

# REAL ID Act of 2005 Federation of States

February 5, 2007



California - Iowa - Massachusetts - New York



# Federation of States



California:

**George Valverde  
Bernard Soriano**

Iowa:

**Terry Dillinger**

Massachusetts:

**Anne Collins  
David Lewis**

New York:

**Renato Donato  
John Hilliard**

Vermont:

**Bonnie Rutledge**

Texas:

**Judy Brown**

American Association of Motor Vehicle Administrators:

**Philippe Guiot**

Department of Homeland Security:

**Darrel Williams  
Toby Levin  
Dan Greenwood (Contract  
Facilitator)**



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- Group convened to recommend a system that can be implemented by May 2008 to address national DL/ID data exchange requirement
  - One driver – One record – One license
- Privacy protection and security of personal information
- Integration/use of disparate verification systems
- Safe Harbor: Certification granted to states meeting Federation standards
- Work Products
  - Privacy Framework
  - Three Phased Approach
  - Governance Framework



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## ■ Technical Recommendation

- Three phased approach with an end result of a fully integrated system
- Expand and utilize the DOT's Commercial Driver License Information System (CDLIS)
- Recommendation driven by constraint of having a national system in place by May 2008
- Allow time for state legislation and business process changes
- Recommendation in December and is currently under DHS review
- AAMVA/Federation completing a revised proposed approach



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## ■ State Implementation Challenges

- States reluctant to move absent published regulations
- Minimal federal funding to date (\$40M is inadequate)
- State acceptance of Real ID Act
- State consensus on solution
- Privacy and security of confidential information
- Re-enrollment issues and costs
- Competing resources
- Conforming state legislation required to implement Real ID provisions
- Total costs: State, Local, Business, Citizen



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## ■ State Implementation Challenges (cont.)

- Extensive business process changes required
- Start-up and on-going costs for processing and issuing Real ID documents
- Undocumented immigrants
- Quality and consistency of state data
- Anticipated physical security features
  - Card security features
  - Display of residence address
- Public outreach



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## ■ Federal Challenges

- Lack of federal funding
- Lack of DHS decision on system approach
- Need action now to deploy "something" in May 2008
- Definition of compliance/Safe Harbor concept for states
- Privacy and security
  - Inconsistent state privacy/security laws
  - Limit access and data aggregation
- Inconsistency in federal systems (full legal name, for example)
- Lack of data quality in federal verification systems (SAVE and SSA for example)
- Unavailability of some verification systems nationally (Passport for example)
- States opting out of compliance with Real ID Act
- Publication of regulations



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## ■ OMB Challenges

- **Published regulations will have a profound impact on how, if, and when States can implement Real ID.**
- **Impossible to meet all known Real ID provisions by May 2008. Compliance must be defined.**
- **State concerns need to be strongly considered and incorporated into the published regulations and must play an important role in governance.**
- **Reasonable regulations needed to ensure successful implementation.**
- **Federal funding to states needs to be identified.**
- **All federal systems must be consistent (SAVE, SSN, etc.).**





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# Questions

# REAL ID Act of 2005 Federation of States

December 20, 2006



California - Iowa - Massachusetts - New York



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California: Bernard Soriano

Iowa: Terry Dillinger

Massachusetts: Anne Collins  
David Lewis

New York: State Senator Michael Balboni  
Clayton Kolb  
Renato Donato  
John Hilliard

Department of Homeland Security: Jonathan Frenkel  
Toby Levin  
Eric Mosier (DHS resource)  
Dan Greenwood (Contract  
Facilitator)



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- Formed in June 2006
- Weekly conference calls
  - Department of Homeland Security
  - Department of Transportation
  - Privacy Work Group
- In-person meetings
  - Washington, D.C.
  - New York City
  - Vienna, VA
- Formal input from industry and trade organizations
  - American Association of Motor Vehicle Administrators (AAMVA)
  - National Association of State Chief Information Officers (NASCIO)
  - National Electronic Commerce Coordinating Council (NECCC)
  - Information Technology Association of America (ITAA)



