

Date of Hearing: April 4, 2016

ASSEMBLY COMMITTEE ON TRANSPORTATION

Jim Frazier, Chair

AB 1946 (Hadley) – As Amended March 15, 2016

SUBJECT: Driver's licenses

SUMMARY: Repeals the \$5 fee charged by the Department of Motor Vehicles (DMV) when issuing a driver's license (DL) or identification card (ID) with a veteran's designation.

EXISTING LAW:

- 1) Requires DMV to issue a DL to an applicant when the department determines that the applicant is lawfully entitled to a license.
- 2) Requires the applicant for a DL or ID to pay a number of fees to DMV associated with the issuance of the DL or ID.
- 3) Allows an applicant for a DL or ID to request the word "VETERAN" to be printed on the face of the DL or ID, subject to certain requirements including the payment of an additional \$5 fee.

FISCAL EFFECT: Unknown

COMMENTS: AB 935 (Frazier), Chapter 644, Statutes of 2014, required DMV to issue a DL or ID with a veteran's designation to an applicant that meets specified conditions. AB 935 also authorized DMV to collect a fee of \$5, eligible for adjustment up to \$15, in order to offset the department's reasonable costs in processing and issuing a request for a DL or ID with a veteran's designation. This bill would repeal that fee.

The author contends that, because the veteran's designation on a DL or ID is a critical substitute for the use of a Certificate of Release or Discharge from Active Duty for proving veteran status, access to this designation by veterans should have as few obstacles as possible. The author also points out that no fee is charged for an organ or tissue donor designation on a DL or ID, or when DMV facilitates a DL or ID applicant's voter registration. While no fee is required for the organ and tissue donor designation, an applicant for that designation may make a voluntary contribution of \$2 with their application, and DMV is authorized use these donations to cover its actual administrative costs associated with providing the organ and tissue donor designation.

Committee Concerns: According to the Legislative Analyst's Office, the Motor Vehicle Account (MVA), created to support the state's activities to administer and enforce laws regulating the operation and registration of vehicles used on public streets and highways, is experiencing a shortfall that could result in the fund's insolvency. The fee collected in the veteran's designation transaction supports the MVA. As such, any reduction in MVA revenues associated with repealing the fee would likely exacerbate the existing shortfall.

Previous Legislation: AB 935 (Frazier), Chapter 644, Statutes of 2014, required DMV to offer a DL or ID printed with the word "VETERAN" indicating the licensee or possessor of a DL or ID is a military veteran.

AB 1637 (Frazier) of 2014, was virtually identical to AB 935 and was held on the Assembly Appropriations Committee suspense file.

AB 531 (Frazier) of 2013, was virtually identical to AB 935 and was held on the Assembly Appropriations Committee suspense file.

AB 1725 (Lowenthal) of 2012, was virtually identical to AB 935 and was held on the Assembly Appropriations Committee suspense file.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file

Opposition

None on file

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