

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

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 25-0384.01 Shelby Ross x4510

HOUSE BILL 25-1192

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A BILL FOR AN ACT

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

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.

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.

SENATE
3rd Reading Unamended
May 6, 2025

SENATE
Amended 2nd Reading
May 5, 2025

HOUSE
3rd Reading Unamended
April 28, 2025

HOUSE
Amended 2nd Reading
April 25, 2025

The bill requires submission of a free application for federal 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) In collaboration with educators, administrators, policymakers,
5 and community leaders, the Colorado department of education has
6 developed rigorous state personal financial literacy standards and has
7 made robust resources available to advance high-quality instruction in this
8 vital subject area;

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

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

24 (d) Information needed for, and practice filling out, the federal or

1 state financial aid applications is a key component to understanding how
2 additional training beyond high school can be financially supported.
3 Additionally, practicing completing the federal or state financial aid
4 applications, especially while students are still in high school, supports
5 access to different career pathway options because financial aid is often
6 the vehicle students use to pay for tuition, fees, equipment, and other
7 expenses associated with additional training beyond high school.

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

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

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

26 (h) Colorado students can magnify the impact of state investments
27 in higher education by accessing federal money to pursue postsecondary

1 education and by earning credentials to enhance the student's
2 income-earning potential.

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

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

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

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

12 **22-2-136. Additional duty - state board - individual career and**
13 **academic plans - standards - rules.** (2) In establishing the standards for
14 individual career and academic plans, the state board shall ensure, at a
15 minimum, that:

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

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

22 (d) (I) BEGINNING WITH THE 2027-28 SCHOOL YEAR, EACH
23 INDIVIDUAL CAREER AND ACADEMIC PLAN INCLUDES A REQUIREMENT
24 THAT, DURING THE STUDENT'S GRADUATION YEAR, THE STUDENT HAS
25 EXPOSURE TO FEDERAL FINANCIAL AID ELIGIBILITY TOOLS AND NET PRICE
26 CALCULATORS AND PRACTICES FILLING OUT A FREE APPLICATION FOR
27 FEDERAL STUDENT AID OR THE COLORADO APPLICATION FOR STATE

1 FINANCIAL AID.

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

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

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

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

12 **22-32-135. Financial literacy curriculum - definition - repeal.**

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

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

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

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

26 (II) THE DEPARTMENT OF EDUCATION SHALL DISTRIBUTE MONEY
27 PURSUANT TO SUBSECTION (4)(b)(I) OF THIS SECTION TO SCHOOL

1 DISTRICTS THAT DO NOT CURRENTLY OFFER A COURSE BASED ON A
2 FORMULA DETERMINED BY THE DEPARTMENT OF EDUCATION. THE
3 DEPARTMENT OF EDUCATION MAY DETERMINE ELIGIBILITY FOR FUNDING
4 PURSUANT TO THIS SUBSECTION (4)(b)(II) BASED ON ATTESTATIONS FROM
5 SCHOOL DISTRICTS.

6 (III) ANY UNEXPENDED MONEY REMAINING AT THE END OF THE
7 2025-26 STATE FISCAL YEAR FROM THIS APPROPRIATION:

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

10 (B) MAY BE USED BY THE DEPARTMENT OF EDUCATION IN THE
11 2026-27 OR 2027-28 STATE FISCAL YEAR WITHOUT FURTHER
12 APPROPRIATION; AND

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

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

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

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

22 23-3.3-106. Technology to support FAFSA and CASFA -
23 definitions. (5.5) ANY MONEY APPROPRIATED TO THE DEPARTMENT FOR
24 THE IMPLEMENTATION OF THIS SECTION MAY BE USED FOR MAINTENANCE
25 OF THE WEB-BASED FINANCIAL AID COMPLETION TOOL.

26 SECTION 5. Appropriation. (1) For the 2025-26 state fiscal
27 year, \$9,611 is appropriated to the department of higher education for use

1 by the Colorado commission on higher education and higher education
2 special purpose programs. This appropriation is from the general fund and
3 is based on an assumption that the division will require an additional 0.1
4 FTE. To implement this act, the division may use this appropriation for
5 administration.

6 (2) For the 2025-26 state fiscal year, \$210,389 is appropriated to
7 the department of education for use by student pathways. This
8 appropriation is from the general fund. To implement this act, the division
9 may use this appropriation for support to local education providers for
10 student financial literacy initiatives.

11 **SECTION 6. Act subject to petition - effective date.** This act
12 takes effect at 12:01 a.m. on the day following the expiration of the
13 ninety-day period after final adjournment of the general assembly; except
14 that, if a referendum petition is filed pursuant to section 1 (3) of article V
15 of the state constitution against this act or an item, section, or part of this
16 act within such period, then the act, item, section, or part will not take
17 effect unless approved by the people at the general election to be held in
18 November 2026 and, in such case, will take effect on the date of the
19 official declaration of the vote thereon by the governor.