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Revised Fiscal Note

(replaces fiscal note dated May 10, 2021)

Drafting Number: LLS 21-0748 Date: May 21, 2021
Prime Sponsors: Sen. Zenzinger; Rankin Bill Status: House Appropriations
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- Summary of Fiscal Impact:
State Revenue [] TABOR Refund []
State Expenditure [x] Local Government []
State Transfer [] School District [x]

The bill requires promotion of existing programs and creates two new state programs to support students entering the teaching profession. The bill increases state expenditures beginning FY 2021-22.

Appropriation Summary: For FY 2021-22, the bill includes appropriations totaling \$12,335,620 to the Colorado Department of Education and the Department of Higher Education.

Fiscal Note Status: The fiscal note reflects the reengrossed bill, as amended by the House Education Committee

Table 1
State Fiscal Impacts Under SB 21-185

Table with 3 columns: Category, Budget Year FY 2021-22, and Out Year FY 2022-23. Rows include Revenue, Expenditures (General Fund, Centrally Appropriated, Total Expenditures, Total FTE), Transfers, and TABOR Refund.

Summary of Legislation

The bill makes several changes to address teacher recruitment, preparation, and retention.

Adjunct instructors. The bill allows an individual to obtain or renew an adjunct instructor authorization only at the request of the district or charter school that employs the individual, and restricts employment only to the requesting public school. An adjunct instructor may not be employed as a full time teacher, except for a position in a rural school district for which there were no qualified applicants.

Promoting existing educator support programs. The Colorado Department of Education (CDE) must direct resources toward publicizing existing programs supporting teacher recruitment, preparation and retention, including alternative preparation and fellowship programs, support for student teachers in rural areas, loan forgiveness, and similar efforts to support entry to the educator workforce. CDE must also provide technical support to local education providers (LEPs) to access the programs.

Teaching career pathway. No later than the 2022-23 school year, the Department of Higher Education (DHE), in collaboration with the CDE and institutions of higher education, must design a career pathway for students to enter the teaching profession. At a minimum, the pathway must include options for secondary and higher education students and adult learners, provide counseling and wraparound support services, and align with the performance-based teacher licensing standards adopted by the State Board of Education (SBE).

Teacher recruitment, education and preparation (TREP). The bill creates the Teacher Recruitment Education and Preparation Program (TREP) in the CDE. The program allows a participant to concurrently enroll in postsecondary courses for two years following the student's twelfth grade year. If a student is following the teaching career pathway, is on schedule to complete the specified courses by the senior year, and is enrolling in the pathway's postsecondary courses for the fifth and sixth year among other requirements, the CDE may designate the student a TREP program participant.

Beginning in the 2022-23 school year, the CDE must administer TREP pursuant to guidelines adopted by the Concurrent Enrollment Advisory Board and approved by the community college system. In its annual budget request to the Joint Budget Committee (JBC), the CDE must report the total number of potential TREP participants for the following school year.

The General Assembly must decide annually the number of TREP participants to fund in the Long Bill. Each TREP participant is funded at the same per-pupil rate as the ASCENT program. For FY 2022-23, the General Assembly must fund no more than 200 participants. A local education provider (LEP) that enrolls a TREP participant may include the student in the district's funded pupil count and receive extended high school funding for the student. If an LEP receives extended high school funding for fifth and sixth year senior students, the school or district may spend funding on behalf of TREP students enrolling in higher education.

Educator recruitment and retention program. The bill creates the Educator Recruitment and Retention (ERR) Program in the CDE to provide support to members of the armed forces, nonmilitary-affiliated educator candidates, and LEPs to recruit and retain qualified educators. The SBE must adopt rules and the department must administer the program and collect data and report effectiveness and best practices. CDE must provide:

- one-on-one counseling and coaching;
- career and teacher job fairs;
- substitute teacher “boot camps” for newly authorized substitutes and LEPs;
- job placement platforms;
- professional development through the first three years of service; and
- retention counselling services for LEPs.

The ERR program must have an application and award procedure to provide participants with up to \$10,000 for tuition costs at an educator preparation program. The department distributes the financial assistance directly to the enrolling postsecondary educator preparation program. As part of its annual budget request, the department must prepare a progress report on program implementation and provide it to the SBE, the Governor, and the General Assembly.

Educator mental health program. The bill requires that the University of Colorado Health Sciences Center provide support services for educators through the Educator Well-Being and Mental Health Program in the Department of Psychiatry. Services may include a hotline for educators, staffed support groups, and training and support focusing on coping with stress and resilience during the COVID-19 pandemic. The bill allows the DHE to enter into a fee-for-service contract to provide funding for the program, and requires that the University of Colorado report to the DHE annually concerning program implementation and outcomes.

Other educator programs. For FY 2021-22, the bill restores \$2.9 million in funding for the Educator Loan Forgiveness Program in the DHE, and \$3.0 million in funding for the Quality Teacher Recruitment Grant Program in the CDE.

