

BILL ANALYSIS

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S.C.R. 40
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2005, the United States Congress passed the REAL ID Act (Act) as part of an emergency supplemental appropriation act for military spending and tsunami relief. The Act requires all 50 states and all United States territories issuing driver's licenses or other identification cards to follow national standards in establishing the identification of card holders and marking them to indicate they meet federal standards.

On March 1, 2007, the United States Department of Homeland Security announced the federal guidelines for state implementation of the Act, establishing strict standards for the issuance of state driver's licenses and identification (ID) cards that are required to be implemented by December 2009. The standards require each state to verify the original documentation establishing the identity of an applicant, such as birth certificates and Social Security cards, cross-check the documents against federal databases, and reissue the license or ID card in a format incorporating specific security features into the design. In addition, the rules set safety measures that must be followed with regard to the physical location where licenses and cards are issued. This will require each citizen to apply for or renew the citizen's state-issued ID card at least once in person and present documents proving U.S. residency. The federal government will link these IDs in a national database, thereby creating a de facto national ID card. Cards that do not meet such standards will not be accepted as official federal identification anywhere in the United States or abroad, preventing the holder from boarding commercial flights, entering federal buildings, conducting business at certain financial institutions, and even applying for federal programs such as Medicare. This essentially forces citizens to comply with the federal requirements.

A joint study released in September 2006 by the National Conference of State Legislatures, the National Governors Association, and the American Association of Motor Vehicle Administrators estimates the initial cost of implementing the Act to be more than \$11 billion. According to the study, the most costly provisions in the Act require driver's license and card holders to present original documents in person for re-verification by the state motor vehicle department within five years, thereby forcing states to hire additional employees, expand business hours, and even construct new facilities to meet the reenrollment deadline.

Regretfully, in federal fiscal year 2006, Congress appropriated a mere \$40 million to support the states' implementation of the Act, an amount not sufficient to cover even Texas' needs. In fact, the Texas Department of Public Safety's projected cost to the state is \$167.4 million for the first year of implementation and \$101.3 million each subsequent year of operation. The agency submitted a request for \$268.7 million in the 2008-2009 biennium for REAL ID-related expenditures, including 737 new full-time employees. The total cost over the next five years is estimated to be about \$572 million.

Implementation of the Act could cost Texas taxpayers more than \$572 million over the next five years. Considering this enormous expense and the meager congressional financial support for the endeavor, the requirements of the Act constitute a virtual unfunded mandate on the State of Texas and, as such, a significant burden to the state's residents.

RESOLVED

As proposed, S.C.R. 40 provides that the 80th Legislature of the State of Texas opposes the federal REAL ID Act as an unfunded mandate. The concurrent resolution requires the Texas secretary of state to forward official copies of this resolution to the president of the United

States, to the speaker of the house of representatives and the president of the senate of the United States Congress, and to all the members of the Texas delegation to the congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.