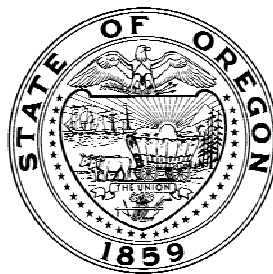


Governor's State-Issued ID Task Force

Report to the Governor

August 2006



Criminal Justice Commission

State of Oregon

Background

In October of 2005, Governor Kulongoski created the State-Issued ID Task Force to determine what can be done to reduce the incidence of Oregon driver licenses and ID cards being used in criminal activities such as identity theft and identity fraud.

The Task Force, representing all Oregon law enforcement agencies and the Oregon DMV, met to discuss current issuance procedures, future changes anticipated from state and federal legislation, and ways that law enforcement can assist DMV. The group focused on whether adequate safeguards are in place to address the growing use of Oregon driver licenses and ID cards to commit identity theft and identity fraud. Identity theft and credit card fraud are major problems within Oregon and elsewhere in the United States.

The members of the Task Force were:

Gerry Gregg, Oregon State Police, Chair
Jason Bledsoe, Oregon State Police
Brad Berry, Yamhill County District Attorney, ODAA Representative
Raul Ramirez, Sheriff, Marion County, OSSA Representative
Larry Kanzler, Chief, Milwaukie Police Dept., OACP Representative
Lorna Youngs, DMV Administrator
Michael Ward, DMV Field Services Manager
Thomas McClellan, DMV Program Services Manager
Robin Freeman, ODOT Legislative Liaison

The Task Force met in October and November 2005, and January, February, March, April, May, June and July 2006 to discuss the issues outlined below, DMV's current efforts to resolve the identified problems, DMV's efforts to implement the Real ID Act and SB 640 and to propose solutions to ongoing problems regarding state-issued identification and fraud.

The Task Force heard stories about people coming to Oregon from other states and using fraudulent residency documents to prove eligibility for an Oregon driver license. In some cases, these fraudulent residency documents were accepted by private testing services to obtain certificates that were then accepted at DMV offices in lieu of drive tests conducted by state employees. Evidence also was provided that advertisements were appearing in various languages in East Coast newspapers encouraging people to buy their services and obtain a valid Oregon driver license.

Members of the Task Force also met with Deputy Attorney General Pete Shepherd from the Department of Justice. Mr. Shepherd provided the Task Force with an assessment of the legal issues surrounding the Robleto case in Washington County, which guided the Task Force's discussion of possible legislative and procedural changes.

History of Issues addressed by Task Force

Most state motor vehicle agencies require three types of documents that must be approved before issuing a driver license: 1) Resident Address; 2) Identity; and 3) Legal Status (or "legal presence").

Oregon law does not require people to prove "legal presence" as part of the eligibility process. This causes Oregon's list of acceptable identity documents to be more inclusive than other states because we can't limit it only to documents available to U.S. citizens and others in the country legally. Consequently, some documents that are more easily counterfeited (or more easily obtained fraudulently) are accepted in Oregon.

This has led to Oregon becoming a magnet for people here illegally who find it increasingly difficult to obtain a driver license in other states. This increases the risk that DMV will issue DL/ID cards to people who aren't who they say they are, and that more "fraudsters" will come to Oregon from out of state.

Also, as the Task Force met, prosecutors were going to court against three Hillsboro brothers accused of helping thousands of non-residents fraudulently obtain Oregon driver licenses. The brothers owned and operated Class C drive testing companies that were under contract with the Oregon DMV as 3rd-party testers/examiners. Eight other people had pled guilty to charges such as racketeering and forgery.

None of the brothers were convicted of the charges, but the cases served as a backdrop for discussions about the ease with which non-residents can prove residency. Several employees and associates admitted to making and selling postmarked envelopes to out-of-state customers who inserted their own names above the Oregon addresses. They then used the postmarked mail as proof of residency to apply for Oregon driver licenses and identification cards. The scheme was proven, but the suspects were not tied directly to the scheme.