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- Group convened to recommend a system that can be implemented by May 2008 to address national DL/ID data exchange requirement
- Recommendation to be completed by November 2006
- Safe Harbor: DHS agrees to grant certification to states meeting Federation standards
- Focus also on protecting privacy and security of personal information
- Work Products
  - Privacy Framework
  - Three Phased Approach
  - Governance Framework



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## ■ Technical Recommendation

- Three phased approach
- Expand and utilize the DOT's Commercial Driver License Information System (CDLIS)
- Recommendation driven by constraint of having a national system in place by May 2008



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## Phase I

- Include non-CDL and ID card holder information
- Allow jurisdictions to search database prior to issuing a new DL or ID card
- Utilize digital image exchange to resolve positive matches
- SSOLV system setup for remaining 5 states and 4 jurisdictions
- Re-enrollment provision: Grandfather previously validated cardholders (10 yr DL with valid SSA check)
- Four key provisions of the Act are met:
  - Refuse to issue a DL or ID to a person holding a DL or ID from another state
  - Confirm with SSA the validity of SSN
  - Subject each applicant to a facial image capture
  - Establish a procedure to confirm/verify applicant's information



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## Phase I Challenges

- Need decision by January 2007 to have system in place by May 2008
- Costs:
  - AAMVA \$10.7M one-time, \$17M on-going
  - States \$33M (Est.)
- DOT concern with CDLIS modernization impact





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## Phase II

- Leverage ongoing CDLIS modernization effort started under the "Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users" (SAFETEA-LU)
- Modernize messaging infrastructure to allow for efficient communication between jurisdictions and other verification systems (SAVE, passport verification system, etc.)
- Maintain a single system to manage CDL, non-CDL, and ID
- New modernized CDLIS/DRIVERS system scheduled to replace current CDLIS in 3Q 2010
- Unmodified CDLIS modernization scheduled to be completed in 2Q 2009



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## Phase III

- Integrate verification systems into modernized architecture deployed in Phase II
- Verification of U.S. passports with the Department of State
- Verification of legal presence with the SAVE system
- Verification of birth records with Electronic Verification of Vital Events (EVVE) system
- Possibility exists to have verification systems available before completion of CDLIS/DRIVERS



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## Phase II & III Challenges

- Decision to move forward needed by January 2007
- Costs:
  - AAMVA Phase II - \$20.5M one-time  
Phase III - \$4.3M one-time  
On-going: \$17M (Est.)
  - States \$1.6M/state (Est.)
- Incorporating Real ID will delay CDLIS modernization by 1 year



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## ■ State Implementation Challenges

- No federal funding to date
- States reluctant to move absent published regulations
- State acceptance of Real ID Act
- State consensus on solution
- Re-enrollment issues and costs
- States will have to modify CDLIS system twice (once for Real ID and again for SAFETEA-LU)
- Competing resources



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## ■ Federal Challenges

- DHS concurrence and approval
- Federal funding
- Need action now to meet 2008 deadline
- DOT approval of using CDLIS
- Safe Harbor concept for states
- State compliance with Real ID Act
- Publication of regulations



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- Recommendation is the only known solution that can meet 2008 deadline
- If the 2008 implementation date is changed, a more comprehensive solution exists – the modernized CDLIS/DRIVERS system



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- Next phase:
  - Finalizing governance: Exploring options such as DLA
  - Gaining support from additional states
  - Developing a communications and outreach strategy
- Cost:
  - \$1M to keep effort moving (Federation)
  - \$7.5M for Phase I & II (AAMVA)



