

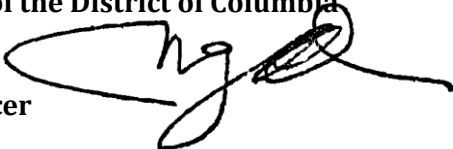
Government of the District of Columbia
Office of the Chief Financial Officer



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: July 2, 2013

SUBJECT: Fiscal Impact Statement – “Driver’s Safety Amendment Act of 2013”

REFERENCE: Bill 20-275, Draft Committee Print shared with the Office of Revenue Analysis on July 1, 2013

Conclusion

Funds are sufficient in the proposed FY 2014 through FY 2017 budget and financial plan to implement the bill.

Background

The bill allows the Mayor to issue a driver’s license, permit, or identification card to a resident who meets the following qualifications:

1. A District resident for greater than 6 months;
2. Ineligible to obtain a social security number;
3. Possesses an individual identification number issued by the Internal Revenue Service;
4. Does not possess documentation authorizing his or her presence in the United States from the United States Citizenship and Immigration Services; and
5. Provides a valid, unexpired passport from the applicant’s country of citizenship or a foreign birth certificate¹

Any applicant must then meet all the requirements related to fees, examinations, age, and other eligibility requirements associated with a driver’s license, permit,² or identification card.³ The

¹ If these documents are not in English, a certified translation must also be provided by the applicant.

² D.C. Official Code § 50-1401.01 and Issuance of Driver’s Licenses (18 DCMR § 100 *et al.*).

³ Special Identification Cards (18 DCMR § 112).

The Honorable Phil Mendelson

FIS: Bill 20-275, "Driver's Safety Amendment Act of 2013," Draft Committee Print shared with the Office of Revenue Analysis on July 1, 2013

driver's license and identification card will be valid for eight years while the permit is subject to the requirements set forth in current law.⁴

Lastly, the bill increases the fee to obtain or renew a license from \$44 to \$47 starting on October 1, 2015.

Financial Plan Impact

Funds are sufficient in the proposed FY 2014 through FY 2017 budget and financial plan to implement the bill. There are approximately 25,000 undocumented residents living in Washington, DC.⁵ In order to implement the bill and accommodate the increased workload, the Department of Motor Vehicles (DMV) will need to spend \$550,000 in FY 2014 for public outreach and system and document upgrades. Additionally, DMV will need to hire four new staff members at a cost of \$241,000 in FY 2014 and \$1 million over the four year financial plan period.

If roughly 70 percent of the residents who would be eligible under this program took advantage of a license, permit, or identification card, approximately \$967,000 would be generated in FY 2014. Combined with the \$3 increase in the cost of a new or renewed driver's license starting in FY 2016, the bill will generate \$1.8 million over the four year financial plan period.

| Fiscal Impact of Bill 20-275 Driver's Safety Amendment Act of 2013 FY 2014 – FY 2017 | | | | | |
|---|----------------------------|-----------------|----------------------------|----------------|------------------|
| | FY 2014^a | FY 2015 | FY 2016^b | FY 2017 | Total |
| Revenue | \$967,000 | \$259,000 | \$266,000 | \$265,000 | \$1,757,000 |
| Non-Personnel Costs ^c | (\$550,000) | \$0 | \$0 | \$0 | (\$550,000) |
| Personnel Costs ^d | (\$241,000) | (\$247,000) | (\$253,000) | (\$259,000) | (\$1,000,000) |
| Net Impact | \$176,000 | \$12,000 | \$13,000 | \$6,000 | \$207,000 |

Table Notes

^a Revenues assume roughly 70 percent of currently eligible residents will participate in FY 2014 (with the remainder participating in FY 2015). Additionally, in FY 2014 through FY 2017, it is assumed that the number of new undocumented residents in the District is equivalent to 8 percent of the expected overall population growth in the District.

^b In FY 2016 the cost of all new or renewed driver's license will increase from \$44 to \$47.

^c Non-Personnel Costs include public outreach efforts, translation services, and upgrades to the licensing system.

^d Personnel costs include two driving test instructors and two investigators.

⁴ D.C. Official Code §§ 50-1401.01(a)(2) and (a)(2a).

⁵ *U.S. Unauthorized Immigration Flows Are Down Sharply Since Mid-Decade*, Pew Hispanic Center (September 1, 2010).