

EXECUTIVE SUMMARY

Introduction

This report presents results of a study conducted by the Virginia Department of Motor Vehicles (DMV) of the various components in the process for issuing driver's licenses and photo identification (ID) cards. The study was conducted in response to a mandate issued by the 2002 General Assembly, pursuant to HB 638 and SB 162 which provide that the Commissioner of DMV is to:

"....no later than December 1, 2002, make a report to the Chairman of the Senate Transportation Committee and the Chairman of the House Transportation Committee regarding the need for further modification or enhancement to the identity and residency requirements in the application process for Virginia driver's licenses, commercial driver's licenses, learner's permits, temporary driver's permits and special identification cards. The Commissioner's report shall include but not be limited to the feasibility and effectiveness of any proposed modifications or enhancements to the application process, the advisability of imposing a legal presence requirement for the issuance and continued possession of such DMV-issued documents, and the details, status and implications of federal statutes, regulations, and pending legislation addressing uniform standards among the states for issuance of DMV documents"

These bills were enacted and the study was mandated by the General Assembly following the events of September 11, 2001 and as a result of heightened concerns regarding the security and integrity of driver's licenses and ID cards and the processes utilized to issue these documents.

In the past the sole purpose of the driver's license was to provide certification that the license holder had acquired the requisite knowledge and skills needed to safely operate a motor vehicle on public roads. Today, however, state-issued driver's licenses and ID cards have become one of the most prevalent and widely used forms of identification in the nation. In fact, the driver's license is probably used more often to prove identity than to prove one's ability to drive safely. Both the public and private sectors have come to rely on a driver's license or ID card issued by DMV as secure proof of identity. Holding one of these credentials provides access to an ever-increasing number of privileges and services, from obtaining credit to cashing checks, from buying or leasing cars to boarding airplanes. The importance of holding a driver's license or ID card issued by DMV has, in turn, led to an increase in demand for these documents and an increase in the use of these documents to commit identity fraud and identity theft.

The issues surrounding the security and integrity of driver's licenses and ID cards are issues that are not restricted to Virginia DMV-issued documents. Virtually every state in the nation is struggling to balance the issues associated with document security against issues associated with the economy and transportation safety. In addition, federal legislators have made driver's license and ID card security a focus of numerous federal bills, which, collectively, address a wide variety of issues associated with the issuance and appropriate use of these documents.

The Study

This study, in essence, represented a continuation of the study initiated by the agency prior to September 11, 2001 in response to concerns that DMV-issued documents had become the targets of abuse and fraud. In conducting this study, the agency first identified the major components of the issuance process for driver's licenses and identification cards: the application process; review of documentation supporting information provided in the application process; physical security and integrity of the DMV document, once issued, and employee safeguards. Weakness in any one or more component(s), regardless of the strength demonstrated in other components, potentially jeopardizes the integrity and security of the entire issuance process.

Once DMV identified the major components in the issuance process, the agency employed a variety of measures to gather information and assess the effectiveness of agency processes and procedures for each component. Means of gathering information and conducting assessments for the study included a survey of employees, comparative reviews of other states practices with regard to proof of identity and residency, pilot tests of technology-based tools, public meetings and the implementation of a task force, the Virginia DL/ID Task Force. In addition to the assessment, DMV also investigated various options for enhancement to each component of the process for issuing driver's licenses and ID cards.

The agency also examined the feasibility of imposing two new requirements in the issuance of driver's licenses and ID cards, proof of legal presence and the collection of biometrics. Information concerning the imposition of a legal presence and biometric requirement in other states was gathered by means of a survey, which was distributed to key motor vehicle administrators in each state and the District of Columbia. In addition, the agency examined the potential impacts on applicants of imposing a legal presence or biometric requirement, primarily using input gathered from public meetings and the Virginia DL/ID task force. Finally, DMV assessed the fiscal impacts that would be incurred by the agency and the staffing adjustments that would be required, should a legal presence or biometric requirement be implemented.

DMV also examined various developments in federal law as well as national policies pertaining to the issuance of driver's licenses and ID cards. The agency found that several federal bills have been introduced which address requirements or standards for state-issuance of driver's licenses and ID cards. In addition, several key organizations, including the American Association of Motor Vehicle Administrators, the National Governor's Association and the National Conference of State Legislators are examining issues concerning the security and integrity of state-issued driver's licenses and will likely propose and develop policies and other measures to that will provide enhancements to the process for issuing these documents.

Recommendations

Based upon the information gathered by the agency, the following are DMV's recommendations regarding enhancement to the process for issuing Virginia driver's licenses and

ID cards:

- Legislative amendments to the Code of Virginia which would provide the same treatment to offenses involving the provision of false information during the application process for a Virginia driver's license or ID card as the treatment that is afforded the offense of wrongfully obtaining these documents, by reclassifying these offenses as class 6 felonies;
- Legislative amendment which would mandate that an applicant surrender any other states' driver's licenses held by the applicant, as a condition of obtaining a Virginia driver's license;
- Legislative amendment(s) to permit release or submission of applicant information to administrators of information databases or systems for the sole purpose of verifying the information so submitted;
- Amendment of the Code of Virginia to provide for a definition of residency for purposes of issuing driver's licenses and ID cards;
- Amendment to statutes pertaining to freedom of information to protect information concerning the production and security of DMV-issued documents that is deemed confidential and necessary to assist in the prevention of the production of counterfeit documents.
- No amendment to the Code of Virginia that would require applicants for driver's licenses and ID cards prove that their presence in the U.S. is lawful or to require that expiration of the documents be tied to the duration of an applicant's legal presence.
- No reenactment of HB 637 (Acts of Assembly, Chapter 412) which provided for exchange of information between certain federal agencies and the Department of Motor Vehicles and the Department of State Police, to prevent issuance of driver's licenses and ID cards to persons who are not lawfully present in the U.S.
- Enabling legislation in the 2003 or 2004 session of the General Assembly which would mandate collection of biometric information by DMV as a prerequisite to issuing a driver's license or ID card, to be initiated no later than 2006. DMV does not recommend specification of a particular biometric at this time, but would recommend that the agency be permitted to review trends and developments over the next several months to determine the most appropriate methodology. Appropriations will be necessary.

Conclusion

It is clear that no single solution exists to solve the security issues presented by the issuance of driver's licenses and ID cards. Rather, enhancement to the process will involve a multitude of integrated approaches that will require years and significant funds to implement.