The issues surrounding the issuance of these licenses and proposed remedies were discussed extensively during the initial meetings.

Other issues discussed were as follows:

1. The ease with which applicants could present fraudulent residency documents to both the 3rd Party testers and DMV field offices and then be issued an Oregon Driver's License or ID.
2. The possibility of DMV employees assisting applicants by accepting fraudulent documents to get Oregon Driver's Licenses.
3. The problem of document "shopping" where an applicant who is refused an Oregon Driver's License because of concerns about the validity of documents merely goes and applies at another field office without a 'red flag' on file..
4. The problem of the large number Oregon Driver's Licenses in circulation, even though DMV may have been provided false evidence of residency.

As a part of the Task Force process DMV outlined the efforts it was taking to minimize the incidents of fraudulent ID. These include:

1. Ending the “3rd Party Tester Program” in October, 2003.
2. Eliminating cancelled personal mail as evidence of Oregon residence address.
3. Expanding the background check program for people being hired by the DMV.
4. Creating a “Field Emergency Warning System” (FEWS) to deter ID applicants from ‘shopping’ their fraudulent documents between field offices.
5. Sending letters to approximately 11,000 people who received test completion certificates in 2003 from DME or Catt’s Testing to obtain an Oregon Driver’s License. (They will have 30 days to present residency documents to DMV or their driving privileges will be cancelled.)
6. Implementing procedural changes due to an Internal Audits report in 2003. (In 2004 DMV made significant changes to what is accepted as proof of identity and address.)
7. Providing tools such as black lights, magnifying glasses, and Docutector to all field employees in 2004.
8. Providing fraudulent document recognition training to all field office employees in 2004 and 2006.
9. Implementing additional checks and balances and other internal controls to reduce the likelihood of internal fraud.
10. Establishing a Fraud Prevention Unit that includes a part-time investigator who’s a retired OSP detective.
11. Strengthening policies and procedures for reporting suspected DMV-related fraud committed by employees and customers.
12. Partnering with Marion County Sheriff’s Office to create a form and procedure on the handling of DL/ID cards they confiscate. (That form and procedure have been sent to OSP and local Law Enforcement agencies for their use.)

Recommendations

1. The Governor should support the full implementation of SB 640, which creates 'biometric' standards for Oregon State-Issued Identification (Appendix "A"). The Governor should also support Oregon's adoption of the Federal "Real I.D. Act", which changes the minimum document requirements and issuance standards for federal recognition of state-issued I.D. (Appendix "B"). The Governor should also provide support for DMV's 2007 – 2009 Policy Option Packages, which include funding and staffing for both measures.

Rationale:

The Task Force agrees that the full implementation of these acts will resolve the vast majority of problems surrounding Oregon's State-Issued I.D.

2. Biometric requirements created in SB 640 for Oregon I.D. are a good step toward better identity verification, but other "best practices" to eliminate fraud should be explored, including the collection of a fingerprint during the application process.

Rationale:

The Task Force agreed that the biometric measures adopted by the legislature last session are a good start, but more research needs to be done on the best way to insure that there is only one State-Issued Identification issued to each person. One option is to collect fingerprints from applicants as an additional biometric besides using facial recognition technology with digital photos. to confirm that applicants do not have an I.D. issued from another state under a different name. OSSA, ODAA and OACP will actively support this measure.

3. Create legislation to allow DMV employees to hold suspected fraudulent documents for possible action by law enforcement agencies. This was introduced by DMV in the 2005 Legislative session as HB 2108 (Appendix "C") which failed to advance.

Rationale:

Although DMV has implemented the FEWS system to try to warn other DMV field offices of people who had their documents refused at one field office, this system is an e-mail based warning system which may or may not be seen by the staff working the counter. This legislation would close this loophole while still allowing a return of the documents should the applicant return with better documentation of residency.

4. The ODAA, OSSA and OACP will join with DMV to help create a public education campaign to explain the need and benefits of the Real ID Act and SB 640 and to help explain the process to the public.

Rationale:

Law enforcement can better explain to the public the problems, including criminality, associated with the current DMV ID issuance process and how the new procedures will help resolve those problems.

