

Department of Planning and Budget

2024 Fiscal Impact Statement

1. Bill Number: HB 1454

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Lopez

3. Committee: Transportation

4. Title: Limited-duration licenses and driver privilege cards and permits; expiration.

5. Summary: Extends the validity of limited-duration licenses and driver privilege cards and permits from (i) either the period of time of the applicant's authorized stay in the United States or one year and (ii) two years, respectively, to a period of time consistent with the validity of driver's licenses, which, under current law, is a period not to exceed eight years or, for a person age 75 or older, a period not to exceed five years, and permits. The bill also directs the Department of Motor Vehicles to implement the extended validity periods for such documents upon reissuance.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: This bill reduces the number of credentials the Department of Motor Vehicles (DMV) issues to applicants with temporary lawful status, which will reduce revenues. Currently, the cost of a driver's license is \$4 per year with a minimum of \$20, and this bill does not change that fee structure. An example of the impact of the change in validity period would be that customers currently paying \$20 each year for a one-year license would instead pay \$32 for an eight-year license. As a result of these changes, DMV anticipates a reduction of over \$10 million in revenue over the course of the new eight-year validity period. However, there will also be a corresponding savings in costs for the verification of lawful status using the Systematic Alien Verification for Entitlements (SAVE) program. This program, managed by the United States Citizenship and Immigration Services (USCIS), allows DMV to verify a person's immigration status upon application for a driver's license or ID. Due to longer validity periods, fewer SAVE inquiries will need to be performed, and DMV anticipates a savings of over \$700,000 during the new eight-year validity period.

As introduced this legislation could also bring Virginia out of compliance with Federal Motor Carrier Safety Administration (FMCSA) regulations, which could result in Virginia being unable to issue commercial driver's licenses and could cause Virginia to lose over \$5 million in federal highway funds. Under FMCSA regulations, non-domiciled commercial driver's

licenses (CDLs) issued to applicants temporarily authorized to be in the U.S. must have the validity period tied to the holder's period of authorized stay.

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

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is the same as SB246.