



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

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

Prime Sponsors:

Rep. Sirota; Taggart
Sen. Amabile; Bridges

Fiscal Analyst:

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Bill Outcome: Signed into Law

Drafting number: LLS 26-0886

Version: Final Fiscal Note

Date: June 30, 2026

Fiscal note status: This final fiscal note reflects the enacted 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, 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
- 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
State Revenue	\$0	\$0
State Expenditures	-\$853,612	-\$2,903,095
Transferred Funds	\$799,200	\$0
Change in TABOR Refunds	\$0	\$0
Change in State 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**

Fund Source	Budget Year FY 2026-27	Out Year FY 2027-28
General Fund	\$0	\$0
Cash Funds (State Education Fund)	-\$853,612	-\$2,903,095
Federal Funds	\$0	\$0
Centrally Appropriated	\$0	\$0
Total Expenditures	-\$853,612	-\$2,903,095
Total FTE	0.0 FTE	0.0 FTE

**Table 1B
State Transfers**

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

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. Beginning in FY 2027-28, the program is repealed.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 eliminating the full 250.0 student FTE in FY 2027-28. The numbers in this fiscal note reflect only the impact of the bill's changes and does not reflect other school finance changes in [Senate Bill 26-023](#).

State Transfers

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

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 \$2,918,284, of which \$2,903,095 is a reduction in the state share and \$13,950 is a reduction in the local share. This change reflects the elimination of the TREP program.

The state share reduction is from the State Education Fund.

School District

The bill reduces school district total program funding by \$859,038 in FY 2026-27, and \$2.9 million beginning in FY 2027-28. 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 \$317 to \$389,000 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 \$14,000 per year beginning in FY 2027-28.

Effective Date

The bill was signed into law by the Governor and took effect on June 4, 2026, except that sections repealing the TREP program take effect July 1, 2027.

State Appropriations

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. Both bills were signed into law.

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](#).