5. Law enforcement and DMV will establish a 'bridge' between local law enforcement and DMV offices to increase cooperation between these agencies and to explain the changing requirements that the Real ID Act and SB 640 will make in the licensing process and to help each group understand the needs of each. OSP will take the lead in facilitating this process.

Rationale:

Both Law enforcement and DMV offices have different missions but both are concerned with public safety. While some DMV offices and local law enforcement agencies have worked closely together it was felt that both groups needed to expand this contact and cooperation throughout the state.

6. Representatives of DMV and state level representatives of law enforcement (OSSA, OACP, ODAA, and OSP) should continue to meet on a regular basis to discuss and resolve statewide policy issues. The Governor's State-Issued ID Task Force should be dissolved.

Rationale:

Although issues surrounding state-issued IDs will continue to arise and law enforcement and DMV will still need to meet to address these issues, this Task Force was created to resolve specific issues surrounding this case and with this report they have either made efforts to resolve the issue or are making recommendations to the Governor and the Legislature that will resolve the issues. The Task Force's work is done.

Appendix A

Senate Bill 640

Sponsored by Senator WINTERS; Senators ATKINSON, BEYER, DEVLIN,
GEORGE, KRUSE, MORSE, B STARR, C STARR, WHITSETT

AN ACT

Relating to security measures for documents issued by Department of Transportation; creating new provisions; amending ORS 807.040, 807.110 and 807.400; repealing ORS 807.162; and limiting expenditures.

Be It Enacted by the People of the State of Oregon:

SECTION 1. { + Sections 2 to 5 of this 2005 Act are added to and made a part of the Oregon Vehicle Code. + }

SECTION 2. { + ' Biometric data' means measurements of the physical characteristics of an individual's face that can be used to authenticate the identity of an individual. + }

SECTION 3. { + (1) A person who applies for issuance, renewal or replacement of a driver license, driver permit or identification card shall submit to collection of biometric data by the Department of Transportation for the purpose of establishing the person's identity. Submitting to collection of biometric data under this section does not excuse a person from responsibility for complying with requirements for proof of identity, age or residence pursuant to ORS 807.050.

(2) For purposes of this section, a person's identity is established if:

(a) The department finds that the biometric data collected as required under subsection (1) of this section match the biometric data that are already in the department's records for that person;
or

(b) The department finds that the biometric data collected as required under subsection (1) of this section do not match biometric data in the department's records for any other person and the department does not otherwise have reason to believe that the person is not who the person claims to be.

(3) If a person's identity is established as described in subsection (2) of this section, the department shall mail the driver license, driver permit or identification card to the address provided by the person when the person applied for the issuance, renewal or replacement of the license, permit or identification card.

(4) If a person's identity is not established as described in subsection (2) of this section, the department shall:

(a) Inform the person who submitted to collection of biometric data that the person's identity was not established; and

(b) Provide the person with the opportunity to establish the person's identity by an alternative method approved by the department by rule.

(5) If a person's identity was not established as described in subsection (2) of this section and the department has reason to believe that the crime of identity theft, as described in ORS 165.800, was committed by the person currently submitting to collection of biometric data or by a person who previously submitted to collection of biometric data under the identity of the person currently submitting to collection of biometric data, the department shall notify a law enforcement agency that has jurisdiction over the crime.

(6) The department by rule shall establish procedures for providing expedited processing of driver licenses, driver permits or identification cards.

(7) The department and employees of the department are immune from liability for any damages resulting from the issuance, renewal or replacement of a driver license, driver permit or identification card under another person's identity if the employee who processed the biometric data for a license, permit or identification card established the applicant's identity as described in subsection (2) of this section. + }

SECTION 4. { + (1) The Department of Transportation shall retain biometric data collected by the department in the course of issuing, renewing or replacing driver licenses, driver permits and identification cards.