State Expenditures

The bill increases state expenditures by about \$12.4 million and 5.3 FTE in FY 2021-22, and by about \$14 million and 6.7 FTE in FY 2022-23. The fiscal note estimates the anticipated cost to implement the new programs created in the bill; however, actual costs will depend on the number of participants in the ERR and TREP programs, the amount of technical support, wraparound services, and professional development provided by CDE, the actual value of the TREP stipend in FY 2022-23, the number of qualifying students accessing the new career pathway, and future funding decisions made by the JBC. Personal services costs in FY 2021-22 are prorated for the General Fund pay date shift and an assumed September 1 effective date. State expenditures are displayed in Table 2 and discussed below.

Table 2
Expenditures under SB 21-185

| Cost Components | FY 2021-22 | FY 2022-23 |
|---|---------------------|---------------------|
| Department of Higher Education | | |
| Personal Services | \$56,338 | \$57,782 |
| Operating Expenses | \$1,485 | \$1,350 |
| Capital Outlay Costs | \$6,200 | |
| Educator Loan Forgiveness | \$2,500,000 | \$2,500,000 |
| Educator Loan Administration | \$398,963 | \$398,963 |
| Educator Well Being Program - CU | \$239,778 | \$239,778 |
| Centrally Appropriated Costs ¹ | \$15,097 | \$15,228 |
| FTE – Personal Services | 1.0 FTE | 1.0 FTE |
| DHS Subtotal | \$3,217,861 | \$3,213,101 |
| Department of Education | | |
| Personal Services | \$399,311 | \$532,415 |
| Operating Expenses | \$6,345 | \$7,695 |
| Capital Outlay Costs | \$37,200 | - |
| ERR Financial Assistance | \$5,000,000 | \$5,000,000 |
| TREP Funding | - | \$1,708,200 |
| ERR Recruitment | \$575,000 | \$575,000 |
| Operating and Travel | \$115,000 | \$115,000 |
| Quality Teacher Recruitment Funding | \$3,000,000 | \$3,000,000 |
| Centrally Appropriated Costs ¹ | \$79,130 | \$105,173 |
| FTE – Personal Services | 4.7 FTE | 5.7 FTE |
| CDE Subtotal | \$9,211,986 | \$11,043,483 |
| Total | \$12,429,847 | \$14,256,584 |
| Total FTE | 5.7 FTE | 6.7 FTE |

¹ Centrally appropriated costs are not included in the bill's appropriation.

Department of Higher Education. The DHE requires staff to map secondary preparation pathways meeting unmet demand, coordinate stakeholders, and to develop training and instructor professional development for teacher preparation programs at institutions of higher education.

University of Colorado. The University of Colorado School of Psychiatry will require an annual appropriation of \$239,778 to administer the Educator Well-Being and Mental Health Program. Costs include staff and technology for a crisis hotline, support groups, and a coping and resilience training program.

Colorado Department of Education. The CDE requires new staff to work with DHE and other stakeholders to develop a teacher career pathway, promote existing recruitment and retention programs, and create the TREP program to be administered similar to the ASCENT program; staff is needed to provide multiple services to teacher preparation students through the ERR program. Costs also increase to support hosting and maintenance of digital recruitment platforms, outreach and technical assistance, coordinating counseling and wraparound services, and for travel.

ERR financial assistance. The bill requires that the ERR program develop a process to pay up to \$10,000 in tuition assistance directly to enrolling institutions of higher education. Assuming this portion of the program is funded with \$1.0 million, between 90-100 students could be supported with the full amount of tuition assistance, after some administrative costs to process payments to institutions.

TREP funding. The amount of TREP funding is equivalent to the funding provided for fifth and sixth year seniors participating in the ASCENT program. The current ASCENT funding is \$8,541 before application of the budget stabilization factor. For FY 2021-22, the bill limits the total number of eligible TREP participants to 200 students. The program must be developed in FY 2021-22, and funding for extended high school years begins in FY 2022-23. If 200 students are authorized to participate at the estimated 2021-22 ASCENT per pupil amount of \$8,541, state costs increase by about \$1.7 million beginning FY 2022-23.

Additional appropriations. In addition, the bill appropriates \$3.0 million for the quality teacher recruitment program and \$2.5 million for the educator loan forgiveness program.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$94,227 in FY 2021-22, and \$120,401 in FY 2022-23.

School District Impact

Beginning with the 2022-23 school year, students identified and approved for participation in TREP can be counted in the enrollment of school districts for the purposes of determining school finance. Funding for each TREP participant is assumed to be the same as extended high school funding under the ASCENT program, currently about \$7,625 per student.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2021-22, the bill includes appropriations totaling \$12,335,620 from the General Fund:

- \$9,132,856 to the Colorado Department of Education, and 4.3 FTE;
- \$64,023 to the Department of Higher Education, and 1.0 FTE;
- \$2,500,000 to the Department of Higher Education;
- \$398,963 to the Department of Higher Education, and 0.5 FTE; and
- \$239,778 to the Department of Higher Education for a limited-purpose fee-for-service contract with the University of Colorado Health Sciences Center.

State and Local Government Contacts

Education

Higher Education

School Districts