

An Act

HOUSE BILL 25-1192

BY REPRESENTATIVE(S) Hartsook and Bacon, Bird, Camacho, Clifford, Duran, English, Gilchrist, Gonzalez R., Joseph, Lindsay, Phillips, Rutinel, Soper, Taggart, Titone, Valdez, Willford, McCluskie, Boesenecker, Caldwell, Carter, Froelich, Garcia, Garcia Sander, Jackson, Marshall, Ricks, Story, Woodrow;
also SENATOR(S) Bridges and Frizell, Cutter, Exum, Hinrichsen, Kipp, Michaelson Jenet, Wallace, Weissman, Winter F.

CONCERNING FINANCIAL LITERACY REQUIREMENTS AS A CONDITION OF HIGH SCHOOL GRADUATION IN PUBLIC SCHOOLS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

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

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

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(b) Research confirms that a course that incorporates all of the state's existing financial literacy standards taught in the eleventh or twelfth grade will deliver the greatest impact by empowering students with comprehensive financial management skills at a time when they are most ready to apply the skills. Local education providers have broad discretion to determine the method of implementing a financial literacy course, the curriculum and materials used for teaching a financial literacy course, including practicing filling out the federal or state financial aid forms, the licensing and certification requirements for teaching a financial literacy course, and existing local graduation requirements a financial literacy course may fulfill.

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

(d) Information needed for, and practice filling out, the federal or state financial aid applications is a key component to understanding how additional training beyond high school can be financially supported. Additionally, practicing completing the federal or state financial aid applications, especially while students are still in high school, supports access to different career pathway options because financial aid is often the vehicle students use to pay for tuition, fees, equipment, and other expenses associated with additional training beyond high school.

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

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

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

(h) Colorado students can magnify the impact of state investments in higher education by accessing federal money to pursue postsecondary education and by earning credentials to enhance the student's income-earning potential.

(2) Therefore, the general assembly declares it is essential to ensure that prior to graduation, Colorado high school students:

(a) Complete a course that incorporates all of the financial literacy standards developed by the Colorado department of education; and

(b) Understand the information needed to practice using federal and state financial aid applications if students intend to seek postsecondary education credentials.

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

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

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

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

(d) (I) BEGINNING WITH THE 2027-28 SCHOOL YEAR, EACH INDIVIDUAL CAREER AND ACADEMIC PLAN INCLUDES A REQUIREMENT THAT,

DURING THE STUDENT'S GRADUATION YEAR, THE STUDENT HAS EXPOSURE TO FEDERAL FINANCIAL AID ELIGIBILITY TOOLS AND NET PRICE CALCULATORS AND PRACTICES FILLING OUT A FREE APPLICATION FOR FEDERAL STUDENT AID OR THE COLORADO APPLICATION FOR STATE FINANCIAL AID.

(II) NOTWITHSTANDING SUBSECTION (2)(d)(I) OF THIS SECTION, A STUDENT IS NOT REQUIRED TO PRACTICE FILLING OUT A FREE APPLICATION FOR FEDERAL STUDENT AID OR THE COLORADO APPLICATION FOR STATE FINANCIAL AID IF:

(A) THE STUDENT OR THE STUDENT'S PARENT OR LEGAL GUARDIAN AFFIRMATIVELY DECLINES TO PRACTICE FILLING OUT THE APPLICATION; OR

(B) AUTHORIZED SCHOOL PERSONNEL DETERMINES IT IS NOT FEASIBLE FOR THE STUDENT TO PRACTICE FILLING OUT AN APPLICATION.

SECTION 3. In Colorado Revised Statutes, 22-32-135, **amend** (4) as follows:

22-32-135. Financial literacy curriculum - definition - repeal.

(4) (a) Each school district board of education ~~is further encouraged to adopt successful completion of a course in financial literacy as a graduation requirement~~ SHALL INCORPORATE ALL THE FINANCIAL LITERACY STANDARDS DESCRIBED IN SECTION 22-7-1005 (2.8) INTO A COURSE THAT IS REQUIRED FOR HIGH SCHOOL GRADUATION.