(2) The biometric data may not be made available to anyone other than employees of the department acting in an official capacity. + }

SECTION 5. { + (1) In addition to any fee imposed under ORS 807.370 and 807.410, the Department of Transportation may impose a fee for each driver license, driver permit and identification card that is issued, renewed or replaced, for the purpose of covering the costs of purchasing equipment and establishing and maintaining a database used for collecting and verifying biometric data.

(2) A fee imposed under this section may not be more than \$3 per driver license, driver permit or identification card. + }

SECTION 6. ORS 807.040 is amended to read:

807.040. { + (1) + } The Department of Transportation shall issue a driver license to any person who complies with all of the following requirements:

{ - (1) - } { + (a) + } The person must complete application for a license under ORS 807.050.

{ + (b) The person must submit to collection of biometric data by the department that establish the identity of the person as described in section 3 of this 2005 Act. + }

{ - (2) - } { + (c) + } The person must not be ineligible for the license under ORS 807.060 and must be eligible for the license under ORS 807.062.

{ - (3) - } { + (d) + } The person must successfully pass all examination requirements under ORS 807.070 for the class of license sought.

{ - (4) - } { + (e) The person must pay + } the appropriate license fee under ORS 807.370 for the class of license sought { - must be paid - } .

{ - (5) - } { + (f) The person must pay + } the Student Driver Training Fund eligibility fee { - must be paid - } .

{ - (6) - } { + (g) + } If the application is for a commercial driver license, the { - applicant - } { + person + } must be the holder of a Class C license or any higherclass of license.

{ - (7) - } { + (h) + } If the application is for a commercial driver license, the { - applicant - } { + person + } must submit to the department, in a form approved by the department, the report of a medical examination that establishes { - , to the satisfaction of the department, - } that the { - applicant - } { + person + } meets the medical requirements for the particular class of license. The department, by rule, shall establish medical requirements for purposes of this { - subsection - } { + paragraph + }. The medical requirements established under this { - subsection - } { + paragraph + } may include any requirements the department determines are necessary for the safe operation of vehicles permitted to be operated under the class of license for which the requirements are established.

{ - (8) - } { + (i) + } If the application is for a commercial driver license, the { - applicant - } { + person + } must have at least one year's driving experience.

{ - (9) - } { + (2) + } The department shall work with other agencies and organizations to attempt to improve the issuance system for driver licenses.

SECTION 7. ORS 807.110 is amended to read:

807.110. { + (1) + } A license issued by the Department of Transportation shall { - comply with - } { + contain + } all of the following:

{ - (1) - } { + (a) + } { - A license shall bear - } The distinguishing number assigned to the person issued the license by the department.

{ - (2) - } { + (b) + } { - A license shall contain, - } For the purpose of identification, a brief description of the person to whom the license is issued.

{ - (3) - } { + (c) + } { - A license shall contain - } The name, date of birth and, except as provided for officers or eligible employees in ORS 802.250, residence address of the person to whom the license is issued and a space for the person's signature.

{ - (4) - } { + (d) + } Upon request of the person to whom the license is issued, { - a license shall indicate on the license - } the fact that the person is an anatomical donor.

{ - (5) - } { + (e) + } Upon order of the juvenile court, { - a license shall indicate on the license - } the fact that the person to whom the license is issued is an emancipated minor.

{ - (6) - } { + (f) + } Except as otherwise provided in this { - subsection - } { + paragraph + }, { - a license shall bear - } a photograph described in this { - subsection - } { + paragraph + }. The Director of Transportation, by rule, may provide for issuance of a valid license without a photograph if the applicant shows good cause.

The director shall include religious preferences as good cause for issuance of a license without a photograph but shall not limit good cause to religious grounds. A photograph required under this { - subsection - } { + paragraph + } shall:

{ - (a) - } { + (A) + } Be a full-faced, color photograph of the person to whom the license is issued;

{ - (b) - } { + (B) + } Be of a size approved by the department; and { - (c) - } { + (C) + } Be taken at the time of application for issuance of the license whether the application is for an original license, replacement of a license under ORS 807.160 or for renewal of a license under ORS 807.150.

