

# VINCE FONG

MEMBER FOR THE 32ND ASSEMBLY DISTRICT



## FACT SHEET

### AB 962 – Low-Income ID Card Price Freeze

#### IN BRIEF

California has lost nearly one million low-income people in net migration to other states since 2010.<sup>1</sup>

Assembly Bill 962 will lower the cost of living by decreasing the cost of the low-income identification (ID) card.

Specifically, this bill exempts the low-income ID card application and renewal fee from annual inflation adjustment beginning in 2027.

#### BACKGROUND & ISSUE

California law establishes a \$26 application and renewal fee for an ID card paid to the Department of Motor Vehicles (DMV). The fee for an ID card for inmates and patients at Department of State Hospitals facilities is \$8, the fee for certain individuals who meet low-income eligibility requirements is \$6, and there is no fee for an ID card for seniors and homeless people.

Except for the application and renewal fee for ID cards for inmates and patients at Department of State Hospitals facilities, these fees are adjusted annually by the DMV according to the California Consumer Price Index in amounts greater than 50 cents rounded to the next highest dollar. Over the past several years, the low-income application and renewal fee for an ID card has risen 67 percent to \$10. In the last year alone, this fee has increased by 11 percent.

An applicant's eligibility for a low-income ID card must be determined by a governmental or nonprofit entity, and they must have a current income level that meets the eligibility requirements for one of a variety of assistance programs, including the

California Work Opportunity and Responsibility to Kids Act or the Supplemental Nutrition Assistance Program. If eligible, the program will give applicants a completed Verification for Reduced Fee Identification Card (DL 937) form to take to a DMV office.<sup>2</sup>

Applicants for low-income ID cards are financially strained, making even small increases to everyday products unaffordable. Low-income Californians are already struggling to endure the impacts of a worsening affordability crisis and record high inflation, and this fee will only continue to rise as inflation climbs higher.

#### SOLUTION

As more low- and middle-income Californians leave this state for those with lower costs of living, action is needed to make California more affordable for those who are bearing the brunt of the recent economic downturn.

By exempting the low-income ID card application and renewal fee from annual inflation adjustment, AB 962 will deliver needed financial relief to low-income Californians.

#### SUPPORT

Pending

#### CONTACT

Andrew Nickens, Fellow

[Andrew.Nickens@asm.ca.gov](mailto:Andrew.Nickens@asm.ca.gov)

916-319-2032

<sup>1</sup> <https://www.ppic.org/blog/whos-leaving-california-and-whos-moving-in/>

<sup>2</sup> <https://www.dmv.ca.gov/portal/driver-licenses-identification-cards/identification-id-cards/>