

Department of Planning and Budget 2024 Fiscal Impact Statement

1. **Bill Number:** HB 1454ER

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. **Patron:** Lopez

3. **Committee:** Passed both houses.

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

5. **Summary:** Extends the validity of limited-duration licenses, driver privilege cards and permits, and identification privilege cards, other than REAL ID credentials and commercial driver's licenses and permits 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 and special identification cards. The bill 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:** Final. See Item 8.

8. **Fiscal Implications:** This bill reduces the number of credentials that the Department of Motor Vehicles (DMV) issues, which will reduce revenues. If customer behavior related to the adoption rate of REAL ID licenses and identification cards is unchanged, the agency anticipates a revenue reduction of \$6,885,369 over the first eight years that the legislation is in effect due to a reduction in the number of credentials issued by DMV over this period. However, there would also be a savings of \$311,482 for the verification of lawful status using the Systematic Alien Verification for Entitlements (SAVE) program since the longer validity period will result in fewer SAVE inquiries. 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. Based on existing customer behavior, DMV estimates a net reduction in revenue of \$6,573,887 for the agency over the period FY 2025 – FY 2032.

If, as a result of this legislation, more individuals temporarily authorized to be in the U.S. opt for a Virginia license or identification card with a longer validity period rather than a limited duration REAL ID credential, there would be a greater fiscal impact to DMV.

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 SB246ER.