{ - (7) A license is not valid until signed by the person to whom it is issued. - }

{ - (8) - } { + (g) + } { - A license shall indicate - } The class of license issued and any endorsements granted. If the license is a commercial driver license, the words 'commercial driver license' or the letters 'CDL' shall appear on the license.

{ + (2) A license is not valid until signed by the person to whom it is issued. + }

{ - (9) - } { + (3) + } The department shall use { - such - } security procedures, processes and materials in the preparation, manufacture and issuance of any license that prohibit as nearly as possible anyone's ability to alter, counterfeit, duplicate or modify the license without ready detection. The security features used in the production of the licenses shall provide for { + :

(a) + } The { - rapid - } authentication of a genuine document { + in a reasonable time; and

(b) The production of the license only by equipment that requires verification of the identity of the operator of the equipment before a license may be produced + }.

SECTION 8. ORS 807.400 is amended to read:

807.400. (1) The Department of Transportation shall issue an identification card to any person who:

(a) Is domiciled in or resident of this state, as described in ORS 807.062;

(b) Does not have a current, valid driver license; { - and - }

(c) Furnishes such evidence of the person's age and identity as the department may require { - . - } { + ; and

(d) Submits to collection of biometric data by the department that establish the identity of the person as provided in section 3 of this 2005 Act. + }

(2) The department shall work with other agencies and organizations to attempt to improve the issuance system for identification cards.

(3) Every original application for an identification card must be signed by the applicant. The department shall require at least one document to verify the address of an applicant for issuance of an identification card in addition to other documents the department may require of the applicant. If the address of an applicant has changed since the last time an identification card was issued to or renewed for the applicant, the department shall require proof to verify the address of an applicant for renewal of an identification card, in addition to anything else the department may require.

(4) Every identification card shall be issued upon the standard license form described under ORS 807.110 and shall bear a statement to the effect that the identification card is not a license or any other grant of driving privileges to operate a motor vehicle and is to be used for identification purposes only.

The department shall use the same security procedures, processes, materials and features for an identification card as are required for a license under ORS 807.110.

(5) Upon order of the juvenile court, the department shall include on the card the fact that the person issued the identification card is an emancipated minor.

(6) Each original identification card shall expire on a date consistent with the expiration dates of licenses as set forth in ORS 807.130.

(7) Identification cards shall be renewed under the terms for renewal of licenses as set forth in ORS 807.150.

(8) The fee for an original identification card or a renewal thereof shall be the fee established under ORS 807.410. { - In no event shall the issuance or renewal of an identification card be subject to any fee in addition to that set forth in ORS 807.410. - }

(9) An identification card becomes invalid if the holder of the card changes residence address from that shown on the identification card and does not provide the department with notice of the change as required under ORS 807.420.

(10) If a person to whom an identification card was issued and who changes residence address appears in person at a department office that issues identification cards, the department may do any of the following:

(a) Issue a new identification card containing the new address but bearing the same distinguishing number as the old identification card upon receipt of the old identification card and payment of the fee established for issuing a new identification card with a changed address under ORS 807.410.

(b) Note the new address on the old identification card in a manner to be determined by the department.

(11) An identification card becomes invalid if the holder of the card changes the person's name from that shown on the card, including a change of name by marriage, without providing the department with notice of the change as required under ORS 807.420. Upon receiving such notice and the old identification card, the department shall issue a new identification card upon payment of the fee required under ORS 807.410.

(12) In the event an identification card is lost, destroyed or mutilated, the person to whom it was issued may obtain a duplicate or replacement identification card from the department upon furnishing proof satisfactory to the department of such fact and payment of the duplicate or replacement fee under ORS 807.410.

(13) Upon cancellation of an identification card, the card is terminated and must be surrendered to the department. An identification card may be canceled for any of the reasons that driving privileges or a license may be canceled under ORS 809.310. The department may reissue an identification card canceled under this subsection when the applicant has satisfied all requirements for the identification card.

