



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

# FISCAL NOTE

**Drafting Number:** LLS 20-0411  
**Prime Sponsors:**

**Date:** November 1, 2019  
**Bill Status:** Bill Request  
**Fiscal Analyst:** Anna Gerstle | 303-866-4375  
Anna.Gerstle@state.co.us

**Bill Topic:** ADD TO K-12 FINANCIAL LITERACY STANDARDS

**Summary of  
Fiscal Impact:**

- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- School Districts
- Statutory Public Entity

The bill requires that information on paying for postsecondary education be included in K-12 financial literacy standards. The bill increases state expenditures and potentially school district workload on an ongoing basis.

**Appropriation  
Summary:**

In FY 2020-21, the bill requires an appropriation of \$9,920 to the Colorado Department of Education.

**Fiscal Note  
Status:**

This fiscal note reflects the bill draft requested by the Making Higher Education Attainable Interim Study Committee.

**Table 1  
State Fiscal Impacts Under Bill 5**

		FY 2020-21	FY 2021-22
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	\$9,920	-
<b>Transfers</b>		-	-
<b>TABOR Refund</b>		-	-

## Summary of Legislation

The bill requires that the State Board of Education (SBE) ensure that financial literacy standards include an understanding of the costs associated with obtaining an in-state and out-of-state postsecondary degree, no later than July 1, 2021. Costs must include:

- tuition, fees, and room and board costs;
- ways to pay for higher education, including savings and obtaining loans, grants, and scholarships;
- state and federal programs to manage student debt;
- ways to assess the affordability of and budget for different degree and credential options.

Current law encourages school districts to adopt a financial literacy curriculum and to make completion of the course a graduation requirement. The bill adds that the course should familiarize students with the process for applying for federal and state financial aid, student loans, scholarships, and grant programs, and state and federal programs to manage student loan debt. In addition, courses and curriculum, and the current resource bank maintained by the SBE, should include assessing the affordability of and budgeting for postsecondary education, and managing student debt.

## State Expenditures

The bill increases state General Fund expenditures in the Colorado Department of Education (CDE) by \$9,920 in FY 2020-21 only.

A revision of the financial literacy standards was completed in 2018, and the next review cycle will conclude in 2024. As a result, CDE must convene a separate standards development committee to review content for financial literacy standards in order to meet the bill's July 1, 2021, deadline. The committee will meet three times and costs include venue and meals (\$2,400), and lodging, food, and travel reimbursement for committee members outside the Denver area (\$4,020), and one-time revision and translation of financial literacy standards family guides (\$3,500).

Workload will also increase for CDE to ensure that materials on assessing costs of and budgeting for postsecondary education are included in the current resource bank. This workload can be accomplished within current appropriations.

## School District Impact

The bill increases workload and costs for any district that provides financial literacy standards curriculum and courses to make the required modifications. Workload and costs vary by districts, depending on the current curriculum and courses provided.

## Effective Date

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

**State Appropriations**

In FY 2020-21, the bill requires a General Fund appropriation of \$9,920 to the Colorado Department of Education.

**State and Local Government Contacts**

Education            Higher Education

