


Colorado Legislative Council Staff Fiscal Note
STATE and LOCAL
REVISED FISCAL IMPACT
 (replaces fiscal note dated January 13, 2010)

Drafting Number: LLS 10-0239
Prime Sponsor(s): Sen. Boyd
 Rep. Summers

Date: January 21, 2010
Bill Status: Senate Health and Human Services
Fiscal Analyst: Sara McPhee (303-866-4782)

TITLE: CONCERNING REDUCTIONS IN BARRIERS TO OBTAINING IDENTITY-RELATED DOCUMENTS.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
State Revenue		
Cash Funds		
Licensing Services Cash Fund	(\$51,334)	(\$51,334)
Health Statistics and Vital Records Cash Fund	See State Revenue	See State Revenue
Colorado Children with Special Needs Cash Fund	Section	Section
State Expenditures		
Licensing Services Cash Fund*	\$3,923	
FTE Position Change		
Effective Date: Upon signature of the Governor or upon becoming law without his signature.		
Appropriation Summary for FY 2010-2011: None required.		
Local Government Impact: See Local Government section.		

** No separate appropriation of these funds is required because of ongoing appropriations to the Department of Revenue for computer programming provided in the Long Bill for new legislation.*

Note: This fiscal note is updated to reflect new information received concerning the procedure for setting birth and death certificate fees.

Summary of Legislation

This bill, recommended by the Economic Opportunity Poverty Reduction Task Force, provides individuals with the opportunity to obtain a free birth certificate, death certificate, or state identification card in certain circumstances. County departments of social services or an individual with a letter of referral from a county department of social services are eligible to receive a free birth or death certificate. Individuals referred by or released from the Department of Corrections (DOC), the Division of Youth Corrections, or a county jail are eligible for a free identification card within six months of release.

Currently, individuals who have been convicted of a felony are prohibited from applying for a name change. This bill allows these individuals to apply for a name change, which may be granted if the court finds that the name change is not for the purpose of committing a crime and the name change is not detrimental to another person. The name change information shall be submitted to the Colorado Bureau of Investigation (CBI) and the Division of Criminal Justice (DCJ).

State Revenue

This bill reduces state cash fund revenue from the Licensing Services Cash Fund in the Department of Revenue (DOR) by \$51,334 per year beginning in FY 2010-11. The bill also would reduce revenue to the Health Statistics and Vital Records Cash Fund and the Colorado Children with Special Needs Cash Fund in DPHE; however, according to Section 25-2-121, C.R.S., the department shall adjust any fee related to these programs to cover the cost of their operation.

Department of Revenue. The DOR will see a revenue reduction to the Licensing Services Cash Fund of \$51,334 by issuing 4,889 free identification cards (IDs) each year. The DOR issues IDs for the state at a cost of \$10.50 each. In FY 2008-09, 10,866 people were released from the DOC; however, not all of these individuals will require a new ID. Upon release from prison, an offender receives the personal effects that were in his or her possession at the beginning of the sentence. Therefore, many offenders will have a valid ID upon release.

The DOR already visits the DOC's Canon City Complex to issue IDs for offenders who are transitioning out of prison. Through this program, the department issues 1,500 IDs annually and the fiscal note assumes that all of these IDs will be provided free of charge under this bill. The IDs issued at Canon City likely represent the majority of the IDs issued to offenders; however, a small percentage of offenders may require an ID after leaving Canon City. Therefore, the fiscal note assumes that an additional 5 percent of offenders (543) leaving prison will visit a local Division of Motor Vehicles office within six months of leaving prison for a free ID.

Jails are operated by local governments and, as such, the jail population is more difficult to estimate. According to data from the Bureau of Justice Statistics in 2006, Colorado had a jail population of approximately 19,000. Individuals who are sentenced to jail tend to serve sentences of less than one year; however, this population also tends to be indigent and transient, and may require IDs at a higher rate than would be expected. Given the transient nature of the prison and jail populations, it is difficult to estimate the number of individuals who will take advantage of the free ID. The fiscal note assumes that 15 percent of the jail population (or 2,846 people) would take advantage of the free ID each year. If the actual number is higher or lower than estimated, the fiscal note assumes that the DOR will address this issue as a part of the annual budget process.

Department of Public Health and Environment. At the current fee level, the DPHE would see a reduction of \$309,027 to the Health Statistics and Vital Records Cash Fund and \$18,900 to the Colorado Children with Special Needs Cash Fund; however, the department sets the fees for birth and death certificates and the fiscal note assumes that the fees will be increased to cover the loss of revenue. Both DPHE and county government offices issue birth and death certificates. Birth certificates cost \$17.75 each and death certificates cost \$17 for the original and \$10 for a copy.

Section 2-2-322, C.R.S., requires legislative service agency review of measures which create or increase any fee collected by a state agency. Table 1 identifies the fee impact of this bill, assuming that fees are set to offset any loss in revenue to the state.

Table 1. Fee Impact on Individuals, Families or Business					
Type of Fee	Current Fee	Proposed Fee	Fee Change	Number Affected	Total Fee Impact
Birth certificate	\$17.75	\$19.03	\$1.28	184,800	\$236,544
Death certificate (original)	\$17	\$19.32	\$2.32	26,404	\$61,208
Death certificate (copy)	\$10	\$11.36	\$1.36	158,422	\$216,029
TOTAL					\$513,781
State share					\$328,852
Local share					\$184,929

Under this bill, it is estimated that 12 percent of birth certificates (or 25,200) will be issued free of charge. This is similar to the rate of people living in poverty in Colorado. The bill does not specify the circumstances under which the county departments of human services will issue letters of referrals for free birth certificates; however, it is assumed that the free birth certificates will be provided to low-income individuals seeking access to services.

When birth certificates are processed by a county office, the county retains \$12 of the \$17.75 fee, \$5 is deposited in the Health Statistics and Vital Records Cash Fund and \$0.75 is deposited in the Colorado Children with Special Needs Cash Fund. When the DPHE processes a birth certificate, \$17 is deposited in the Health Statistics and Vital Records Cash Fund and \$0.75 is deposited in the Colorado Children with Special Needs Cash Fund. The state processes approximately 30 percent of the 210,000 birth certificates issued each year with county offices processing the remaining 70 percent.

Death certificates are also processed by either the state or the county; when the county processes the death certificate, the county retains the entire fee and when the DPHE processes the certificate the fee is deposited into the Health Statistics and Vital Records Cash Fund. It is also estimated that 12 percent of death certificates will be provided free of charge to low-income individuals requiring a death certificate and copies of the certificate.

The DPHE processes one-third of the 30,000 original and 180,000 copies issued each year. Under this bill, the DPHE is expected to provide 1,198 free original death certificates and 7,192 free copies of death certificates. For both the birth certificates and the death certificates, it is not possible to determine the exact number of certificates that will be provided free of charge. If the number of certificates issued is higher or lower than estimated, the fiscal note assumes that DPHE will adjust the fees accordingly.

State Expenditures

Department of Revenue. The DOR will incur computer programming costs of \$3,923 from the Licensing Services Cash Fund to track the free IDs in the motor vehicle computer system. This modification to the system will take approximately 100 hours to complete. Programming costs are \$39.23 per hour. This fiscal note assumes that computer programming costs of \$3,923 are covered with funding provided in the FY 2010-11 Long Bill and no additional appropriation will be necessary.

Judicial Branch. This bill will increase the number of name change petitions that appear before the court; however, the fiscal note assumes that the number of new petitions will be low and not require an additional judicial officer. The branch also is required to transmit the name change information to the CBI. This process will be accomplished by mailing notification to the CBI and as long as the number of name changes is small, this work can be absorbed by existing staff. If the number of name changes is higher than anticipated, the fiscal note assumes that the branch will address this issue as a part of the annual budget process.

Department of Public Safety. The CBI is responsible for updating an individual's record with the new name change information. Assuming that the number of name changes is small, this work can be absorbed within existing resources. Under this bill, the DCJ is responsible for notifying any known victims of the name change; however, the division does not maintain any information on victims of crimes. The current language of the bill states that the division is to send notice *if* the division has a record of a victim. Since the division is not required to send notice if it does not have a record, this provision of the bill will not increase costs for the division. However, if the language were to change to require this notification, the division would require funding to implement a system for keeping records on victims, and subsequently notifying them in the instance of a name change.

Local Government Impact

This bill reduces revenue to county governments by \$211,680 for FY 2010-11 and FY 2011-12. County governments will see a decrease in revenue from the free birth certificates issued at county offices. Counties are expected to issue 17,640 free birth certificates annually; they retain a fixed amount of \$12 from each birth certificate and will not see any of the revenue from the increased birth certificate fees. Counties retain all of the fees for the death certificates that they issue; therefore, the counties will not see any revenue loss for the free death certificates because of the fee increase discussed above.

Departmental Differences

Under this bill, an individual with a felony conviction may petition for a name change if the purpose of the name change is not related to any criminal activity and the name change is not detrimental to the interests of any other person. It is the position of the DOC that this does not preclude an offender who is currently incarcerated from applying for and obtaining a name change. If an individual who is still incarcerated is able to change his or her name, the DOC maintains that

it is necessary to track this name change in the DOC computer systems. According to the DOC, these systems are complex and would require \$179,000 and 2,419 of time for a contract computer programmer. The fiscal note assumes that a judge would not grant a name change to an offender who is still incarcerated as it would not be possible for the offender to show that the name change is not related to criminal activity and not detrimental to any other person. Therefore, the fiscal note does not include these computer costs.

Departments Contacted

Public Health and Environment
Human Services
Corrections
Revenue

Health Care Policy and Financing
Judicial
Public Safety