

Date of Hearing: April 27, 2022

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Chris Holden, Chair

AB 1766 (Stone) – As Amended April 6, 2022

Policy Committee:	Transportation	Vote:	11 - 3
	Judiciary		8 - 0

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill requires the Department of Motor Vehicles (DMV) to issue an identification card to a person who is unable to submit satisfactory proof that the person’s presence in the United States is authorized under federal law.

Specifically, this bill

- 1) Requires the DMV, commencing no later than January 1, 2024, issue an identification card (IC) to a person who is unable to submit satisfactory proof that the person’s presence in the United States is authorized under federal law if the person provides satisfactory proof to the department of the person’s identity and California residency.
- 2) Requires any such identification card to include the letters “IC” instead of, and in the same font size as the letters “ID,” that appear on identification cards (IDs) DMV issues pursuant to other provisions of law, with no other distinguishable feature
- 3) Requires DMV to include on any IC issued the following notice: This card is not acceptable for official federal purposes. It does not establish eligibility for employment, voter registration, or public benefits.
- 4) Prohibits the DMV, and its agents and employees, from retaining any document, or copy thereof, presented by an applicant for a license or identification card of any type to prove age or identity except for the period necessary to ensure the validity and authenticity of such documents.

FISCAL EFFECT:

The primary work this bill creates for DMV includes modifying its information technology (IT) systems, promulgating regulations, modifying forms and publications, and conducting training. This will entail one-time costs to DMV in the hundreds of thousands of dollars (Motor Vehicle Account (MVA)).

In addition, this bill will result in ongoing DMV costs of an unknown, but significant amount, to process a greater number of identification card applications that it otherwise would. Actual costs would depend upon the number of people who apply for ICs each year who would not have otherwise applied for driver licenses (DLs) or IDs. As an illustration of potential costs, and based on DMV’s experience following creation of the program to allow DMV to issue “AB 60

licenses” (see below for details), DMV provided the following expected workload and associated costs.

Additional Customers		Cost (MVA) <i>(dollars in millions)</i>	
		Personnel	Operations and Equipment
First six months	280,000	\$6,200,000	\$2,400,000
Year two (full year)	91,000	\$1,800,000	\$420,000
Year three (full year)	52,500	\$980,000	\$240,000
Year four (full year)	39,000	\$680,000	\$165,000
TOTALS	462,500	\$9,660,000	\$3,225,000

The DMV should recover the costs shown in the table above through the fee charged to each applicant for an IC. (The current fee for a new ID, as set by DMV, is \$33, though statute provides for certain discounted ID fees.)

DMV notes it is completely rebuilding its IT systems, a process DMV refers to as the “Enterprise Modernization Project – the Digital eXperience Platform (DXP).” DMV anticipates the project to last through fiscal year 2025-26. DMV contends the changes called for by this bill will require DMV to both modify its existing IT systems (which DMV refers to as its “core legacy systems”) as a temporary solution and to incorporate the requirements of this bill into the DXP as a permanent solution. DMV contends doing so will cost “multiple millions of dollars.”

DMV was not able to specify how much cost it attributes to modifying its core legacy systems and how much it attributes to incorporating the requirements of this bill into the DXP. DMV warned, however, that expanding the DXP project would be a change in project scope, which would be costly and jeopardize on-time completion of the project.

Were the author to delay implementation of this bill until mid-2027, DMV would experience neither the costs to modify its core legacy systems nor the expansion in scope of the DXP project. DMV would still face costs to modify the then-completed DXP, whatever those costs may be.

COMMENTS:

- 1) **Purpose.** The author intends this bill to provide a way for every Californian to obtain a state-issued identification. According to the author:

Identification cards enable inclusion and meaningful participation in our neighborhoods, cities, and our state. IDs allow one to open a bank account, obtain benefits, access healthcare, secure housing, and much more. However, if a person who is undocumented does not have

meaningful access to a car or have the ability to take a driving test, they are rendered ineligible for a government-issued ID...AB 1766 will expand ID access for all, regardless of immigration status. Under this bill, California ID eligibility will be expanded to approximately 1.6 million undocumented people.

- 2) **Background.** Statute provides a process by which DMV issues DLs and IDs to Californians. The DMV issues a DL to any Californian who meets general requirements, including proof of their competence as a driver, and who submits satisfactory proof that their presence in the United States is authorized under federal law. Similarly, the DMV issues an ID to any Californian who meets general requirements and who submits satisfactory proof that their presence in the United States is authorized under federal law. Until 2014, DMV could not legally issue either a DL or an ID to a person who did not submit satisfactory proof that their presence in the United States is authorized under federal law.

This changed with passage of AB 60 (Alejo), Chapter 524, Statutes of 2013, which directed DMV to issue a DL to a person who was unable to submit satisfactory proof that their presence in the United States is authorized under federal law, but who satisfactorily demonstrated to DMV their identify and California residency through presentation of a variety of documents, including consular identification, original birth certificate and certain financial materials. Such a DL, sometimes known as an “AB 60 license,” is to be marked with the letters “DP,” instead of the letters “DL” that appear on other DLs, and include the following statement:

This card is not acceptable for official federal purposes. This license is issued only as a license to drive a motor vehicle. It does not establish eligibility for employment, voter registration, or public benefits.

AB 60 DLs are generally viewed as a success: they have allowed many Californians who could not otherwise obtain a California DL the ability to drive legally and secure motorist insurance. In addition, Californians who have AB 60 DLs possess a valid state-issued government identification, which is useful for establishing identification needed to access essential services, such as opening a bank account, accessing healthcare and securing housing.

However, there remain Californians who, for a number of reasons, are unable to obtain either a DMV-issued DL or an AB 60 DL. Under current California law, there is no way such a person may legally obtain a state-issued government identification. This bill, following the pattern established in AB 60, remedies this situation by requiring DMV to issue identification to any individual who satisfactorily demonstrates to DMV their identify and California residency.

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