



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #619

Online Driver License and Wisconsin Identification Card Renewal (Transportation -- Motor Vehicles)

[LFB 2021-23 Budget Summary: Page 591, #5]

CURRENT LAW

Driver licenses are generally required to be renewed every eight years, at which time an applicant must pass an eyesight test and have their photograph taken.

DISCUSSION POINTS

1. On March 4, 2019, the Governor signed 2019 Executive Order #14 relating to the accessibility of Department of Transportation (DOT) Division of Motor Vehicle (DMV) facilities and DOT-issued voter identification. The order required DOT to develop and implement a plan for expanding accessibility to DOT facilities that provide identification documents required to vote. Under the Department's report related to this executive order, they indicated that providing online access to renew licenses and identification cards (IDs) would be the most impactful action to make it easier to obtain identification that can be used for voting purposes.

2. In April, 2020, in reaction to the coronavirus pandemic, the Department created a pilot program to allow for the online renewal of licenses and identification cards to help reduce the number of in-person visits to DMV customer service centers. The program went into effect on May 11, 2020, and through April 2021, more than 108,000 drivers elected to use the online renewal option. The Department indicates it will submit a report under s. 15.04 (1)(d), Wis. Stats., on the results of the pilot program to the Legislature by October 15, 2021.

3. The Governor recommends making this pilot program permanent, which requires statutory and programmatic modifications relating to vision testing and photographing upon driver license renewal in order to allow driver licenses and Wisconsin identification cards to be renewed by electronic means (online).

4. The Attachment to this paper lists the current requirements for a Class D (regular operator's) driver license and ID renewal. Under this proposal, the vision test and the updated photograph would be required only once every 16 years. Another recommendation of the Governor would also allow for the waiver of driving skills test, with certain exceptions (See Issue Paper #618).

5. The recommendation would allow applicants to renew their driver license or identification cards online every other time their renewal is due, which would reduce visits to customer service centers to once every 16 years. The recommendation would create an exception to the current law requirement that that DOT test the eyesight and take digital photographs of applicants renewing their licenses or identification cards every eight years. The recommendation would continue to comply with federal REAL ID requirements, which mandates that identification photos not be more than 16 years old, thus requiring in-person renewals once every 16 years. The Department notes that more than 70% of U.S. citizens live in a state that allows online renewals, including Illinois, Iowa, and Michigan.

6. Under the proposal, to be eligible to renew their license or ID card electronically, applicants must meet all of the following conditions: (a) not be subject to license restrictions based on medical conditions, other than a requirement that the applicant use corrective lenses; (b) not be more than 65 years of age; (c) must verify they are aware their license will be marked REAL ID non-compliant and is not intended to be accepted by any federal agency for federal identification or any other official purpose; (d) must verify their eyesight is sufficient to meet the current standards; and (e) satisfy any additional eligibility criteria established by DOT. The Department estimates that 3.6 million Wisconsin drivers would be eligible under these criteria.

7. DOT indicates that the long-term costs for maintenance of the online renewal system are expected to be low and consistent. They note that only minor alternations to the Department's website would be needed to make the pilot program permanent, which could be absorbed within their existing budget. The current fee structure would remain the same, whether the renewal is in-person or online, and because the number of renewals would not change, annual driver license fees revenues would be unchanged. In-person applicants would continue to obtain a driver license or ID card receipt, while those renewing online would print the receipt at home. The applicant's actual license or ID card would be received in the mail in 5-7 business days. Both the ID card and the receipt are valid to fulfill voter ID requirements for a limited duration.

8. Making the online driver license and identification card renewal pilot program permanent would reduce the number of customers that visit customer service centers, which, in turn, reduces the need for some customer service center positions. Based on data from their pilot program, the Department estimates that 317,500 customers annually would be eligible to renew their licenses and IDs online with an estimated 25% utilization rate and approximately 3.75 minutes saved per renewal. Therefore, the Department it could eliminate 3.80 FTE positions and reduce expenditures by \$240,500 annually. Applicants would be required to pay the same existing fee whether applying in-person or online. [Alternative 1]

9. Some concerns may exist regarding the safety of reducing how frequently drivers need to have their eyesight examined. In establishing the pilot program, the Department reviewed all driver license transactions in February, 2019, for customers that would have been eligible under the program, and found none of the more than 38,000 renewals had a failed vision test. Vision test failure rates are

consistently below 1%, and the most common failure is due to an applicant taking the test without corrective lenses or having forgotten their corrective lenses. To measure the effect of this program on safety, the Department developed performance measures that compare sample groups that have, and have not, renewed their driver licenses online. The number of traffic citations issued to each of the sample groups were compared in order to ascertain if the option to renew a driver license online was impacting safety. Based on data from their pilot program, the Department indicates there was no statistically significant difference in crashes or citations for applicants that renewed in-person compared to through electronic means. The Department would continue to refine and conduct similar analyses if the online renewal program is made permanent.

