

**Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 20-1045.01 Brita Darling x2241

SENATE BILL 20-184

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A BILL FOR AN ACT

101 **CONCERNING FINANCIAL LITERACY STANDARDS FOR 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>.)

The bill directs the state board of education (state board) to review, during the first review of standards performed after July 1, 2021, standards relating to the knowledge and skills that a student should acquire in school to ensure that the financial literacy standards for ninth through twelfth grade include an understanding of the costs associated with obtaining a postsecondary degree or credential and how to budget for and manage the payment for those costs, including managing student loan debt; understanding credit cards and credit card debt; and

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
3rd Reading Unamended
March 11, 2020

SENATE
2nd Reading Unamended
March 10, 2020

understanding retirement plans, including investments and retirement benefits.

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; understanding credit cards and credit card debt; and understanding retirement plans, including investments and retirement benefits.

Under current law, school districts are encouraged to adopt a 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) DURING THE
6 FIRST REVIEW OF STANDARDS PERFORMED PURSUANT TO THIS SECTION
7 AFTER JULY 1, 2021, AND EVERY SIX YEARS THEREAFTER, THE STATE
8 BOARD SHALL ENSURE THAT THE NINTH THROUGH TWELFTH GRADE
9 FINANCIAL LITERACY STANDARDS INCLUDE AN UNDERSTANDING OF:

10 (a) (I) THE COSTS ASSOCIATED WITH OBTAINING A
11 POSTSECONDARY DEGREE OR CREDENTIAL IN COLORADO AND OUT OF
12 STATE, INCLUDING BUT NOT LIMITED TO TUITION AND FEES, ROOM AND
13 BOARD, AND OTHER COSTS;

14 (II) HOW TO ASSESS THE AFFORDABILITY OF AND BUDGET FOR
15 DIFFERENT OPTIONS FOR OBTAINING A POSTSECONDARY DEGREE OR
16 CREDENTIAL;

1 (III) THE WAYS IN WHICH STUDENTS PAY FOR HIGHER EDUCATION,
2 INCLUDING BUT NOT LIMITED TO SAVINGS AND OBTAINING STUDENT
3 LOANS, GRANTS, OR SCHOLARSHIPS;

4 (IV) TYPES OF STUDENT LOAN PROGRAMS AND TYPES OF STUDENT
5 LOAN DEBT, INCLUDING PUBLIC AND PRIVATE LOANS;

6 (V) REPAYMENT OF STUDENT LOANS AND THE REQUIREMENT TO
7 REPAY STUDENT LOANS, EVEN IF THE STUDENT DOES NOT COMPLETE THE
8 CREDENTIAL, AND THE CONSEQUENCES OF DEFAULTING ON STUDENT
9 LOANS;

10 (VI) STATE AND FEDERAL PROGRAMS THAT MAY BE AVAILABLE TO
11 MANAGE STUDENT LOAN DEBT; AND

12 (VII) POTENTIAL CAREER EARNINGS, INCLUDING STARTING
13 SALARY BY FIELD AND LEVEL OF DEGREE OR CREDENTIAL;

14 (b) COMMON METHODS FOR SAVING FOR RETIREMENT, INCLUDING
15 LONG-TERM INVESTMENTS, TAX-DEFERRED ACCOUNTS, PENSIONS, AND
16 GOVERNMENT RETIREMENT BENEFITS; AND

17 (c) CREDIT AND MANAGING CREDIT CARD DEBT.

18 **SECTION 2.** In Colorado Revised Statutes, 22-2-127, **amend** (1)
19 as follows:

20 **22-2-127. Financial literacy - resource bank - technical**
21 **assistance - definition.** (1) As used in this section, "financial literacy"
22 means knowledge of personal finances that is sufficient to enable a person
23 to manage savings, investment, and checking accounts; to design and
24 maintain a household budget; TO ASSESS THE AFFORDABILITY OF AND TO
25 BUDGET FOR POSTSECONDARY EDUCATION; to manage personal debt,
26 INCLUDING STUDENT LOAN DEBT; to understand consumer credit and
27 finance; to manage personal credit options, ~~and~~ INCLUDING CREDIT

1 CARDS; to understand and select among short-term and long-term
2 investment options; AND TO UNDERSTAND RETIREMENT PLANS,
3 TAX-DEFERRED ACCOUNTS, PENSIONS, AND GOVERNMENT RETIREMENT
4 BENEFITS.

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

7 **22-32-135. Financial literacy curriculum - legislative**
8 **declaration - definition.** (1) The general assembly hereby finds that:

9 (e) With the recent growth in consumer debt and the apparently
10 low level of education and understanding with regard to personal
11 finances, it is imperative that the public schools of the state provide
12 students with a thorough, high-quality curriculum of financial literacy to
13 enable students to understand and master personal finance skills,
14 including, at a minimum, managing bank accounts; household budgeting;
15 understanding and managing personal debt, INCLUDING CREDIT CARD
16 DEBT AND STUDENT LOAN DEBT; and managing personal savings,
17 RETIREMENT SAVINGS, and ~~investment~~ INVESTMENTS.

18 (2) As used in this section, "financial literacy" means knowledge
19 of personal finances that is sufficient to enable a person to manage
20 savings, investment, and checking accounts; to design and maintain a
21 household budget; TO ASSESS THE AFFORDABILITY OF AND HOW TO
22 BUDGET FOR POSTSECONDARY EDUCATION; to manage personal debt,
23 INCLUDING STUDENT LOAN DEBT; to understand consumer credit and
24 finance; to manage personal credit options, ~~and~~ INCLUDING CREDIT
25 CARDS; to understand and select among short-term and long-term
26 investment options; AND TO UNDERSTAND RETIREMENT PLANS,
27 TAX-DEFERRED ACCOUNTS, PENSIONS, AND GOVERNMENT RETIREMENT

1 BENEFITS.

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

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

22 **SECTION 4. Act subject to petition - effective date.** This act
23 takes effect at 12:01 a.m. on the day following the expiration of the
24 ninety-day period after final adjournment of the general assembly (August
25 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
26 referendum petition is filed pursuant to section 1 (3) of article V of the
27 state constitution against this act or an item, section, or part of this act

1 within such period, then the act, item, section, or part will not take effect
2 unless approved by the people at the general election to be held in
3 November 2020 and, in such case, will take effect on the date of the
4 official declaration of the vote thereon by the governor.