

SB 1297 - HB 1316

FISCAL NOTE



Fiscal Review Committee
Tennessee General Assembly

February 15, 2025

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SUMMARY OF BILL: Prohibits the use of a digital driver license and digital photo identification license for the purpose of voting. Regulates the use, retention, and disclosure of data obtained through the use of digital driver licenses by the Department of Safety (DOS) and private contractors, including strictly limiting or prohibiting the capture or retention of certain biometric identifiers and geolocation data. Prohibits a public or private entity from requiring the use of a digital driver license, or from providing preferential services for such use. Revises other provisions related to driver licenses.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Pursuant to Tenn. Code Ann. § 55-50-306, the DOS is authorized to develop a uniform electronic driver license system, for the purpose of authorizing persons to present or submit evidence of a valid driver license in an electronic format, in lieu of a physical license.
- The proposed legislation revises language throughout this section in order to clarify that such licenses may be established and provided in a digital format, rather than an electronic format.
- The DOS is currently in the process of building such a system as part of an ongoing Department initiative.
- All funding for the project is being facilitated through the use of federal funds that were received through the congressional *American Rescue Plan Act* of 2021. The use of these funds has already been approved and allocated. The DOS does not intend to charge any fees for use of the system.
- The proposed legislation prohibits any data obtained from the use of a digital driver license from being retained for longer than three days, sold, or otherwise provided to any entity other than a law enforcement agency, governmental entity, or pursuant to a subpoena issued by a court. It further establishes the circumstances under which biometric identifiers and geolocation data may or may not be collected and used by the DOS or entities contracting with the department, and the processes for obtaining required consent and for destroying such data.
- The DOS can comply with these data use requirements within existing department resources; any resulting impacts to private contractors will be borne by those private parties.

- The proposed legislation clarifies that the driver license or photo identification license required for voter identification, pursuant to Tenn. Code Ann. § 2-7-112, must be a physical license, rather than evidence of such a license in a digital format.
- Requiring a physical license or photo identification for voting is consistent with current practice; therefore, there will be no significant impacts to state or local entities responsible for the administration of elections.
- Any fiscal impact to state or local government is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, slightly slanted style.

Bojan Savic, Executive Director