(b) (I) FOR THE 2025-26 STATE FISCAL YEAR, THE GENERAL ASSEMBLY SHALL APPROPRIATE MONEY FROM THE GENERAL FUND TO THE DEPARTMENT OF EDUCATION FOR DISTRIBUTION TO SCHOOL DISTRICTS TO SUPPORT IMPLEMENTATION OF:

(A) A COURSE REQUIRED TO BE TAUGHT PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION; AND

(B) THE INDIVIDUAL CAREER AND ACADEMIC PLAN REQUIREMENTS DESCRIBED IN SECTION 22-2-136 (2)(d).

(II) THE DEPARTMENT OF EDUCATION SHALL DISTRIBUTE MONEY PURSUANT TO SUBSECTION (4)(b)(I) OF THIS SECTION TO SCHOOL DISTRICTS THAT DO NOT CURRENTLY OFFER A COURSE BASED ON A FORMULA

DETERMINED BY THE DEPARTMENT OF EDUCATION. THE DEPARTMENT OF EDUCATION MAY DETERMINE ELIGIBILITY FOR FUNDING PURSUANT TO THIS SUBSECTION (4)(b)(II) BASED ON ATTESTATIONS FROM SCHOOL DISTRICTS.

(III) ANY UNEXPENDED MONEY REMAINING AT THE END OF THE 2025-26 STATE FISCAL YEAR FROM THIS APPROPRIATION:

(A) DOES NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND;

(B) MAY BE USED BY THE DEPARTMENT OF EDUCATION IN THE 2026-27 OR 2027-28 STATE FISCAL YEAR WITHOUT FURTHER APPROPRIATION; AND

(C) MUST NOT BE USED FOR ANY PURPOSE OTHER THAN THE PURPOSES SET FORTH IN THIS SUBSECTION (4).

(IV) THE DEPARTMENT OF EDUCATION MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSE OF SUPPORTING EDUCATORS IN IMPLEMENTING A COURSE PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION.

(V) THIS SUBSECTION (4)(b) IS REPEALED, EFFECTIVE JULY 1, 2028.

SECTION 4. In Colorado Revised Statutes, 23-3.3-106, add (5.5) as follows:

23-3.3-106. Technology to support FAFSA and CASFA - definitions. (5.5) ANY MONEY APPROPRIATED TO THE DEPARTMENT FOR THE IMPLEMENTATION OF THIS SECTION MAY BE USED FOR MAINTENANCE OF THE WEB-BASED FINANCIAL AID COMPLETION TOOL.

SECTION 5. Appropriation. (1) For the 2025-26 state fiscal year, \$9,611 is appropriated to the department of higher education for use by the Colorado commission on higher education and higher education special purpose programs. This appropriation is from the general fund and is based on an assumption that the division will require an additional 0.1 FTE. To implement this act, the division may use this appropriation for administration.

(2) For the 2025-26 state fiscal year, \$210,389 is appropriated to the

department of education for use by student pathways. This appropriation is from the general fund. To implement this act, the division may use this appropriation for support to local education providers for student financial literacy initiatives.

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

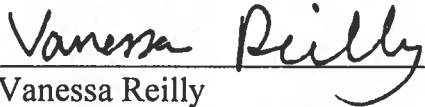
November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.



Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES



James Rashad Coleman, Sr.
PRESIDENT OF
THE SENATE

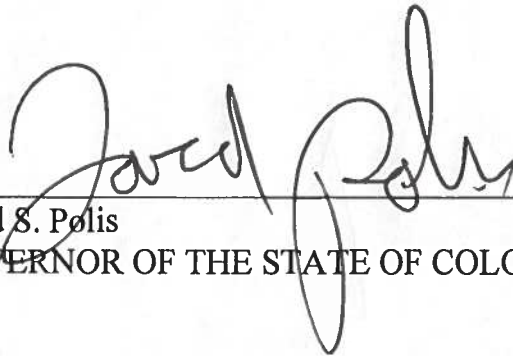


Vanessa Reilly
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES



Esther van Mourik
SECRETARY OF
THE SENATE

APPROVED Friday, May 23rd 2025 at 12:25 pm
(Date and Time)



Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO