

## Department of Planning and Budget 2014 Fiscal Impact Statement

1. **Bill Number:** HB603

|                        |  |                                     |                                    |
|------------------------|--|-------------------------------------|------------------------------------|
| <b>House of Origin</b> | <input checked="" type="checkbox"/> Introduced | <input type="checkbox"/> Substitute | <input type="checkbox"/> Engrossed |
| <b>Second House</b>    | <input type="checkbox"/> In Committee          | <input type="checkbox"/> Substitute | <input type="checkbox"/> Enrolled  |

2. **Patron:** O'Quinn

3. **Committee:** Transportation

4. **Title:** Application for driver's license; social security number.

5. **Summary:** This bill allows issuance of a driver's license to an otherwise qualified applicant who refuses to provide a social security number due to a bona fide religious objection.

6. **Budget Amendment Necessary:** Yes, Item 335, if general fund is provided to supplant potential revenue reductions.

7. **Fiscal Impact Estimates:** Preliminary. See Item #8.

**7a. Expenditure Impact:**

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i>                |
|--------------------|----------------|------------------|----------------------------|
| 2014               | \$42,490       | -                | Motor Vehicle Special Fund |

8. **Fiscal Implications:** If enacted, the proposed legislation may prevent the Department of Motor Vehicles (DMV) from complying with federal law. Currently, DMV must comply with the mandate contained in 42 U.S.C. § 666(a)(13)(A), a federal child support enforcement statute that requires the agency to collect social security numbers from applicants for driver's licenses. By violating this law, the proposed legislation could potentially result in a loss of federal welfare funds for Virginia.

The federal child support enforcement statute requires states to collect social security numbers from applicants for driver's licenses in an effort to establish paternities and improve collections. If any state fails to comply with federal child support requirements, the Secretary of Health and Human Services is authorized to impose a Temporary Assistance for Needy Families (TANF) penalty of up to a five percent on the amount of the state's annual block grant. Virginia receives approximately \$158 million each year from TANF and a five percent penalty would equate to a maximum reduction of \$7.9 million annually. Virginia's TANF funds are fully allocated and any reduction in available funds would have to be offset with general fund dollars or services reduced.

To implement the provisions of the proposed legislation, the Department of Motor Vehicles would incur a one-time information technology cost of \$42,490, which can be absorbed within existing resources.

**9. Specific Agency or Political Subdivisions Affected:** Department of Motor Vehicles,  
Department of Social Services.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

**Date:** 1/14/14

**Document:** Janet Vogelgesang G:\14-16\2014 FIS\HB603.docx

c: Secretary of Transportation  
Secretary of Health and Human Resources