10. Beyond the safety of drivers, some may have other security and convenience concerns associated with the online renewal of licenses and IDs relating to the ability to identify individuals who have not had photographs taken within 16 years. As noted, the online renewal program would allow for individuals to go 16 years between visits to a DMV customer service center to receive an updated photograph for their license or ID. The appearance of individuals may change significantly over 16 years, which could present challenges to the identification process, without updated photographs, for security or other individuals in verifying the identification of a person. It could also make it inconvenient for persons who may be wrongly denied some privilege or access due to an outdated photograph. However, as noted, federal REAL ID requirements permit up to 16 years between updating photographs.

11. As mentioned earlier, the Department indicates that it will submit a report on the results of its pilot online program to the Legislature by October 15, 2021. Given the safety and other concerns regarding this provision, more information on the pilot program could be beneficial before extending the program on a permanent basis. The Committee could instead require the Department to submit the report due to the Legislature to the Committee as well, along with a request for Committee approval of the permanent online program. It could be specified that the report provide the staffing and funding reductions that the Department could accomplish under a permanent online program. Under this alternative, the Department's statutory authority to administer a permanent online driver license and ID card renewal would be provided, as proposed, but the Department's ability to implement the program would be contingent on Joint Finance Committee approval. If the Committee approves the permanent program, the Committee could reduce the affected appropriations and positions as provided in the Department's report at that time. [Alternative 2]

12. As drafted under Assembly Bill 68/Senate Bill 111, the proposal would not extend this electronic renewal option to applicants for renewal of commercial driver licenses (CDLs) or REAL ID compliant licenses or IDs. However, an April, 2021, errata provided by the Department of Administration (DOA) requested a modification to the proposal to expand the types of licenses or ID cards eligible to be renewed electronically to include CDLs and REAL IDs. If the authority would be extended to these license and ID applicants, the Department would need to specify the eligibility criteria specific to these renewals.

13. If the Committee wanted to extend the online renewal option to allow commercial driver licenses, the Committee could adopt that portion of DOA's errata request. [Alternative 3] However, given the weight of their vehicles in the case of truck operators, or the allowable occupancy of their vehicles in the case of passenger vehicle operators, the Committee may want the Department to

continue examining CDL renewal applicants in-person every eight years. If so, the Committee could choose to only incorporate DOA's errata request to extend the proposed electronic renewal option to REAL ID renewal applicants. [Alternative 4] No additional staffing or funding reductions would be associated with extending the proposed online renewal option to CDL or REAL ID renewal applicants.

14. Alternatively, if the safety and identification concerns outweigh the convenience and staff savings, the Committee could choose not to approve the modifications to permit the online renewal of driver licenses and identification cards while the Department continues to study the results of the pilot program. [Alternative 5]

ALTERNATIVES

1. Provide the Department the authority to allow driver licenses and Wisconsin identification cards to be renewed by electronic means (online) every other time the renewal is due, with certain exceptions. Decrease funding by \$240,500 annually and eliminate 3.80 FTE positions associated with the provision of this authority.

ALT 1	Change to Base	
	Funding	Positions
SEG	- \$481,000	- 3.80

2. Provide the Department's the authority to allow driver licenses and Wisconsin identification cards to be renewed by electronic means (online) every other time the renewal is due, with certain exceptions. Require the Department to submit the October 15, 2021 report due to the Legislature to the Joint Finance Committee along with a request for Committee approval of the permanent online program. Specify the following: (a) that the report provide the staffing and funding reductions that the Department could accomplish under a permanent online program; and (b) if the Committee approves the permanent program, the Committee would have authority to reduce the affected appropriations and positions as provided in the Department's report.

3. In addition to Alternative 1 or Alternative 2, incorporate DOA's April, 2021, errata to provide the Department the authority to allow commercial driver licenses to be renewed by electronic means (online) every other time the renewal is due, with certain exceptions. Require the Department to specify the eligibility criteria specific to these renewals.

4. In addition to Alternative 1 or Alternative 2, incorporate DOA's April, 2021, errata to provide the Department the authority to allow REAL ID compliant licenses and identification cards to be renewed by electronic means (online) every other time the renewal is due, with certain exceptions. Require the Department to specify the eligibility criteria specific to these renewals.

5. Take no action.

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Attachment

ATTACHMENT

Current Requirements for ID Card or License Renewal

While applying for an original REAL ID compliant driver license or identification card requires additional documentation, there is no difference in the renewal process for a REAL ID compliant or REAL ID noncompliant driver license or identification card. To renew a Class D driver license or identification card in-person, applicants generally must:

1. Provide the following documentation:
 - a. current license or other document for proof of identity;
 - b. proof of name change, if applicable;
 - c. legal status in the U.S., if not a U.S. citizen; and
 - d. social security number, if renewing an identification card.
2. Complete the applicable application:
 - a. Driver license application, which includes a:
 - i. new photograph;
 - ii. vision assessment;
 - iii. medical examination report, if applicable; and
 - iv. written and/or driving exam, if required,.
 - b. Identification Card Application.
3. Pay the applicable renewal fee.