

**First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 25-0384.01 Shelby Ross x4510

HOUSE BILL 25-1192

HOUSE SPONSORSHIP

Hartsook and Bacon,

SENATE SPONSORSHIP

Bridges and Frizell,

House Committees

Education
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING FINANCIAL LITERACY REQUIREMENTS AS A CONDITION**
102 **OF HIGH SCHOOL GRADUATION IN PUBLIC SCHOOLS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Current law encourages each school district board of education or charter school to adopt successful completion of a course in financial literacy as a graduation requirement. The bill requires successful completion of a course in financial literacy as a condition of high school graduation.

The bill requires submission of a free application for federal

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

student aid or a Colorado application for state financial aid as a condition of high school graduation unless an exception applies.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds and declares that:

4 (a) Ensuring all Colorado high school students complete a
5 dedicated course in financial literacy before graduation is essential to
6 preparing students for modern adulthood;

7 (b) In collaboration with educators, administrators, policymakers,
8 and community leaders, the Colorado department of education has
9 developed rigorous state personal financial literacy standards and has
10 made robust resources available to advance high-quality instruction in this
11 vital subject area;

12 (c) Research confirms that required standalone financial literacy
13 courses taught in the eleventh or twelfth grade deliver the greatest impact
14 by empowering students with comprehensive financial management skills
15 at a time when they are most ready to apply the skills;

16 (d) Research shows that education and training culminating in
17 credentials such as industry certificates, trade school certificates,
18 apprenticeships, associate degrees, and bachelor degrees, among other
19 business and industry-based experiences, are necessary to earn a living;

20 (e) Completion of the federal or state financial aid applications is
21 a key component to understanding how additional education beyond high
22 school can be financially supported. Additionally, completion of the
23 federal or state financial aid applications, especially while students are
24 still in high school, supports access to different career pathway options
25 because financial aid is often the vehicle students use to pay for tuition,

1 fees, equipment, and other expenses associated with additional training
2 beyond high school.

3 (f) Understanding how to access career-aligned resources and
4 supports is integral to the way students and families navigate training and
5 educational resources, which is why the free application for federal
6 student aid is a critical component of the state's financial literacy quality
7 standards. Financial literacy education and Colorado's individual career
8 and academic plan can help families understand how to obtain federal or
9 state financial aid to support students in pursuing additional education
10 and career training.

11 (g) In 2023, through the federal "FAFSA Simplification Act", the
12 free application for federal student aid was simplified, reducing the
13 number of questions from 100 to 30 and reducing the financial
14 information needed on the application;

15 (h) In 2024, the Colorado general assembly passed the Colorado
16 promise tax credit, which makes students who attend public institutions
17 and have a family income of \$90,000 or less eligible for a complete
18 reimbursement of any out-of-pocket tuition and fees paid for the student's
19 education; however, students must fill out a federal or state financial aid
20 application in order to qualify for the tax credit; and

21 (i) Colorado students can magnify the impact of state investments
22 in higher education by accessing federal money to pursue postsecondary
23 education and by earning credentials to enhance the student's
24 income-earning potential. It is estimated that Colorado students who
25 complete federal and state financial aid applications can leverage more
26 than \$30 million in resources.

27 (2) Therefore, the general assembly declares it is essential to

1 ensure that prior to graduation, Colorado high school students:
2 (a) Complete a course in financial literacy; and
3 (b) Submit federal and state financial aid applications if students
4 intend to seek postsecondary education credentials.

5 **SECTION 2.** In Colorado Revised Statutes, **add** 22-1-104.9 as
6 follows:

7 **22-1-104.9. Teaching of financial literacy.**

8 (1) (a) SATISFACTORY COMPLETION OF A COURSE ON FINANCIAL
9 LITERACY, AS DEFINED IN SECTION 22-32-135, WHICH INCORPORATES THE
10 STANDARDS ON FINANCIAL LITERACY DEVELOPED BY THE STATE BOARD OF
11 EDUCATION PURSUANT TO SECTION 22-7-1005 (2.8), IS A CONDITION OF
12 HIGH SCHOOL GRADUATION IN THE PUBLIC SCHOOLS OF THIS STATE.

13 (b) SCHOOL DISTRICTS AND CHARTER SCHOOLS SHALL TEACH A
14 COURSE ON FINANCIAL LITERACY IN THE NINTH, TENTH, ELEVENTH, OR
15 TWELFTH GRADE BUT ARE ENCOURAGED TO TEACH THE COURSE IN THE
16 ELEVENTH OR TWELFTH GRADE.

17 (2) A SCHOOL DISTRICT OR CHARTER SCHOOL MAY UTILIZE ANY
18 CURRICULUM THE SCHOOL DISTRICT OR CHARTER SCHOOL HAS ADOPTED
19 PURSUANT TO SECTION 22-32-135, THE RESOURCE BANK CREATED
20 PURSUANT TO SECTION 22-2-127, OR ANY OTHER ALTERNATIVE PROGRAMS
21 OR MATERIALS. ANY PROGRAMS OR MATERIALS USED IN TEACHING A
22 COURSE ON FINANCIAL LITERACY MUST REPRESENT BEST PRACTICES AND
23 BE DEVELOPED USING INPUT FROM EXPERTS IN THE AREA OF PERSONAL
24 FINANCES.

25 (3) THIS SECTION APPLIES TO STUDENTS BEGINNING NINTH GRADE
26 ON OR AFTER SEPTEMBER 1, 2026.

