

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6959

BILL NUMBER: HB 1528

NOTE PREPARED: Apr 6, 2023

BILL AMENDED: Mar 16, 2023

SUBJECT: Transition to Teaching.

FIRST AUTHOR: Rep. Heine

FIRST SPONSOR: Sen. Raatz

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that an individual enrolled in a transition to teaching program or an alternative teacher certification program may apply for a one time scholarship under the Next Generation Hoosier Educators Scholarship Program (Program). It establishes requirements to qualify for the one time scholarship. It also provides that the maximum amount of a scholarship is \$10,000. The bill provides that the total annual amount of scholarships awarded from the Next Generation Hoosier Educators Scholarship Fund (Fund) to individuals enrolled in a transition to teaching program or an alternative teacher certification program may not exceed \$1 M. It also requires that an awarded scholarship must be repaid under certain conditions.

Effective Date: July 1, 2023.

Explanation of State Expenditures: This bill is likely to increase expenditures from the Fund, as well as workload for the Commission for Higher Education (CHE), which administers the Program and the Fund. Any increase in expenditures or workload can be met within CHE's existing resources.

Additional Information: The Program currently allows for awards of up to \$7,500 per applicant for four years, or a total of \$30,000. This bill expands eligibility to those participating in transition to teaching programs and alternative teacher certification programs and specifies that those recipients are eligible for a single scholarship of up to \$10,000, with a maximum single-year expenditure of \$1 M for scholarships in those programs. [In fiscal years 2021 and 2022, there were approximately 650 recipients with a mean award of about \$7,300 each, for total annual expenditures of \$4.7 M and \$4.8 M respectively.]

Explanation of State Revenues:

Explanation of Local Expenditures: This bill is likely to increase the number of people who pursue certification through a transition to teaching or alternative teacher certification program, which will expand the pool of available teachers as well as improve retention for schools that hire scholarship recipients. All scholarship recipients have the same obligation to teach in an eligible school for at least 5 years after certification as well as the requirement to repay the scholarship under certain conditions. Schools that hire a scholarship recipient could have lower costs associated with faculty turnover.

Explanation of Local Revenues:

State Agencies Affected: Commission for Higher Education.

Local Agencies Affected: Public schools that hire scholarship recipients.

Information Sources: Joshua Garrison, Commission for Higher Education.

Fiscal Analyst: Alexander Raggio, 317-234-9485.