



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**HB 19-1039**

# FINAL FISCAL NOTE

**Drafting Number:** LLS 19-0333  
**Prime Sponsors:** Rep. Esgar  
Sen. Moreno

**Date:** August 7, 2019  
**Bill Status:** Signed into Law  
**Fiscal Analyst:** Max Nardo | 303-866-4776  
max.nardo@state.co.us

**Bill Topic:** IDENTITY DOCUMENTS FOR TRANSGENDER PERSONS

**Summary of Fiscal Impact:**

<input checked="" type="checkbox"/> State Revenue ( <i>minimal</i> )	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill eliminates a requirement that an individual get a court order to obtain a new birth certificate reflecting a change in gender designation, and allows an individual to obtain a new driver license or identity document if their gender is different from the sex currently denoted on their identity document. The bill will increase state expenditures in FY 2019-20 only and will minimally increase state revenue and workload on an ongoing basis.

**Appropriation Summary:** For FY 2019-20, the bill requires and includes an appropriation of \$58,000 to the Department of Revenue.

**Fiscal Note Status:** This fiscal note reflects the enacted bill.

**Table 1**  
**State Fiscal Impacts Under HB 19-1039**

		FY 2019-20	FY 2020-21
<b>Revenue</b>		-	-
<b>Expenditures</b>	Cash Funds	\$58,500	-
<b>Transfers</b>		-	-
<b>TABOR Refund</b>		-	-

## Summary of Legislation

Under current law, a person born in Colorado seeking to obtain a birth certificate that reflects a change in gender designation must first obtain a court order indicating that the person's gender has been changed by a surgical procedure and that their name has been changed. The bill eliminates the requirement for a court order, and requires the state registrar in the Colorado Department of Public Health and Environment (CDPHE) to issue a new birth certificate to any person who was born in Colorado and has a gender different from the gender denoted on that person's birth certificate. The state registrar is required to notify the Department of Revenue in these instances.

To issue a new birth certificate, the state registrar must receive a written request from the person and a statement confirming the sex designation on the person's birth certificate does not align with the person's gender identity.

If the person is under the age of eighteen, the state registrar must receive the request and statement from the person's parents, guardian, or legal representative. Additionally, for a person under the age of eighteen, the state registrar must receive a statement from a professional medical or mental health care provider that either the person has undergone treatment for gender transition or the person has an intersex condition, and that in the provider's professional opinion, the person's gender designation should be changed accordingly. The state registrar may contact the health care provider to verify the statement.

**Driver licenses and identity documents.** The DMV must issue a new driver license or identity document to a person who has a gender different from the sex denoted on that person's driver license or identity document upon receiving a statement containing information specified in the bill and a new birth certificate issued pursuant to this bill.

**Other states.** Persons who currently reside in Colorado but who were born in another state or in a foreign jurisdiction may request a decree from a court in Colorado if such a decree is required to issue an amended birth certificate in the place of their birth.

## State Revenue

The bill will minimally affect revenue for multiple state agencies. Revenue to these agencies is subject to the state TABOR limits.

**CDPHE.** The state registrar charges a fee of \$20 to issue or amend a birth certificate, and a fee of \$13 for additional copies ordered at the same time. In 2018, the office processed 75 gender changes. To the extent that the bill results in an increase in birth certificate requests, CDPHE will experience an increase in revenue to the Vital Records Cash Fund.

**Department of Revenue.** The DMV charges a fee of \$28 to issue a new driver license. Likewise, to the extent that the bill results in an increase in driver license requests, the DMV will experience an increase in revenue to the Licensing Services Cash Fund.

**Judicial Department.** Courts will experience a minimal decrease in filing fee revenue from eliminating the need to obtain a court order to amend the gender listed on a birth certificate. Courts may experience an increase in filing fee revenue to issue decrees for amended birth certificates for people born outside of Colorado. Overall, the net change in revenue is assumed to be minimal. Revenue from court fees is divided between the Judicial Stabilization Fund, Court Security Fund, and the Justice Center Fund.

## State Expenditures

For FY 2019-20, the bill increases cash fund expenditures for the Department of Revenue by \$58,500. It also increases workload for multiple state agencies. These impacts are described below.

**Department of Revenue.** When issuing a new identity document, federal law requires the DMV to maintain certain records associated with the individual and make the records accessible via the new identity credential. Among other required items, these records include the person's driver history, address history, and citations. Under current practice, the DMV relies upon either a court document or the amended status of a birth certificate to match an individual with their record. The bill allows an individual to receive a new birth certificate without a court document. To maintain compliance with federal law, the department will need to establish a system to receive notification from the state registrar to prevent the issuance of a new identity document without first connecting it with existing records. The system will automatically add an indicator to the customer's driver license account marking it as requiring a gender or name change, prevent renewal of the existing credential until the person creates a new credential, and generate a letter to notify the individual of this process. This can be established within the department's DRIVES system with an estimated 260 hours of programming at \$225 per hour, resulting in a total cost of \$58,500 from the Licensing Services Cash Fund.

**CDPHE.** The state registrar maintains birth certificates for persons born in Colorado. The increase in eligibility and elimination of the requirement for a court decree may increase the number of requests for birth certificates reflecting a gender change. In 2018, the office processed 75 gender changes. Each request requires about 20 minutes of work and minimal processing costs. Therefore, this workload and expenditure increase can be accomplished within existing appropriations.

**Judicial Department.** The trial courts in the Judicial Department may experience an increase in workload to issue decrees for amended birth certificates for persons born in other states. This increase may be offset by a reduction in workload from eliminating the need for Colorado-born individuals to obtain a court order to amend the gender listed on a birth certificate. Overall, the net change in workload is assumed to be minimal and does not require a change in appropriations.

## Effective Date

The bill was signed into law by the Governor on May 31, 2019, and takes effect on January 1, 2020.

## State Appropriations

For FY 2019-20, the bill requires and includes an appropriation of \$58,500 to the Department of Revenue from the Licensing Services Cash Fund.

**State and Local Government Contacts**

Counties  
County Clerks  
Information Technology

Judicial  
Public Health and Environment  
Revenue