



## Fiscal Note

### Legislative Council Staff

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## HB 25-1312: LEGAL PROTECTIONS FOR TRANSGENDER INDIVIDUALS

**Prime Sponsors:**

Rep. Garcia; Stewart R.

Sen. Winter F.; Kolker

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**Version:** Second Revised Note

**Date:** May 6, 2025

**Fiscal note status:** This revised fiscal note reflects the revised bill.

### Summary Information

**Overview.** The bill establishes several legal protections for transgender individuals related to education standards, discriminatory actions, and identity documents.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- State Expenditures
- Minimal State Workload
- Local Government
- School Districts

**Appropriations.** No appropriation is required.

**Table 1**  
**State Fiscal Impacts**

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures (Cash Funds)	\$0	\$15,689
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

## Summary of Legislation

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The bill enacts the Kelly Loving Act, which establishes several legal protections for transgender individuals related to discriminatory actions, education standards, and identity documents.

### Discriminatory Action

Current law prohibits discrimination against an individual based on their identity or gender expression. The bill expands the definition of gender expression to include chosen name and how an individual chooses to be addressed. Further, the bill defines chosen name as a name that an individual requests to be known as in connection with their disability, race, creed, color, religion, sex, sexual orientation, gender identity, gender expression, marital status, familial status, national origin, or ancestry.

### Education Standards

If a school district or charter school enacts a policy related to names, the bill requires the local education provider to be inclusive of all reasons that a student might adopt a name that differs from their legal name. Additionally, a school must allow students to choose from any variation of an adopted dress code policy.

### Identity Documents

Current law prohibits the state registrar in the Department of Public Health and Environment (CDPHE) and the Division of Motor Vehicles in the Department of Revenue (DOR) from amending a gender designation on an individual's birth certificate or driver license, respectively, more than one time without additional submission of a court order. The bill increases this statutory limit to three times starting October 1, 2026.

Additionally, the bill requires county clerk and recorders offices to issue new marriage and civil union licenses to individuals who present appropriate documentation of their name change.

## State Expenditures

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The bill increases expenditures in DOR by about \$16,000 FY 2026-27, paid from the DRIVES Fund, and may increase expenditures in the Department of Personnel and Administration (DPA) beginning in FY 2025-26. Workload will also increase for multiple other state agencies related to education standards and identity documents, as described below.

### Department of Revenue

In FY 2026-27, the bill requires \$15,689 for DRIVES programming in the Division of Motor Vehicles in DOR to allow individuals to update gender designations on identification documents up to three times without a court order. These programming costs include \$11,760 for 48 hours of programming at a rate of \$255 per hour, plus \$1,225 for ISD development, Office of Information and Technology support, and additional testing.

## Department of Personnel and Administration

### State Litigation and Risk Impacts

The bill may increase litigation and risk management costs from gender identity or expression discrimination lawsuits filed against the state. If such cases occur, state agencies and institutions of higher education will have increased costs for legal services, provided by the Department of Law. Depending on the outcome of any cases, settlement or liability payments may be required from the Risk Management Fund in the DPA. State agencies make payments for legal services and risk management through common policy billings based on costs incurred in prior years.

The fiscal note assumes that aggrieved parties will seek recourse through state agencies' dispute resolution processes or administrative relief through the Colorado Civil Rights Division (CCRD) in DORA before filing suit against the state. Any new costs, if incurred, will be accounted for through the annual budget process.

### Complaints

The CCRD in DORA and trial courts in the Judicial Department may experience an increase in workload if additional discrimination complaints or civil cases are filed. This workload is expected to be minimal and no change in appropriations is required.

## Other Agency Impacts

### Department of Education

Workload in the Department of Education (CDE) will minimally increase to modify rules and coordinate with school districts regarding name and dress code policies. This workload can be accomplished within existing appropriations.

### Department of Public Health and Environment

Workload in the CDPHE may minimally increase to update birth certificates with gender designations. Due to the narrow scope and small population affected, this workload is expected to be minimal and no change in appropriations is required.

## Local Government and School Districts

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Workload may minimally increase for county clerk and recorders offices to update marriage and civil union licenses with an individual's preferred name. This workload is expected to be minimal.

Additionally, workload for school districts will minimally increase beginning in FY 2025-26 to modify current name and dress code policies, enforce new policies, and coordinate with the CDE. This workload is expected to be minimal.

## Effective Date

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The bill takes effect upon signature of the Governor, or upon becoming law without his signature, except that Sections 12, 13, and 14 related to identity documents take effect on October 1, 2026.

## State and Local Government Contacts

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All State Agencies

All Local/Non-State Agencies