



Fiscal Note

Legislative Council Staff

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HB 25-1192: FINANCIAL LITERACY GRADUATION REQUIREMENT

Prime Sponsors:

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Sen. Bridges; Frizell

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Fiscal note status: The fiscal note reflects the introduced bill. This fiscal note is preliminary and will be updated following further review and any additional information received.

Summary Information

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

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 appropriations of \$186,192 to multiple state agencies.

Table 1
State Fiscal Impacts

Type of Impact¹	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$206,487	\$226,709
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.9 FTE	1.1 FTE

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

Table 1A
State Expenditures

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27
General Fund	\$186,192	\$201,875
Cash Funds	\$0	\$0
Federal Funds	\$0	\$0
Centrally Appropriated	\$20,295	\$24,834
Total Expenditures	\$206,487	\$226,709
Total FTE	0.9 FTE	1.1 FTE

Summary of Legislation

Financial Literacy Course

Beginning with students who enter ninth grade on or after September 1, 2025, the bill adds completion of a financial literacy course in eleventh or twelfth grade to public 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 with students graduating in FY 2025-26, the bill requires public school students to submit the Free Application for Federal Student Aid (FAFSA) or Colorado Application for State Financial Aid (CAFSA) as a graduation requirement for high school, unless the student or their parents submit a form indicating that they decline to submit an application. The Department of Education (CDE) must create this opt-out form by December 1, 2025.

The bill allows any appropriations that the CDE receives for the implementation of the bill to be used to maintain financial aid training resource bank, to provide stipends to school counselors to provide financial aid training to students and their parents, and to collaborate with the Department of Higher Education (CDHE) to create a website that tracks completed submissions for the FAFSA and CASFA. The CDE and school districts must not publicly report any individual student data for these purposes.

State Expenditures

The bill increases state expenditures by \$156,000 in FY 2025-26 and \$177,000 in FY 2026-27 and ongoing. 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. The bill also minimally increases workload for higher education institutions.

**Table 2
 State Expenditures
 All Departments**

Department	Budget Year FY 2025-26	Out Year FY 2026-27
Department of Education	\$164,240	\$184,462
Department of Higher Education	\$42,247	\$42,247
Total Costs	\$206,487	\$226,709

Department of Education

Staff

The CDE requires 1.0 FTE Principal Consultant to implement the bill. This position will maintain financial aid resources, develop the opt-out form, provide promotional materials and support to school districts, assist with data analysis and the website development for FAFSA and CASFA completion, and distribute stipends to school counselors who provide financial aid. Costs are prorated to assume a September 2025 start date and standard capital outlay and operating costs are included.

Any funding for stipends for school counselors is at the discretion of the General Assembly. The fiscal note assumes \$50,000, which would provide \$500 stipends to 100 counselors. The fiscal note will be updated if more information becomes available.

**Table 2A
 State Expenditures
 Department of Education**

Cost Component	Budget Year FY 2025-26	Out Year FY 2026-27
Personal Services	\$88,387	\$110,484
Operating Expenses	\$1,024	\$1,280
Capital Outlay Costs	\$6,670	\$0
Counselor Stipends	\$50,000	\$50,000
Centrally Appropriated Costs	\$18,159	\$22,698
Total Costs	\$164,240	\$184,462
Total FTE	0.8 FTE	1.0 FTE

Department of Higher Education

Staff

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. Costs are prorated to assume a September 2025 start date.

Meeting Costs

CDHE currently provides training for guidance counselors through this year. The fiscal note assumes that CDHE will continue to conduct trainings with high school guidance counselors across the state to advise on FAFSA and CASFA completion. The fiscal note assumes four meetings which will require expenses for staff travel, training materials, and food, based on current costs. This will result in a total of \$30,500 of meeting costs on an annual basis.

Table 2B
State Expenditures
Department of Higher Education

Cost Component	Budget Year FY 2025-26	Out Year FY 2026-27
Personal Services	\$9,611	\$9,611
Meeting Costs	\$30,500	\$30,500
Centrally Appropriated Costs	\$2,136	\$2,136
Total Costs	\$42,247	\$42,247
Total FTE	0.1 FTE	0.1 FTE

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 tables 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 attend CDE and CDHE trainings on financial aid applications and graduation requirements, and 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 the following General Fund appropriations:

- \$146,081 to the Department of Education, and 0.8 FTE; and,
- \$40,111 to the Department of Higher Education, and 0.1 FTE.

State and Local Government Contacts

Education	School Districts
Higher Education	