

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: SB101

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

2. Patron: Marsden

3. Committee: Commerce and Labor

4. Title: Driver's license; scanning information

5. Summary: This bill allows a merchant to scan the machine-readable zone of an individual's Department of Motor Vehicles-issued (DMV) identification card or driver's license in order to verify authenticity of the identification card or driver's license or to verify the identity of the individual when the individual requests a service pursuant to a membership or a service agreement. Currently, a merchant is allowed to conduct such a scan for identity verification purposes if the individual pays for goods or services with a method other than cash, returns an item, or requests a refund or an exchange. The measure also allows a merchant to retain information obtained from the machine-readable zone of the identification card or driver's license for such a verification purpose.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: DMV does not anticipate a fiscal impact resulting from this legislation.

This bill permits the scanning of a DMV-issued identification card or driver's license by a merchant if an individual requests a service pursuant to a membership or a service agreement. It also permits a merchant to retain such information for identity verification.

Currently, § 59.1-443.3 prohibits the scanning of a DMV-issued identification card or driver's license unless the scanner uses the information acquired to (1) verify the identity of a person paying for goods by a means other than cash, (2) verify the age of person purchasing age-restricted goods or services, (3) prevent fraud or criminal activity relating to the return or exchange of a purchased good, (4) comply with federal or state law requirements, (5) provide to a check services company regulated by the Fair Credit Reporting Act, (15 U.S.C. § 1681 et. seq.), or (6) complete a transaction permitted by the Gramm-Leach-Bliley Act, (15 U.S.C. § 6801 et. Seq.) or the Fair Credit Reporting Act, (15 U.S.C. § 1681 et. seq.). This section prohibits merchants from selling or disseminating any information obtained pursuant to this section, and prohibits merchants from retaining any information obtained pursuant to allowances (1) and (2) above. Finally, it provides that the provisions of the section cannot be waived by contract, and if a contract contains a provision waiving any of the provisions, then

such waiver is void and unenforceable.

9. Specific Agency or Political Subdivisions Affected: Department of Motor Vehicles.

10. Technical Amendment Necessary: No.

11. Other Comments: None.