

## Department of Planning and Budget 2020 Fiscal Impact Statement

**1. Bill Number:** SB101

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

**2. Patron:**        Marsden

**3. Committee:** Passed Both Houses

**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 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 until the purpose for which the information was provided and retained has been satisfied.

**6. Budget Amendment Necessary:** No.

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

**8. Fiscal Implications:** The Department of Motor Vehicles (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 until the purpose for which the information was provided and retained has been satisfied.

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.