



Fiscal Note

Legislative Council Staff

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HB 25-1192: FINANCIAL LITERACY GRADUATION REQUIREMENT

Prime Sponsors:

Rep. Hartsook; Bacon

Sen. Bridges; Frizell

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Fiscal note status: The revised fiscal note reflects the reengrossed bill.

Summary Information

Overview. The bill adds a course in financial literacy to high school graduation requirements, and adds completion of financial aid applications to student career and academic plans.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- State Expenditures
- School Districts

Appropriations. For FY 2025-26, the bill requires and includes an appropriation of \$220,000 to the Departments of Education and Higher Education.

Table 1
State Fiscal Impacts

Type of Impact ¹	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures ²	\$222,586	\$11,747
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.1 FTE	0.1 FTE

¹ Fund sources for these impacts are shown in the table below.

² As described in the State Expenditures section, the \$210,000 appropriated to the Colorado Department of Education is assumed to be spent over two years.

Table 1A
State Expenditures

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27
General Fund	\$220,450	\$9,611
Cash Funds	\$0	\$0
Federal Funds	\$0	\$0
Centrally Appropriated	\$2,136	\$2,136
Total Expenditures	\$222,586	\$11,747
Total FTE	0.1 FTE	0.1 FTE

Summary of Legislation

Financial Literacy Course

Beginning with students who enter ninth grade on or after September 1, 2026, the bill adds completion of a financial literacy course to public high school graduation requirements. School districts and charter schools may use existing curricula and resource banks, provided these resources use best practices and are developed in consultation with experts in personal finance.

Financial Aid Application

Beginning in the 2027-28 school year, the bill requires each student's individual career and academic plan (ICAP) to include filling out the Free Application for Federal Student Aid (FAFSA) or Colorado Application for State Financial Aid (CAFSA). This requirement is waived if the student affirmatively declines or if school personnel determine it is not feasible for the student to complete the application.

The bill requires the Department of Education (CDE) to distribute money to support school districts that do not currently offer a financial literacy course to offer one based on a formula that CDE determines. Any appropriations CDE receives for the implementation of the bill do not revert to the General Fund and can be used in through FY 2027-28. CDE may also accept gifts, grants and donations for supporting financial literacy courses.

State Expenditures

The bill increases state expenditures by about \$223,000 in FY 2025-26 and \$12,000 in FY 2026-27 and future years. These costs will be incurred by CDE and CDHE, as shown in Table 2 and described in the sections below. Costs are paid from the General Fund and appropriations to the CDE may be spent through FY 2027-28. The bill also minimally increases workload for institutions of higher education.

Table 2
State Expenditures
Departments of Education and Higher Education

Cost Component	Budget Year FY 2025-26	Out Year FY 2026-27
Personal Services (CDHE)	\$9,611	\$9,611
Student Pathways Distributions to Schools (CDE) ¹	\$210,839	\$0
Centrally Appropriated Costs (CDHE)	\$2,136	\$2,136
Total Costs	\$222,586	\$11,747
Total FTE	0.1 FTE	0.1 FTE

¹ This funding is assumed to be spent over two years, with about \$105,000 per year distributed to schools in FY 2025-26 and FY 2026-27.

Department of Education

The CDE will distribute a total of \$210,389 to local education providers. The fiscal note assumes that half of this appropriation will be distributed in FY 2025-26 and the other half will be distributed in FY 2026-27. This money can be directly distributed to local education providers within existing staff resources.

Department of Higher Education

The CDHE requires 0.1 FTE for a Director of Data Systems to develop the portal with CDE to track FAFSA and CASFA completion and update the existing financial aid application toolkit. This staffing impact is ongoing.

Institutions of Higher Education

Financial aid offices at institutions of higher education will update their guidance to prospective students to conform with the bill's requirements. This additional workload will be minimal.

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 shown in the expenditure table above.

School Districts

Schools will update their curricula and graduation requirements to financial aid courses for eleventh and twelfth graders, which will increase workload for teachers and staff members. Additionally, guidance counselors may have additional workload to complete the required data reporting while ensuring student privacy.

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 2025-26, the bill requires and includes the following General Fund appropriations:

- \$9,611 to the Department of Higher Education, and 0.1 FTE; and
- \$210,389 to the Department of Education, which may be spent through FY 2027-28.

State and Local Government Contacts

Education

School Districts

Higher Education