

<b>LFC Requester:</b>	<b>Jorgensen</b>
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**AGENCY BILL ANALYSIS  
2023 REGULAR SESSION**

**SECTION I: GENERAL INFORMATION**

*Check all that apply:*

**Original**     **Amendment**      
**Correction**     **Substitute**   

**Date Prepared:** 02/16/23  
**Bill No:** HB371

**Sponsor:** Thompson/Jaramillo/Cates/Truji  
llo/Ferrary  
**Short Title:** INSTRUCTIONAL SUPPORT  
STUDENT LOAN

**Agency Name and Code Number:** Agency Name  
PED - 924  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
None	None	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY23	FY24	FY25		
None	None	None	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	3,400.	Unknown	Unknown	Unknown	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis: House Bill 371 (HB371) would rename the Teacher Loan Repayment Act to the School Personnel Loan Repayment Act to expand eligibility for the loan repayment program to instructional support providers. The bill defines instructional support providers as:

- Education assistants
- Recreational therapists

- School counselors
- Educational diagnosticians
- Social workers
- School nurses
- Speech-language pathologists
- Psychologists
- Physical therapists
- Occupational therapy assistants
- Behavior specialists
- Marriage and family therapists
- Interpreter for the deaf
- Rehabilitation counselors
- Behavioral therapists
- Alcohol, drug, and substance abuse counselors
- Substance abuse associates
- Other practitioners designated by law or rule of the Higher Education Department (HED)

The effective date of the bill is July 1, 2023.

### **FISCAL IMPLICATIONS**

HB371 does not contain an appropriation.

### **SIGNIFICANT ISSUES**

The purpose of the Teacher Loan Repayment Program is to increase the number of teachers in designated high-need teacher positions in public schools through an educational loan repayment program. Awards are dependent upon specific public school's need for the designated high-need teacher position, the teacher's total education indebtedness and available balances in the fund. Recipients are eligible for renewal upon completion of a two-school year obligation period. Recipients are required to sign a contract committing to serve at an eligible employment site for a period of two (2) school years. Payments are made annually to the loan servicer directly upon verification of employment.

According to HED, for FY23, 966 eligible teachers have been provisionally awarded funds under the Teacher Loan Repayment Program upon completion of the 2022-2023 school year. The current budget of \$5 million is insufficient to award every eligible applicant with the maximum award amount of \$6,000 allowed by statute. In FY23 alone, HED needs an additional \$796,000 to fund all 966 eligible teachers at the maximum amount of loan repayment. With the addition of all the instructional support providers listed in SB371, the amount needed to fund all the awards will far exceed the current budget.

In current statute, the Teacher Loan Repayment Program funds only licensed classroom teachers. HB371 would add instructional support staff to the list of eligible professions. The addition of additional instructional support staff would increase the number of applicants to the program. While the number of support staff that would apply and qualify is currently not known, there could be a significant fiscal impact on the Teacher Loan Repayment Fund.

### **PERFORMANCE IMPLICATIONS**

None.

### **ADMINISTRATIVE IMPLICATIONS**

None.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**  
[SB307, Licensed Teacher Prep Affordability](#), expands the Teacher Loan Repayment Program to include only school counselors and no other instructional personnel.

**TECHNICAL ISSUES**

None.

**OTHER SUBSTANTIVE ISSUES**

None.

**ALTERNATIVES**

None.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

None.

**AMENDMENTS**

None.