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# Questions



## Federation Member Bios

### **Bernard Soriano, Director and Chief Information Officer, California Department of Motor Vehicles**

Bernard C. Soriano is the Deputy Director and Chief Information Officer (CIO) for the California Department of Motor Vehicles. In this role, he is responsible for the department's technical assets and operations. He has held this position since July 2004. Dr. Soriano's previously held engineering and management positions at Hughes Space and Communications, Inc. in Los Angeles, where he designed satellite control systems. In addition, Dr. Soriano was the technology task force leader for Governor Schwarzenegger's California Performance Review. Dr. Soriano is on the faculty at California State University, Sacramento, where he teaches in the College of Engineering and the College of Business Administration. He holds a Ph.D. in Engineering from U.C. Irvine, an M.B.A. in Finance from CSU, Sacramento, an M.S. in Mechanical Engineering from the University of Southern California, and a B.S. in Mechanical and Aeronautical Engineering from U.C. Davis. He was a Lieutenant in the U.S. Navy Reserve and was a finalist in the NASA astronaut program.

### **Ricardo (Rick) Vargas, REAL ID Project Director, California Department of Motor Vehicles**

Ricardo O. Vargas is the REAL ID Project Director for the State of California. In this role, he serves as the primary contact with the Director of the California DMV and the Governor's Office on matters relating to the project including, IT portfolio priorities, budget, policy, project development, implementation and management and communication with local, state, and federal government agencies, national organizations and law enforcement. Mr. Vargas previously served as the Deputy Secretary for the California Business, Transportation, and Housing Agency. During his tenure, he served as the National Governors Association representative to the Marine Transportation System National Advisory Council responsible for developing federal policy (SEA-21) for goods movement, and as a Commissioner on the California Coastal Commission. Prior to this, Mr. Vargas also held other positions with the State including, Chief of the Administrative Services Division for the California Highway Patrol, senior program manager for the California Transportation Commission and budget analyst for the California Department of Finance.

### **George Valverde, Director, California Department of Motor Vehicles**

Governor Arnold Schwarzenegger appointed George Valverde as Director of the Department of Motor Vehicles (DMV) on March 23, 2006. The American Association of Motor Vehicle Administrators (AAMVA) International Board of Directors and the AAMVA Executive Committee elected George to serve in the office of Secretary for 2006-2007, International Vice-Chair for 2007-2008, and the International Chair for 2008-2009. In addition to being an active member of the International Board of Directors, George also serves as Vice-President of Region IV, AAMVA. George has been in public

service for more than 30 years, focusing on operations and budget issues. He is committed to building on the department's recent successes in streamlining operations and creating a more customer friendly DMV. Prior to his DMV appointment, he served as Undersecretary of the State and Consumer Services Agency since 2004 and was previously Deputy Secretary for Fiscal Operations from 1995 to 2003. George also served at the Department of Finance as an assistant program budget manager in the Capitol Outlay Unit from 1990 to 1995; principal budget analyst from 1985 to 1990; and as a budget analyst from 1981 to 1985. George has earned a masters degree in Public Administration and a Bachelor of Arts degree from the University of California, Riverside, and has also attended the Harvard University's John F. Kennedy School of Government Program for Senior Executives in State and Local Government.

**Terry Dillinger, Director of Driver Services, Iowa Department of Transportation**

Terry Dillinger is the Director of Driver Services for the Iowa Department of Transportation. Terry has 28 years of experience with Iowa's driver license program and has served as Director since 1990. His primary responsibilities include driver testing and license issuance, driver records, problem driver remediation, crash data and Iowa's roadside data collection initiative. Terry has worked to improve communications and encourage the effective use of technology to support motor vehicle business functions both within Iowa and nationally. He has been active in driver license/ID card standards, state implementation of AAMVA driver license information systems including the Commercial Driver License Information System and the National Driver Register's Problem Driver Pointer system. Terry has actively participated in the motor vehicle community's identification security initiative and is currently a member of AAMVA's Real ID Steering Group.