(14) Notwithstanding any other provision of this section, the department may issue an identification card to a person under this subsection without charge when the person surrenders a license or driver permit to the department for reasons described in this subsection. If the department issues an identification card under this subsection, the identification card shall expire at the same time as the surrendered driver license or driver permit would have expired. An identification card issued under this subsection is subject to the same requirements and fees for renewal or upon expiration as any other identification card issued under this section. The department may issue identification cards under this subsection as described under any of the following:

(a) The department may issue an identification card under this subsection to a person who voluntarily surrenders a license or driver permit to the department based upon the person's recognition that the person is no longer competent to drive.

(b) The department may issue an identification card to a person under this subsection when the person's driving privileges are suspended under ORS 809.419 (1). This paragraph only applies if the person voluntarily surrenders the person's license or driver permit to the department as provided under ORS 809.500.

SECTION 9. { + Sections 10 to 12 of this 2005 Act are added to and made a part of the Oregon Vehicle Code. + }

SECTION 10. { + (1) The Department of Transportation shall provide for the issuance of applicant temporary identification cards in a manner consistent with this section.

(2) The department may issue an applicant temporary identification card to an applicant while the department is determining all facts relative to the application for an identification card.

(3) An applicant temporary identification card shall be valid for a period of 30 days from the date issued. The department may extend the term of the applicant temporary identification card for sufficient cause. An extension of the term of the applicant temporary identification card may not

be for more than 30 additional days. An applicant temporary identification card automatically becomes invalid if the applicant's identification card is issued or refused for good cause.

(4) The department may not charge a fee for issuance of an applicant temporary identification card under this section. + }

SECTION 11. { + If an applicant has complied with all requirements for an application for a driver license, driver permit or identification card, the department at the time of application may issue to the applicant:

(1) An applicant temporary driver permit as provided in ORS 807.310; or

(2) An applicant temporary identification card as provided in section 10 of this 2005 Act. + }

SECTION 12. { + Notwithstanding any provision of the Public Contracting Code, the Department of Transportation may, without competitive sealed bidding, competitive sealed proposals or other competition required in ORS 279B.050 to 279B.085, extend or amend any contract related to the security procedures, processes and materials used in the preparation, manufacture and issuance of driver licenses, driver permits and identification cards provided that:

(1) The extended or amended contract is financially prudent; and

(2) The contract is not extended or amended beyond July 1, 2013. + }

SECTION 13. { + Section 11 of this 2005 Act is repealed on July 1, 2008. + }

SECTION 14. { + Section 12 of this 2005 Act is repealed on July 1, 2013. + }

SECTION 15. { + ORS 807.162 is repealed on July 1, 2008. + }

SECTION 16. { + Notwithstanding any other law limiting expenditures, the limitation on expenditures established for the Department of Transportation for driver and motor vehicle services, for the biennium beginning July 1, 2005, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of Transportation, is increased by \$298,000 for the purpose of carrying out the provisions of sections 2 to 5 and 10 to 12 of this 2005 Act and the amendments to ORS 807.040, 807.110 and 807.400 by sections 6 to 8 of this 2005 Act. + }

SECTION 17. { + Sections 2 to 5 of this 2005 Act and the amendments to ORS 807.040, 807.110 and 807.400 by sections 6 to 8 of this 2005 Act become operative on July 1, 2008. + }

SECTION 18. { + The Department of Transportation may take any action before the operative date of sections 2 to 5 of this 2005 Act that is necessary to enable the department to implement sections 2 to 5 of this 2005 Act and the amendments to ORS 807.040, 807.110 and 807.400 by sections 6 to 8 of this 2005 Act on and after the operative date of sections 2 to 5 of this 2005 Act. + }

Appendix B

REAL ID Act of 2005 (Engrossed as Agreed to or Passed by House)

TITLE II--IMPROVED SECURITY FOR DRIVERS' LICENSES AND PERSONAL IDENTIFICATION CARDS

SEC. 201. DEFINITIONS.

