

Initial Statement of Reasons
Title 13, Division 1, Chapter 1

Article 2.0. Driver Licenses and Identification Cards

Beginning on May 3, 2023, a REAL ID-compliant driver's license or identification card, or other federally accepted document, will be required to board commercial aircrafts and access secure federal facilities. In 2017, the department adopted rules related to the application process for a REAL ID-compliant driver's license or identification card, including documentation acceptable to establish proof of the applicant's legal presence and identity, documentation acceptable as proof of the applicant's social security number, and an exemption process for applicants unable to provide the required documentation. Section 17.04 requires a REAL ID-compliant driver's license or identification card applicant to submit a valid social security number by providing the department with an original Social Security Administration card, a W-2 form, an SSA-1099 form, or a paystub that includes the applicant's social security number. When the department adopted Section 17.04 in 2017, the department determined Section 17.04, while largely duplicative of federal rules, was necessary to comply with the provisions of Title 6, Code of Federal Regulations, Section 37.11(e), requiring proof of a valid social security number.

The REAL ID Modernization Act, signed on December 28, 2020 as part of the Consolidated Appropriations Act of 2021, includes an immediate burden reduction measure that allows states discretion in requiring the submission of separate documentation of the applicant's social security number. Federal rules continue to require that states verify the social security number provided to the Department of Motor Vehicles during that application process. Pursuant to Title 13, California Code of Regulations, Section 15.04, the department will continue to verify social security numbers provided on driver's license and identification card applications whether the applicant is applying for a REAL ID-compliant driver's license or identification card, or a federal non-compliant driver's license or identification card. However, the department will not require separate documentation of applicants' social security numbers.

§ 17.00. Documentation Required to Obtain a REAL ID-Compliant Driver's License or Identification Card.

Subsection (a)(1) is amended to remove reference to Section 17.04. Section 17.04 is being repealed in this proposed action.

§ 17.04. Proof of Social Security Number Required to Obtain a REAL ID-Compliant Driver's License or Identification Card.

Recent changes to the federal rules made through immediate burden reduction measures make it discretionary for states to require separate documentation of the applicant's social security number as part of the REAL ID-compliant card application process. The department has

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determined it will not require separate documentation. The department currently verifies the social security number provided to the department on the driver's license or identification card application, as specified in Section 15.04. The repeal of Section 17.04 is necessary to remove a provision that will no longer be required during the application process for a REAL ID-compliant driver's license or identification card.

**DEPARTMENTAL DOCUMENTATION SUPPORTING GOVERNMENT CODE
SECTIONS 11346.2(b)(3) THROUGH (b)(5)**

Studies, Reports or Documents – Gov. Code Sec. 11346.2(b)(3)

- None

Reasonable Alternatives and Department's Response – Gov. Code Sec. 11346.2(b)(4)(A)

- No alternatives have yet been presented that would be as effective.

Reasonable Alternatives That Would Lessen Any Adverse Impact on Small Businesses – Gov. Code Sec. 11346.2(b)(4)(B)

- There are no reasonable alternatives that would lessen any adverse impact on small businesses because this action only impacts individuals applying for a REAL ID-compliant driver's license or identification card.

Evidence Supporting Determination of No Significant Adverse Economic Impact on Business – Gov. Code Sec. 11346.2(b)(5)

- This regulation will not have an adverse economic impact on businesses. This action impacts individuals applying for a REAL ID-compliant driver's license or identification card.

ECONOMIC AND FISCAL IMPACT DETERMINATIONS

Cost or Savings to Any State Agency

- None

Other Non-Discretionary Cost or Savings to Local Agencies

- None

Costs or Savings in Federal Funding to the State

- None

Cost Impact on Representative Private Persons or Businesses

- The department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. This

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action impacts private persons applying for a REAL ID-compliant driver's license or identification card. There is a fee for a driver's license or identification card regardless of whether the card is REAL ID-compliant. However, the cost of a card is unchanged.

Effect on Housing Costs

- None

Local Agency/School District Mandates

- The proposed regulatory action will not impose any costs on local agencies or school districts that are required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

Small Business Impact

- This proposed action will not impact small businesses. This action impacts individuals applying for a REAL ID-compliant driver's license or identification card.

ECONOMIC IMPACT ANALYSIS (Government Code Section 11346.3(b))

The department has made the following determinations related to this proposed regulatory action:

- Creation or Elimination of Jobs Within the State of California

The department does not anticipate this action will either create or eliminate jobs within California. This action only impacts individuals applying for a REAL ID-compliant driver's license or identification card by eliminating the requirement that the applicant provide the department with separate documentation to establish proof of social security number.

- Creation or Elimination of Businesses Within the State of California

The department does not anticipate this action will create or eliminate businesses within California. This action only impacts individuals applying for a REAL ID-compliant driver's license or identification card by eliminating the requirement that the applicant provide the department with separate documentation to establish proof of social security number.

- Expansion of Businesses Currently Doing Business Within the State of California

The department does not anticipate this proposed action will expand businesses currently doing business within California. This action only impacts individuals applying for a REAL ID-compliant driver's license or identification card by eliminating the requirement that the applicant provide the department with separate documentation to establish proof of social security number.

- Benefits of the Regulation to the Health and Welfare of California Residents, Worker Safety, and the State's Environment

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This proposed action may benefit California residents by creating a more efficient process by which a person can apply for a REAL ID-compliant driver's license or identification card. The repeal of Section 17.04 is consistent with the intent of the REAL ID Modernization Act in implementing immediate burden reduction measures. This action is unlikely to benefit or affect worker safety or the state's environment.