27 

1 **SECTION 3.** In Colorado Revised Statutes, 22-2-136, **amend**
2 (2)(b) and (2)(c); and **add** (2)(d) as follows:

3 **22-2-136. Additional duty - state board - individual career and**
4 **academic plans - standards - rules.** (2) In establishing the standards for
5 individual career and academic plans, the state board shall ensure, at a
6 minimum, that:

7 (b) Each individual career and academic plan is accessible to
8 educators, students, and parents; ~~and~~

9 (c) Each public school, in assisting students and parents in
10 creating and maintaining the individual career and academic plans, is in
11 compliance with the requirements of the federal "Family Educational
12 Rights and Privacy Act of 1974", 20 U.S.C. sec. 1232g; AND

13 (d) (I) BEGINNING WITH THE 2027-28 SCHOOL YEAR, EACH
14 INDIVIDUAL CAREER AND ACADEMIC PLAN INCLUDES A REQUIREMENT
15 THAT, DURING THE STUDENT'S GRADUATION YEAR, THE STUDENT
16 COMPLETES A FREE APPLICATION FOR FEDERAL STUDENT AID OR THE
17 COLORADO APPLICATION FOR STATE FINANCIAL AID.

18 (II) NOTWITHSTANDING SUBSECTION (2)(d)(I), A STUDENT IS NOT
19 REQUIRED TO COMPLETE A FREE APPLICATION FOR FEDERAL STUDENT AID
20 OR THE COLORADO APPLICATION FOR STATE FINANCIAL AID IF:

21 (A) THE STUDENT AFFIRMATIVELY DECLINES TO COMPLETE THE
22 APPLICATION; OR

23 (B) AUTHORIZED SCHOOL PERSONNEL DETERMINES IT IS NOT
24 FEASIBLE FOR THE STUDENT TO COMPLETE AN APPLICATION.

25 (III) IF A STUDENT HAS NOT COMPLETED THE APPLICATION OR
26 AFFIRMATIVELY DECLINED TO COMPLETE THE APPLICATION PURSUANT TO
27 SUBSECTION (2)(d)(II)(A) OF THIS SECTION BY MAY 1 OF THE APPLICABLE

1 SCHOOL YEAR, THE PUBLIC SCHOOL MUST INDICATE ON THE STUDENT'S
2 INDIVIDUAL CAREER AND ACADEMIC PLAN THAT THE STUDENT HAS
3 DECLINED TO COMPLETE AN APPLICATION.

4 **SECTION 4.** In Colorado Revised Statutes, 22-32-135, **amend**
5 (4) as follows:

6 **22-32-135. Financial literacy curriculum - definition.**

7 (4) PURSUANT TO SECTION 22-1-104.9, each school district board of
8 education is ~~further encouraged~~ REQUIRED to adopt successful
9 SATISFACTORY completion of a course in financial literacy as a graduation
10 requirement.

11 **SECTION 5.** In Colorado Revised Statutes, 23-3.3-106, **amend**
12 (2)(a)(III), (2)(a)(IV), and (2)(b)(II); and **add** (2)(a)(V) and (5.5) as
13 follows:

14 **23-3.3-106. Technology to support FAFSA and CASFA -**
15 **definitions.** (2) (a) The department shall use technology to assist in
16 increasing the number of students who complete the FAFSA and CASFA
17 forms. On or before September 15, 2023, the department shall develop a
18 tool kit and training outlining web tools and resources for use by higher
19 education administrators, middle and high schools, and nonprofit
20 organizations that support the completion of FAFSA and CASFA forms.
21 The tool kit must include free resources, including:

22 (III) Information for students who are the first in their family to
23 attend college and how to navigate financial aid resources and application
24 processes; ~~and~~

25 (IV) Public information available through state or federal entities;

26 AND

27 (V) A USER GUIDE AND GETTING STARTED GUIDE.

1 (b) The information in the tool kit must be:

2 (II) Updated annually for educators and nonprofit organizations
3 to support students and families in SUBMITTING COMPLETED FAFSA OR
4 CASFA FORMS PURSUANT TO SECTION 22-1-148 AND IN developing
5 individual career and ~~education~~ ACADEMIC plans pursuant to sections
6 22-32-109 (1)(oo) and 22-30.5-525 and career-connected strategies, such
7 as work-based learning in support of financial literacy education and
8 completion of the financial aid forms.

9 (5.5) ANY MONEY APPROPRIATED TO THE DEPARTMENT FOR THE
10 IMPLEMENTATION OF THIS SECTION MAY BE USED FOR THE FOLLOWING
11 PURPOSES:

12 (a) MAINTENANCE OF ANY FINANCIAL AID RESOURCE BANK AND
13 FINANCIAL AID TRAINING PROGRAMS;

14 (b) FINANCIAL AID TRAINING FOR HIGH SCHOOL COUNSELORS,
15 LOCAL EDUCATION PROVIDERS, STUDENTS, AND STUDENTS' FAMILY
16 MEMBERS;

17 (c) MAINTENANCE OF THE WEB-BASED FINANCIAL AID COMPLETION
18 TOOL TO TRACK THE SATISFACTORY SUBMISSION OF A FAFSA OR CASFA;
19 AND

20 (d) STUDENT OUTREACH PURSUANT TO THIS SECTION.

21 **SECTION 6. Act subject to petition - effective date.** This act
22 takes effect at 12:01 a.m. on the day following the expiration of the
23 ninety-day period after final adjournment of the general assembly; except
24 that, if a referendum petition is filed pursuant to section 1 (3) of article V
25 of the state constitution against this act or an item, section, or part of this
26 act within such period, then the act, item, section, or part will not take
27 effect unless approved by the people at the general election to be held in

- 1 November 2026 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.