash Funds (State Education Fund)	-\$853,612	-\$1,817,378	-\$2,902,943
Federal Funds	\$0	\$0	\$0
Centrally Appropriated	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>-\$853,612</b>	<b>-\$1,817,378</b>	<b>-\$2,902,943</b>
<b>Total FTE</b>	<b>0.0 FTE</b>	<b>0.0 FTE</b>	<b>0.0 FTE</b>

**Table 1B  
 State Transfers**

<b>Fund Source</b>	<b>Budget Year FY 2026-27</b>	<b>Out Year FY 2027-28</b>	<b>Out Year FY 2028-29</b>
Electrifying School Buses Grant Prog. CF	-\$799,200	\$0	\$0
State Education Fund	\$799,200	\$0	\$0
<b>Net Transfer</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## Summary of Legislation

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

Beginning in FY 2026-27, the bill decreases the per pupil rate for TREP students from \$10,721 to \$7,104. In FY 2027-28, the Colorado Department of Education (CDE) may not designate any new students for the program, allowing already enrolled students to complete the program.

Beginning in FY 2028-29, the program is repealed.

In FY 2026-27, the bill also transfers \$799,200 from the Electrifying School Buses Grant Program Cash Fund to the State Education Fund.

## 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 250.0 student FTE. In FY 2025-26, 193.0 student FTE are participating in the program, of which 137.5 student 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 the program's 250.0 student FTE; thus, the fiscal note reflects the impact of going from 250.0 student FTE to 137.5 student FTE in FY 2027-28, before the program is eliminated in FY 2028-29.

## State Transfers

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In FY 2026-27, the bill transfers \$799,200 from the Electrifying School Buses Grant Program Cash Fund to the State Education Fund.

## State Expenditures

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In FY 2026-27, the bill reduces total program for school finance by \$859,038, of which \$853,612 is a reduction in the state share and \$5,426 is a reduction in local share. This change reflects 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 \$1,827,084, of which \$1,817,378 is a reduction in the state share and \$9,706 is a reduction in the local share. This change reflects a decrease from 250.0 student FTE to 137.5 student FTE, and a reduction in the per pupil rate from \$10,721 to \$7,104.

In FY 2028-29, the bill reduces total program for school finance by at least \$2.9 million, a majority of which is state share. This change reflects the elimination of the TREP program.

The state share reduction is from the State Education Fund.

## School District

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The bill reduces school district total program funding by \$859,028 in FY 2026-27, \$1.8 million in FY 2027-28 and at least \$2.9 million in FY 2028-29. A total of 26 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 ranging from \$3,617 to \$121,170 in FY 2026-27 and from \$113 to \$321,510 in FY 2027-28.

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**

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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**

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For FY 2026-27, the bill requires and includes a reduction in appropriations of \$853,612 from the State Education Fund to the Colorado Department of Education for the state share of school finance.

The bill also includes an adjustment to the state share of school finance if this bill and House Bill 26-1364 regarding the 2025 Consumer Price Index Calculation both pass. This minimal adjustment results from the interaction between the two bills within the school finance formula, and decreases the state share by about \$2,700.

## **State and Local Government Contacts**

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Education

Joint Budget Committee Staff

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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](#).