**BILL ANALYSIS**

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| Senate Research Center | H.B. 273 |
| 87R2255 AJZ-D | By: Canales (Hinojosa) |
|  | Transportation |
|  | 5/17/2021 |
|  | Engrossed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Today, almost no one leaves home without their smartphone. Increasingly, Texans are relying on their cell phones and not carrying their wallets. Texans are used to interacting with technology in their daily lives and have come to expect the same level of innovation from Texas driver's license and personal identification cards.

H.B. 273 amends Chapter 526 of the Transportation Code to require the Department of Public Safety of the State of Texas by rule to establish a pilot program for the issuance of digital driver's licenses and digital personal identification certificates.

H.B. 273 amends current law relating to the establishment of a pilot program for the issuance of digital identification.

**RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Department of Public Safety of the State of Texas in SECTION 1 (Section 526.002, Transportation Code) of this bill.

**SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subtitle B, Title 7, Transportation Code, by adding Chapter 526, as follows:

CHAPTER 526. DIGITAL IDENTIFICATION PILOT PROGRAM

Sec. 526.001. DEFINITIONS. Defines "department," "driver's license," and "digital identification."

Sec. 526.002. DIGITAL IDENTIFICATION PILOT PROGRAM. (a) Requires the Department of Public Safety of the State of Texas (DPS) by rule to establish a pilot program for the issuance of digital identification.

(b) Requires DPS, in establishing the digital identification pilot program, to:

(1)  assess existing DPS infrastructure and identify changes required to implement the program;

(2)  upgrade DPS infrastructure according to the DPS's findings under Subdivision (1);

(3)  acquire a mobile application that:

(A)  displays digital identification that includes the information described by Section 521.121(a) (relating to requiring that a driver's license include certain information) on a wireless communication device;

(B)  includes an authentication and verification process for a wireless communication device; and

(C)  may be used in any location regardless of the location's level of wireless connectivity or cellular telephone service;

(4)  deploy the digital identification mobile application at no cost to focus groups for testing and evaluation; and

(5)  implement a law enforcement version of the application for field testing.

(c) Prohibits digital identification issued under this section from being used or accepted as valid proof of identification.

(d) Authorizes DPS to contract with a third party to establish the pilot program described by this section if the contract is at no cost to DPS.

(e) Requires DPS to prepare a report containing the results of the pilot program and the department's recommendations. Requires DPS to submit the report to the Public Safety Commission and the legislature not later than the 180th day after the date of completion of the pilot program.

Sec. 526.003. EXPIRATION. Provides that this chapter expires September 1, 2023.

SECTION 2. Requires DPS, not later than February 1, 2022, to adopt the initial rules for the digital identification pilot program under Chapter 526, Transportation Code, as added by this Act.

SECTION 3. Effective date: upon passage or September 1, 2021.