**Anne L. Collins, Registrar of Motor Vehicles, Commonwealth of Massachusetts**

Anne L. Collins was appointed Registrar of Motor Vehicles by Massachusetts Governor Mitt Romney. In that capacity she sets policy and leads an agency of over 800 employees with 39 offices. In FY 06 the Massachusetts RMV served over 3.6 million customers in branches with an average wait time of ten minutes, 1.2 million customers over the telephone and had over 4 million website visitors. The Massachusetts RMV collects over \$1.2 billion annually in revenue and has an operating budget of \$57 million. Prior to becoming Registrar, Anne was the Director of Professional Licensure for Massachusetts regulating over 500,000 licensings in over 40 professions ranging from architects to veterinarians. Anne is a graduate of Trinity College in Hartford, CT and Northeastern University School of Law in Boston, MA.

**David Lewis, Former Massachusetts Chief Information Officer**

David Lewis is currently an independent consultant assisting the Massachusetts Registry of Motor Vehicles with a Business Process Re-Engineering effort as a prelude to the replacement of all of their automated systems. Lewis worked for the Commonwealth of

Massachusetts for 31 years, most recently as the Chief Information Officer and the Director of the Information Technology Division. During his tenure, the Commonwealth's e-government portal for the purpose of providing customer-centric integrated services was established. Prior to working as the state's CIO, he was the Senior Deputy/CIO for the Registry of Motor Vehicles responsible for most of the business processes in addition to IT. During that time, he was also active chairing committees that implemented the Commercial Driver's License nationally and established standards for the peer-to-peer electronic exchange of driver license records and a national network to support this effort (AAMVAnet).

**Senator Michael Balboni, State Senator, New York**

New York State Senator Michael Balboni represents the 7<sup>th</sup> Senate District located in Nassau County. He was elected to the Senate in 1997, and is now serving his 5<sup>th</sup> term. Previously he served in the State Assembly for eight years. He is the Chairman of the Senate Committee on Veterans, Homeland Security, and Military Affairs. This year, Senator Balboni was appointed to the State and Local Officials Senior Advisory Committee (SLSAC) of the United States Homeland Security Advisory Council. Prior to Senator Balboni's involvement with the Real ID "Federation of States," he was a member of the rulemaking committee established by The Intelligence Reform and Terrorism Prevention Act of 2004 as the representative of the National Conference of State Legislators (NCSL). This committee was working to determine national standards for state identification cards and state drivers' licenses prior to the Real ID Act becoming law. Senator Balboni was also a member of the Real ID State Working Group formed by DHS in August of 2005.

**Renato Donato, Jr., Executive Deputy Commissioner, New York Department of Motor Vehicles**

Renato (Ren) Donato, Jr., was appointed Executive Deputy Commissioner of the Department of Motor Vehicles on April 5, 2001. He previously served as Deputy Secretary of State for Business and Licensing where he administered the Department of State's licensing and regulating functions. He has also served as Assistant Secretary of State of Business and Licensing. Mr. Donato was Director of the Vice Chairman's Legislative Commission on Public Management Systems, chaired by NYS Senator Owen H. Johnson. Previously, Mr. Donato was the NYS Assembly Minority Leader's representative in the Mid-Hudson region of New York State. He later became Manager of Field Communications for the NYS Assembly Minority Leader. Earlier in his career, Mr. Donato served as Legislative Assistant and later as Legislative Director to NYS Congressman Donald J. Mitchell.

**John C. Hilliard, Deputy Commissioner for Operations and Customer Service, New York Department of Motor Vehicles**

John C. Hilliard was appointed Deputy Commissioner for Operations and Customer Service in April 1998. Among other responsibilities, Mr. Hilliard has responsibility for

all motor vehicle issuing offices throughout New York State; Upstate and Downstate Call Centers; Document Production Bureau; and Insurance Services Bureau. Prior to his joining the Department of Motor Vehicles, Mr. Hilliard was the Columbia County Clerk, first taking office in January 1988, and serving through April 1998. He also served as Columbia County Commissioner of Jurors, a position he held concurrently from 1988 through 1998. Additionally, Mr. Hilliard served as Records Management Officer for Columbia County.