

Date of Hearing: March 20, 2023

ASSEMBLY COMMITTEE ON TRANSPORTATION
Laura Friedman, Chair
AB 962 (Vince Fong) – As Introduced February 14, 2023

SUBJECT: Identification cards

SUMMARY: Exempts the fee for an identification card (ID) for low income applicants issued by the Department of Motor Vehicles (DMV) from being adjusted for inflation.

EXISTING LAW:

- 1) Authorizes the (DMV to issue an ID card to any person who provides their true full name, correct age, and any other identifying data as required by DMV. (Vehicle Code Section (VEH) 13000)
- 2) Establishes a \$26 fee to be paid to DMV for the issuance of an ID card, adjusted annually for inflation. (VEH 14902)
- 3) Establishes a \$6 fee, adjusted annually for inflation, for ID cards issued to individuals that qualify for public benefits. (VEH 14902)
- 4) Establishes an \$8 fee, adjusted annually for inflation, for ID cards issued to individuals in a correctional facility. (VEH 14902)
- 5) Authorizes DMV to adjust certain fees annually by the California Consumer Price Index, rounded to the nearest dollar. (VEH 1678)
- 6) Waives the ID fee for unhoused persons. (VEH 14902)
- 7) Specifies that the issuance of an original or replacement ID card for a senior citizen shall be issued free of charge. (VEH 14902)

FISCAL EFFECT: Unknown

COMMENTS: The fee for IDs the DMV issues is currently \$35 for most applicants. However, senior citizens over the age of 62 and persons who are homeless can currently get an ID for free, and individuals who meet the income eligibility requirements for certain public benefits like Supplemental Nutrition Assistance Program (SNAP) are eligible for a \$10 fee. All of these fees are adjusted for inflation annually. The reduced fee ID started at \$6 in 2004 and has since increased by 67% to \$10. This bill would return the ID fee for low income individuals to \$6 and stop adjusting the fee for inflation.

According to the author, “Everything is far too expensive, as Californians persevere through hard times. The costs to heat our homes, drive our cars, and feed our families have skyrocketed. As more low- and middle-income Californians leave this state for those with lower costs of living, action is needed to make California more affordable for those bearing the brunt of these economically challenging times.”

In recent years the California Legislature has made numerous attempts to provide free ID and driver’s license cards to homeless individuals. AB 1733 (Quirk Silva) Chapter 764, Statutes of 2014 created a process for DMV to waive the fee for an ID card for homeless individuals. The rationale given at the time for the fee waiver was because “many people experiencing homelessness lack the necessary forms of personal identification needed to establish their eligibility for various public assistance and social programs. The most common forms of ID that people need in order to access these programs are birth records and a valid, government-issued photo ID.”

Lack of access to an ID can impact on an individual’s ability to access other services. In particular, ID cards are often required for housing applications, access to health benefits, and opening bank accounts. ID cards are required for individuals to access the public benefits that would qualify them for the reduced ID fee this bill provides for.

In the midst of the COVID-19 pandemic, lack of access to an ID created a particularly treacherous reality. Many health care providers require patients to provide qualifying identification, namely a government-issued ID, in order to receive a vaccine. Without an ID card, people are less likely to be able to be vaccinated and therefore more susceptible to infection, creating health consequences for themselves and the public at large.

According to the *Center on Budget and Policy Priorities*, there are currently 4.6 million California residents that receive SNAP benefits, or 12% of the population. Only 70% of eligible Californians participated in SNAP benefits. Increasing the ease of access to an ID may help reduce a barrier for low income individuals to access public benefits.

Committee Comments: From February 2022 to February 2023, DMV issued 29,180 reduced fee ID cards. By reducing the fee from \$10 to \$6, DMV stands to lose \$116,720 annually, a relatively small amount of their overall budget. The losses could be greater if more individuals took advantage of the discounted ID cards. ID fees go towards the Motor Vehicle Account (MVA), the primary funding source for DMV. The MVA remains structurally imbalanced. Although the MVA is projected to have a positive fund balance through the next three fiscal years, in 2023-24, 2024-25, 2025-26, expenditures are anticipated to outpace revenues, reducing the fund balance from \$515 million in 2021-22 to \$10 million in 2025-26. The structural imbalance remains even though all future DMV and California Highway Patrol capital outlay costs are being shifted away from the MVA to the General Fund in an attempt to keep the fund solvent. By 2026-2027, the MVA is projected to run a \$314 million deficit.

Related Legislation:

AB 464 (Schiavo of 2022) would, amongst other things, eliminate the fee for low income IDs. That bill has been set for a hearing in Assembly Health Committee on March 28th and is double referred to this committee.

Previous Legislation:

AB 1733 (Quirk Silva) Chapter 764, Statutes of 2014, created a process for DMV to waive the fee for an ID for homeless individuals.

SB 1098 (Budget) Chapter 212, Statutes of 2004 established a \$6 ID fee for low income individuals.

AB 2510 (Wilson) of 2022 would have provided for free driver's license cards for unhoused persons. That bill was vetoed by the Governor.

AB 771 (Bennett) of 2021 was substantially similar AB 2510. That bill was held on suspense in Assembly Appropriations Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file

Opposition

None on file

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