

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington St., Suite 301
Indianapolis, IN 46204
(317) 233-0696
iga.in.gov

FISCAL IMPACT STATEMENT

LS 6440
BILL NUMBER: SB 138

NOTE PREPARED: Dec 15, 2023
BILL AMENDED:

SUBJECT: Driving Privilege Cards.

FIRST AUTHOR: Sen. Doriot
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that an individual who is an Indiana resident and cannot provide proof of identity and lawful status in the United States may apply for a driving privilege card to obtain driving privileges. The bill sets forth the requirements to obtain a driving privilege card.

The bill provides that a driving privilege card may not be used as identification for any state or federal purpose (other than to confer driving privileges) for the purpose of voting, or to verify employment.

The bill also requires an individual who holds a driving privilege card and operates a motor vehicle to verify and continuously maintain financial responsibility on any motor vehicle operated by the individual who holds the driving privilege card in the amount required by law.

It provides that the Bureau of Motor Vehicles (BMV) may not disclose certain information unless presented with a lawful court order or judicial warrant. It also requires an applicant for a driving privilege card or driving privilege card renewal to sign up for selective service.

The bill also requires the BMV to submit an annual report to the Legislative Council and the Interim Study Committee on Roads and Transportation.

The bill makes conforming amendments and technical corrections.

Effective Date: Upon passage; July 1, 2025.

Explanation of State Expenditures: *Summary* - This bill is expected to increase one-time Bureau of Motor

Vehicles (BMV) Commission Fund expenditures by approximately \$1.19 M to issue a new license type. Most of the impact is anticipated to occur in FY 2026.

Additional Information - The BMV reports the cost to redesign two new credentials as required under the bill would be approximately \$1.19 M. The total demand for these credentials is unknown, but expected to come from the undocumented immigrant population in the state. The bill could increase BMV administrative costs to process and review applications for compliance with requirements contained in the bill and provide a new license type.

The bill would also increase the workload of the BMV to report program participation annually to Legislative Council and the Interim Committee on Roads and Transportation beginning in the 2025 interim. This requirement is expected to be accomplished within existing resource and funding levels.

Explanation of State Revenues: Summary - This bill could increase state revenue for requests of the credential created in the bill. Based on the number of temporary visitor drivers licenses issued in the state of Illinois, the bill is expected to increase state revenue from driving card credential fees by approximately \$220,900 in the first four years of administration beginning FY 2026. This revenue will be divided between the Motor Vehicle Highway Account (MVHA), Crossroads 2000 Fund, BMV Technology Fund, Integrated Public Safety Communication Fund, and the BMV Commission Fund.

The bill could also increase state General Fund revenue by requiring individuals who hold driving cards to maintain financial responsibility and from any increase in Class B misdemeanor convictions. Increases in General Fund revenue are unknown but expected to be small.

Additional Information - The BMV reports that DACA recipients are currently issued BMV credentials if they meet requirements to obtain a REAL ID. To be eligible for a REAL ID, individuals must provide documents proving (1) full legal name, (2) date of birth, (3) social security number, (4) two proofs of address or principal residence, and (5) lawful immigration status. The BMV reports lawful immigration status documentation for DACA recipients (and other foreign national with temporary status) includes an unexpired Employment Authorization Card form I-766.

The demand for this new credential could come from the DACA population who do not currently have the documentation available to receive a REAL ID. Additionally, individuals who currently reside in the state and have no form of documentation proving lawful status could also apply for the new credential created by the bill.

Licensing Fees– The current fees for an operator’s license and a learner’s permit are included in the following table. The new credentials have the same fee amounts as the current operators license and learner’s permit.

Fund	Operator's License Revenue	Learner's Permit Revenue
Motor Vehicle Highway Account	\$4.50	\$0.25
Crossroads 2000 Fund	\$2.00	\$2.00
BMV Technology Fund	\$0.50	\$0.50
Integrated Public Safety Communication Fund	\$1.25	\$1.25
BMV Commission Fund	\$9.25	\$5.00
Total	\$17.50	\$9.00

The BMV reports that 85% of annually issued credentials are operator's licenses and 15% are learner's permits.

Data was obtained from the state of Illinois concerning demand for temporary visitor drivers licenses. Based on the data from Illinois and the difference between each state's foreign born population, the demand for this new credential is not expected to exceed 500 *annual* requests in the first four years of implementation, but is expected to result in 1,100 *total* credential holders within the first four years of administration. The sum of the total revenue received from credential fees in the first four years of administration is included in the following table.

BMV Credential Revenue Distribution to Each Fund	Estimated Revenue from Credential Requests in First Four Years
Motor Vehicle Highway Account	\$4,200
Crossroads 2000 Fund	\$2,200
BMV Technology Fund	\$500
Integrated Public Safety Communication Fund	\$1,400
BMV Commission Fund	\$9,500

Revenue increases to the MVHA will benefit the State Highway Fund. Based on these projections, the State Highway Fund is expected to receive approximately \$2,600 in revenue.

Supplemental Fees: The bill also requires the BMV to collect a \$100 supplemental fee for each credential issued under the bill's provisions. Based on estimated demand for these credentials in the first four years of implementation, the supplemental fee is expected to generate a total of approximately \$204,700 in revenue (an average of approximately \$51,100 per year). This revenue will be deposited in the BMV Commission Fund.

Penalty Provision: The bill adds that producing counterfeit driving cards is punishable as a Class B misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School

Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class B misdemeanor is \$1,000. The total fee revenue per case would range between \$113 and \$135. The amount of court fees deposited will vary depending on whether the case is filed in a court of record or a municipal court. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases](#). However, any additional revenue would likely be small.

Explanation of Local Expenditures: *Penalty Provision:* A Class B misdemeanor is punishable by up to 180 days in jail.

Explanation of Local Revenues: Revenue increases to the MVHA will also result in local revenue increases for highway construction and maintenance. Approximately 38% of MVHA revenue is forwarded to local units of government. In the first four years of administration, local units of government are expected to receive approximately \$1,600 in revenue.

Penalty Provision: If additional court actions occur and a guilty verdict is entered, more revenue will be collected by certain local units. If the case is filed in a court of record, the county general fund will receive \$47.40 and qualifying municipalities will receive a share of \$3.60. If the case is filed in a municipal court, the county receives \$30, and the municipality will receive \$46. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases](#). However, any change in revenue would likely be small.

State Agencies Affected: BMV; INDOT.

Local Agencies Affected: Local recipients of MVHA funding, trial courts, local law enforcement agencies.

Information Sources: US Citizenship and Immigration Services; Cody Eckart BMV; <https://www.nilc.org/issues/daca/real-id-and-daca/>; Statista foreign born population data, CY 2020; H.W. Devlin, Illinois Secretary of State.

Fiscal Analyst: Bill Brumbach, 317-232-9559.