

BILL ANALYSIS

H.B. 3426
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Homeland Security, Public Safety & Veterans' Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

As technology advances, digital identification options have become increasingly relevant and widely used. According to TSA, many states have implemented or are exploring digital driver's licenses and identification certificates to offer greater convenience, security, and accessibility for residents. Digital credentials can streamline identity verification, reduce fraud, and provide a modern alternative to traditional physical cards. However, the bill author has informed the committee that Texas currently lacks a comprehensive framework for issuing and regulating digital driver's licenses, commercial driver's licenses, and personal identification certificates. H.B. 3426 seeks to establish such a legal framework for the issuance of digital driver's licenses and identification certificates and ensure that Texans have access to a secure, state-approved digital identification option while maintaining the integrity of the licensing system.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Department of Public Safety in SECTION 1 of this bill.

ANALYSIS

H.B. 3426 amends the Transportation Code to require the Department of Public Safety (DPS) to issue a digital version of a driver's license, a commercial driver's license, and a personal identification certificate and to authorize DPS to adopt rules necessary to administer the bill's provisions relating to such digital identification. The bill subjects a digital driver's license, commercial driver's license, or personal identification certificate to state laws applicable to a physical license or certificate, except as otherwise provided by the bill or other law. For purposes of the Motor Vehicle Records Disclosure Act, a motor vehicle record includes a record that pertains to a digital driver's license or commercial driver's license.

H.B. 3426 requires such a digital license or certificate to be a data file available on any wireless communication device through an application that is capable of being downloaded onto the device. The bill requires the digital license or certificate to be accessible regardless of the availability of an Internet network or commercial mobile service on the wireless communication device after the appropriate application is downloaded and to include the following:

- the information required to be included on a physical license or certificate;

- an authentication and verification process for a wireless communication device that satisfies the requirements of the International Organization for Standardization ISO/IEC 18013-5 or a comparable or successor standard designated by DPS rule; and
- for a digital driver's license or commercial driver's license, an indication of the current status of the license.

The bill authorizes DPS by rule to prescribe the appearance, format, and orientation of a digital license or certificate, the data included in the license or certificate, and methods of authentication for the license or certificate.

H.B. 3426 authorizes DPS to charge a fee for the issuance of a digital license or certificate in an amount necessary to cover the costs of administering the bill's provisions. The bill requires DPS by rule, subject to the requirements under the Motor Vehicle Records Disclosure Act, to adopt measures to ensure data privacy for data associated with the digital licenses and certificates.

H.B. 3426 expressly does not affect the authority of a peace officer or any other person to require an individual to provide a physical driver's license, commercial driver's license, or personal identification certificate. The bill establishes that the presentation by a person on a wireless communication device of their digital identification does not constitute effective consent for a peace officer or any other person to access the contents of the person's device, except to view the digital identification.

H.B. 3426 authorizes a person to accept digital identification issued under the bill's provisions as evidence of another person's identity in the same manner as a physical driver's license, commercial driver's license, or personal identification certificate. However, the bill prohibits the use of such digital identification for voting purposes. A digital copy, photograph, or image of a driver's license that is not downloaded and displayed through the application as provided by the bill is not a valid digital driver's license.

H.B. 3426 specifies that for purposes of the bill's provisions, a "commercial driver's license" includes a commercial driver's license and a commercial learner's permit. The bill defines those two terms, as well as "driver's license" and "personal identification certificate," by reference to the statutory provisions under which physical versions of the respective identification type are issued. The bill also defines "wireless communication device" as a device that uses commercial mobile service, as defined by applicable federal law.

If before implementing any provision of the bill DPS determines that a waiver or authorization from a federal agency is necessary for the implementation of that provision, DPS must request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

EFFECTIVE DATE

September 1, 2025.