

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

DRAFT
10.15.19

BILL 5

LLS NO. 20-0411.01 Brita Darling x2241

INTERIM COMMITTEE BILL

Making Higher Education Attainable Interim Study Committee

BILL TOPIC: "Add To K-12 Financial Literacy Standards"

A BILL FOR AN ACT

101 **CONCERNING FINANCIAL LITERACY STANDARDS FOR KINDERGARTEN**
102 **THROUGH TWELFTH GRADE 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/>.)

Making Higher Education Attainable Interim Study Committee. No later than July 1, 2021, the bill directs the state board of education (state board) to review standards relating to the knowledge and skills that a student should acquire as the student progresses through school to ensure that the existing financial literacy standards include an understanding of the costs associated with obtaining a postsecondary

*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

degree or credential and how to budget for and manage the payment for those costs, including managing student loan debt.

The bill adds to the resources contained in the existing financial literacy resource bank created and maintained by the state board specific references relating to assessing the affordability of higher education and how to budget and pay for higher education, as well as how to manage student loan debt.

Under current law, school districts are encouraged to adopt financial literacy curriculum and to make completion of a course in financial literacy a graduation requirement. The bill adds assessing the affordability of higher education and how to budget and pay for higher education, as well as how to manage student loan debt, to the suggested financial literacy curriculum, as well as familiarizing students with the process and required forms to apply for financial aid, grants, and scholarships.

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

2 **SECTION 1.** In Colorado Revised Statutes, 22-7-1005, **add** (2.7)
3 as follows:

4 **22-7-1005. Preschool through elementary and secondary**
5 **education - aligned standards - adoption - revisions.** (2.7) NO LATER
6 THAN JULY 1, 2021, THE STATE BOARD SHALL ENSURE THAT THE
7 FINANCIAL LITERACY STANDARDS INCLUDE AN UNDERSTANDING OF THE
8 COSTS ASSOCIATED WITH OBTAINING A POSTSECONDARY DEGREE OR
9 CREDENTIAL IN COLORADO AND OUT OF STATE, INCLUDING BUT NOT
10 LIMITED TO TUITION AND FEES, ROOM AND BOARD, AND OTHER COSTS; THE
11 WAYS IN WHICH STUDENTS PAY FOR HIGHER EDUCATION, INCLUDING BUT
12 NOT LIMITED TO SAVINGS AND OBTAINING STUDENT LOANS, GRANTS, OR
13 SCHOLARSHIPS; AN AWARENESS OF STATE AND FEDERAL PROGRAMS THAT
14 MAY BE AVAILABLE TO MANAGE STUDENT LOAN DEBT; AND HOW TO
15 ASSESS THE AFFORDABILITY OF AND BUDGET FOR DIFFERENT OPTIONS FOR
16 OBTAINING A POSTSECONDARY DEGREE OR CREDENTIAL.

17 **SECTION 2.** In Colorado Revised Statutes, 22-2-127, **amend** (1)

1 as follows:

2 **22-2-127. Financial literacy - resource bank - technical**
3 **assistance.** (1) As used in this section, "financial literacy" means
4 knowledge of personal finances that is sufficient to enable a person to
5 manage savings, investment, and checking accounts; to design and
6 maintain a household budget; TO ASSESS THE AFFORDABILITY OF AND TO
7 BUDGET FOR POSTSECONDARY EDUCATION; to manage personal debt,
8 INCLUDING STUDENT LOAN DEBT; to understand consumer credit and
9 finance; to manage personal credit options; and to understand and select
10 among short-term and long-term investment options.

11 **SECTION 3.** In Colorado Revised Statutes, 22-32-135, **amend**
12 (1)(e), (2), and (3) as follows:

13 **22-32-135. Financial literacy curriculum - definition.** (1) The
14 general assembly hereby finds that:

15 (e) With the recent growth in consumer debt and the apparently
16 low level of education and understanding with regard to personal
17 finances, it is imperative that the public schools of the state provide
18 students with a thorough, high-quality curriculum of financial literacy to
19 enable students to understand and master personal finance skills,
20 including, at a minimum, managing bank accounts; household budgeting;
21 understanding and managing personal debt, INCLUDING STUDENT LOAN
22 DEBT; and managing personal savings and investment.

23 (2) As used in this section, "financial literacy" means knowledge
24 of personal finances that is sufficient to enable a person to manage
25 savings, investment, and checking accounts; to design and maintain a
26 household budget; to manage personal debt, INCLUDING STUDENT LOAN
27 DEBT; TO ASSESS THE AFFORDABILITY OF AND HOW TO BUDGET FOR

1 POSTSECONDARY EDUCATION; to understand consumer credit and finance;
2 to manage personal credit options; and to understand and select among
3 short-term and long-term investment options.

4 (3) (a) Each school district board of education is strongly
5 encouraged to adopt as part of its district curriculum courses pertaining
6 to financial literacy to be taught in grade-appropriate courses at the
7 elementary, middle, junior high, and high school grade levels. When
8 selecting mathematics and economics textbooks, each school district is
9 strongly encouraged to select those texts that include substantive
10 provisions on personal finance, including personal budgeting, credit, debt
11 management, and similar personal finance topics.

12 (b) THE COURSES AND CURRICULUM MUST ALSO INCLUDE CONTENT
13 RELATING TO HOW TO ASSESS THE AFFORDABILITY OF AND BUDGET FOR
14 DIFFERENT OPTIONS FOR OBTAINING A POSTSECONDARY DEGREE OR
15 CREDENTIAL AND HOW TO PAY FOR HIGHER EDUCATION. THE CURRICULUM
16 SHOULD FAMILIARIZE STUDENTS WITH THE PROCESS AND NECESSARY
17 FORMS FOR APPLYING FOR FEDERAL AND STATE FINANCIAL AID, STUDENT
18 LOANS, SCHOLARSHIPS, AND GRANT PROGRAMS AND ENSURE THAT
19 STUDENTS HAVE AN AWARENESS OF STATE AND FEDERAL PROGRAMS THAT
20 MAY BE AVAILABLE TO MANAGE STUDENT LOAN DEBT.

21 **SECTION 4. 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 (August
24 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
25 referendum petition is filed pursuant to section 1 (3) of article V of the
26 state constitution against this act or an item, section, or part of this act
27 within such period, then the act, item, section, or part will not take effect

1 unless approved by the people at the general election to be held in
2 November 2020 and, in such case, will take effect on the date of the
3 official declaration of the vote thereon by the governor.