Initial Statement of Reasons
Title 13, Division 1, Chapter 1
Article 2.0. Driver Licenses and Identification Cards

The department adopted regulations, under the authority of Part 37, Title 6, of the Code of Federal Regulations (CFR), in 2017 to establish the process by which an applicant may apply to the department for issuance of a REAL ID-compliant driver’s license or identification card. Included in that adoption was Section 17.00 establishing the requirements for obtaining a driver’s license or identification card compliant with the REAL ID Act. Section 17.00, as initially adopted, required an applicant to submit one document that establishes their residency, which did not directly align with 6 CFR §37.11(f), which specifies that a person must present at least two residency documents. However, the department felt that the approach proposed in Section 17.00 would be less burdensome on all applicants and consulted with the DHS on whether California could mirror Wisconsin which implemented a similar procedure.

The department has since amended Section 17.00 to require two residency documents and comply with the federal rules. However, between the time that the regulations were initially adopted and the time that the department began requiring two residency documents, a large number of Californians applied for and received a REAL ID-compliant driver’s license or identification card with only having provided one residency document. In order to ensure all driver’s license and identification card holders supply sufficient residency documentation, the department has developed a plan to send a letter to affected driver’s license and identification cardholders. The letter will allow the cardholder to confirm their current California residency and the cardholder may mail the letter back to the department in a pre-paid envelope to satisfy their second proof of California residency. This process will be the least burdensome to cardholders and will prevent them from having to visit a field office.

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

Subsection (c)(2) is adopted to make clear that a customer whose REAL ID-compliant driver’s license or identification card has been returned to the department via return mail service must submit two residency documents with their correct address in order to satisfy the residency requirements and to have a REAL ID-compliant driver’s license or identification card issued to them. This provision is necessary to make clear that any person who does not submit two residency documents, will not be issued a REAL ID-compliant driver’s license or identification card.

Subsection (d) is adopted to make clear that the department will not renew a REAL ID-compliant driver’s license or identification card to a person who has only submitted one residency document. This provision is necessary to make clear that any person who only provided one residency document will not have their driver’s license or identification card renewed until they provide another residency document. This amendment will ensure all REAL ID-compliant
driver’s license or identification card holders provide two residency documents as required by the federal rules.

Subsection (e) is adopted to make clear that a customer issued a REAL ID-compliant driver’s license or identification card prior to April 29, 2019, and provided only one proof of California residency, must provide one additional proof of California residency. Currently, the department is mailing each of the affected customers a letter regarding the second proof of residency. The customer will sign the letter and return the letter to the department in a pre-paid envelope. Once the department receives the signed letter, the customer’s second proof of California residency will have been satisfied. This process will be the least burdensome to affected customers and will prevent those customers from having to visit a department field office as we approach the exceptionally busy summer months in addition to increasing the field office visits for customers attempting to receive the REAL ID card before the October 1, 2020, enforcement date.

Subsection (e)(1) is adopted to make clear that a REAL ID applicant who is applying for an address change but, at the time of their REAL ID-compliant driver’s license or identification card application only submitted one California residency document, will be required to provide the department with a total of two proofs of California residency before the department will enter the address change. This provision is necessary to ensure the group of people who applied for and received a REAL ID-compliant driver’s license or identification card prior to April 29, 2019, many of whom provided the department with only one residency document, provide the department with two proofs of California residency at the time their address change is being requested, as required by federal rules. However, once the driver’s license or identification card holder has provided the department with two proofs of California residency documents, the driver’s license or identification card holder will not be required to provide the two proofs of residency at the time of renewal or if the card holder has a subsequent change of address.

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

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

- No studies, reports or other documents were relied upon.

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)

- No alternatives have been yet been presented that would lessen any adverse impact on small businesses.

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 proposed action is related to specified driver’s license and identification card holders. There is no impact on businesses.

**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 action affects REAL ID-compliant driver’s license and identification card holders, however, there are no associated costs in this proposed regulation.

**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 is unlikely to impact small business as this proposed action affects specified driver’s license and identification card holders.

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

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

**Creation or Elimination of Jobs Within the State of California**
- The department does not anticipate the creation or elimination of jobs within California. The proposed rule ensures all REAL ID-compliant driver’s license and identification card...
holders provide the department with two residency documents. None of the provisions in this proposed action impact jobs in California.

Creation or Elimination of Businesses Within the State of California

- The department does not anticipate the creation or elimination of businesses within California. The proposed rule ensures all REAL ID-compliant driver’s license and identification card holders provide the department with two residency documents. None of the provisions in this proposed action impact businesses in California.

Expansion of Businesses Currently Doing Business Within the State of California

- The department does not anticipate the expansion of businesses currently doing business in California. The proposed rule ensures all REAL ID-compliant driver’s license and identification card holders provide the department with two residency documents. None of the provisions in this proposed action impact businesses currently doing business in California.

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

- This proposed action is unlikely to benefit worker safety or the state’s environment, however, this action may benefit the welfare of California residents as compliance with the federal REAL ID rules will allow Californians continued access to commercial airlines and federal buildings.