

# Department of Motor Vehicles

## 2002 Fiscal Impact Statement

1. **Bill Number** HB638

**House of Origin**    ☐ Introduced    ☒ Substitute    ☒ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

2. **Patron** O'Brien

3. **Committee** House Transportation

4. **Title** Driver's licenses, commercial driver's licenses, etc.

5. **Summary/Purpose:**

**Driver's licenses, commercial driver's licenses, temporary driver's permits, learner's permits, motorcycle learner's permits, and special identification cards.** This bill, as engrossed, represents an amendment in the nature of a substitute and amends Va. Code §§ 46.2-105.2, 46.2-308, 46.2-323, 46.2-324, 46.2-330, 46.2-334, 46.2-341.11, 46.2-341.15, 46.2-342, 46.2-343, 46.2-345 and adds a code section numbered 46.2-203.2. The bill would require applicants for original (but not renewal) driver's licenses, commercial driver's licenses, temporary driver's permits, learner's permits, motorcycle learner's permits, and special identification cards, (DMV credentials) after July 1, 2002, to submit proof of their name, date of birth, Virginia residency, and either U.S. citizenship or lawful presence in the United States. The bill provides that immigration visas and signed written statements (certifications) are not acceptable as proof of residency. All applicants for original documents must appear in person after the effective date of the legislation in order to obtain original DMV documents but citizens and permanent immigrants are exempted from this requirement once a DMV document/credential has been issued under the new standards. Temporary immigrants will be required to appear in person and satisfy the new requirements in every instance in which a DMV credential is sought. The validity period of the DMV credential will be tied to the duration of the bearer's legal presence. Placement of an indicator on the license designating the holder as a permanent immigrant or temporary immigrant will be required. Existing DMV credential holders are grandfathered and would not be required to satisfy the foregoing requirements. DMV will be required to suspend a DMV credential if the bearer's presence no longer conforms to federal law and, unless a waiver is granted, is prohibited from issuing a credential to a person whose legal presence is due to expire in less than one year. The bill provides that non-Virginia addresses may not be on the face of a driver's license, special identification card or commercial driver's license, and that DMV must cancel a driver's license or commercial driver's license if the holder changes their residential address to a non-Virginia address. Issuance of a Virginia special identification card to an individual who holds any other DMV credential will be prohibited. The bill eliminates the option of obtaining duplicate DMV driver's licenses and learner's permits and requires persons whose driver's license has been lost, destroyed or stolen to renew the license. The bill increases the classification for an offense involving unlawfully obtaining, possessing or aiding a person in obtaining or possessing a DMV document (except in cases involving an offense committed for the purpose of engaging in any age-limited activity) from a Class 2 misdemeanor to a Class 6 felony.

6. **Fiscal Impact Estimates are: PRELIMINARY**

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2001-02	\$597,378		Special
2002-03	\$200,000		Special
2003-04	\$200,000		Special

6b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2001-02			
2002-03	(\$722,871)*		Special
	(\$28,690)**		
2003-04	(\$722,871)*		Special
	(\$28,690)**		

\*Represents Impact to DMV

\*\*Represents Impact to Department of Education

7. Budget amendment necessary: Unknown

8. Fiscal implications: The fiscal implications of this legislation are uncertain. DMV programming costs necessary to implement this bill are estimated to be \$397,378. It is also estimated that annual costs to train DMV personnel regarding immigration law and INS documentation will be approximately \$200,000.

9. Specific agency or political subdivisions affected: DMV

10. Technical amendment necessary: Yes

11. Other comments: This bill now incorporates various aspects of HB 638, HB 14 and HB 415 and would require applicants for original (no renewal) DMV credentials to satisfy a new prerequisite—proof of legal presence. In addition, individuals who are not citizens and who do not have permanent legal presence would be prohibited from renewing documents by alternative renewal methods (internet, mail, touch-tone, fax). Hence, HB 638 could potentially impact customer service levels at DMV by increasing the number of applicants visiting customer service centers and by adding to the complexity associated with issuing original DMV credentials after July 1, 2002. Hence, delays in customer service may be anticipated and DMV may require additional staffing in order to implement this legislation.

Prohibition against the issuance of special identification cards to persons that hold another DMV credential will result in an annual revenue loss of approximately \$451,027.

The prohibition against non-Virginia addresses on the face of a driver's license, commercial driver's license or special identification card could result in the non-renewal of all or some of these credentials. It is not clear whether all persons who currently have non-Virginia addresses displayed on DMV credentials would be unable to provide DMV with a bona fide Virginia address. Assuming that all DMV credentials currently issued without non-Virginia addresses could not be renewed, DMV would lose approximately \$271,844, while the Department of Education (which receives \$1.50 for every license issued by DMV) would lose approximately \$28,690, annually.

The fiscal impact associated with elimination of duplicates and the requirement that a credential be renewed upon loss, destruction or theft of the original cannot reasonably be

estimated. Depending upon the point in a credential's life at which it is lost, etc., the revenue received from issuance of a duplicate (\$5.00) vs. the revenue that would be received for renewal (\$2.40/year) of the credential could represent a reduction or gain in revenue. Programming costs set forth in item 8 include the cost of reprogramming DMV's systems for elimination of duplicates, \$96,000.

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cc: Secretary of Transportation