



# Oregon

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**DATE:** May 23, 2013  
**TO:** Ways and Means Subcommittee on Transportation and Economic Development  
**FROM:** Amy Joyce, Legislative Liaison  
**SUBJECT:** HB 2421-A

## INTRODUCTION

House Bill 2421-A directs the Department of Transportation, Driver and Motor Vehicles Services Division (DMV) to notify the Department of Veterans Affairs (ODVA) if the person is a member or veteran of the uniformed service and has given authorization for the release of personal information.

## DISCUSSION

House Bill 2421-A requires DMV to notify ODVA when it receives specific information and authorization from a member or veteran of the uniformed service who submits an application for driver license, ID card, vehicle title or registration. The only information DMV may transfer to ODVA is the name and address of the person. Existing federal and state laws on confidentiality, as well as the terms of the bill, require that the person him- or herself authorize that transfer of information.

The bill requires DMV to provide the data to ODVA at least once per month. Several options exist on how to implement these provisions, such as making the process more or less automated or manual. That choice impacts the costs both up front and on-going. More automation up front increases start-up costs but minimizes costs over time. More manual processes reduce the initial cost, but maintain higher costs over time as the manual process would continue. The work directed in HB 2421-A is not an eligible use of Highway Funds under Oregon's Constitution; therefore, an alternate funding source must be identified to implement the bill.

Driver license and ID card transactions by their nature involve only one customer, and the vast majority requires an in-person transaction at a DMV field office. Because DMV may provide the information to ODVA only with express written permission of the eligible customer, transactions involving driver license or ID card will be relatively efficient. Conversely, because nearly half of all personal (non-business) registration applications involve multiple owners, and the majority is submitted by mail, the ability to have an authorization signed by the relevant person will be less efficient. By including vehicle-related transactions in this new provision it is possible the non-military owner will mistakenly sign the authorization, or the wrong owner information mistakenly will be sent to ODVA. If the opportunity was available only in one-on-one transactions (driver license and ID card issuance and renewal), the military person him- or herself would necessarily be present for the required signature as well as to immediately receive information about the opportunity. This change would significantly reduce the cost of the program.

May 23, 2013

Ways and Means Subcommittee on Transportation and Economic Development

Page 2

Estimated costs to implement the A-engrossed bill, with automation up front and less on-going manual work, is \$101,000 for the first biennium and \$34,000 for each additional biennium. If the requirement applied to driver license and ID card transactions only, the cost is estimated at \$78,000 up front and \$3,000 for each biennium thereafter.

Because of space limitations on DMV's current licensing and title and registration applications, it may be necessary to increase the size of these forms to a legal-size document in order to provide space for the member or veteran to indicate interest and permission to obtain veterans' services information. These increased printing costs would be roughly \$20,000 to \$30,000 per biennium.

## **SUMMARY**

The bill requires DMV's to notify ODVA of contact information for members or veterans of the uniformed service if the person authorizes that release. Highway Funds cannot be used to implement or maintain this new process. Limiting this transaction to driver license and ID card transactions only would decrease the cost and increase the efficiency.