In this title, the following definitions apply:

- (1) DRIVER'S LICENSE- The term `driver's license' means a motor vehicle operator's license, as defined in section 30301 of title 49, United States Code.
- (2) IDENTIFICATION CARD- The term `identification card' means a personal identification card, as defined in section 1028(d) of title 18, United States Code, issued by a State.
- (3) SECRETARY- The term `Secretary' means the Secretary of Homeland Security.
- (4) STATE- The term `State' means a State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

SEC. 202. MINIMUM DOCUMENT REQUIREMENTS AND ISSUANCE STANDARDS FOR FEDERAL RECOGNITION.

(a) Minimum Standards for Federal Use-

- (1) IN GENERAL- Beginning 3 years after the date of the enactment of this Act, a Federal agency may not accept, for any official purpose, a driver's license or identification card issued by a State to any person unless the State is meeting the requirements of this section.
- (2) STATE CERTIFICATIONS- The Secretary shall determine whether a State is meeting the requirements of this section based on certifications made by the State to the Secretary of Transportation. Such certifications shall be made at such times and in such manner as the Secretary of Transportation, in consultation with the Secretary of Homeland Security, may prescribe by regulation.

(b) Minimum Document Requirements- To meet the requirements of this section, a State shall include, at a minimum, the following information and features on each driver's license and identification card issued to a person by the State:

- (1) The person's full legal name.
- (2) The person's date of birth.
- (3) The person's gender.
- (4) The person's driver's license or identification card number.
- (5) A digital photograph of the person.
- (6) The person's address of principle residence.
- (7) The person's signature.
- (8) Physical security features designed to prevent tampering, counterfeiting, or duplication of the document for fraudulent purposes.
- (9) A common machine-readable technology, with defined minimum data elements.

(c) Minimum Issuance Standards-

- (1) IN GENERAL- To meet the requirements of this section, a State shall require, at a minimum, presentation and verification of the following

information before issuing a driver's license or identification card to a person:

- (A) A photo identity document, except that a non-photo identity document is acceptable if it includes both the person's full legal name and date of birth.
- (B) Documentation showing the person's date of birth.
- (C) Proof of the person's social security account number or verification that the person is not eligible for a social security account number.
- (D) Documentation showing the person's name and address of principal residence.

(2) SPECIAL REQUIREMENTS-

(A) IN GENERAL- To meet the requirements of this section, a State shall comply with the minimum standards of this paragraph.

(B) EVIDENCE OF LAWFUL STATUS- A State shall require, before issuing a driver's license or identification card to a person, valid documentary evidence that the person--

- (i) is a citizen of the United States;
- (ii) is an alien lawfully admitted for permanent or temporary residence in the United States;
- (iii) has conditional permanent resident status in the United States;
- (iv) has an approved application for asylum in the United States or has entered into the United States in refugee status;
- (v) has a valid, unexpired nonimmigrant visa or nonimmigrant visa status for entry into the United States;
- (vi) has a pending application for asylum in the United States;
- (vii) has a pending or approved application for temporary protected status in the United States;
- (viii) has approved deferred action status; or
- (ix) has a pending application for adjustment of status to that of an alien lawfully admitted for permanent residence in the United States or conditional permanent resident status in the United States.

(C) TEMPORARY DRIVERS' LICENSES AND IDENTIFICATION CARDS-

(i) IN GENERAL- If a person presents evidence under any of clauses (v) through (ix) of subparagraph (B), the State may only issue a temporary driver's license or temporary identification card to the person.

(ii) EXPIRATION DATE- A temporary driver's license or temporary identification card issued pursuant to this subparagraph shall be valid only during the period of time of the applicant's authorized stay in the United States or, if there is no definite end to the period of authorized stay, a period of one year.

(iii) DISPLAY OF EXPIRATION DATE- A temporary driver's license or temporary identification card issued

pursuant to this subparagraph shall clearly indicate that it is temporary and shall state the date on which it expires.

(iv) RENEWAL- A temporary driver's license or temporary identification card issued pursuant to this subparagraph may be renewed only upon presentation of valid documentary evidence that the status by which the applicant qualified for the temporary driver's license or temporary identification card has been extended by the Secretary of Homeland Security.

(3) VERIFICATION OF DOCUMENTS- To meet the requirements of this section, a State shall implement the following procedures:

(A) Before issuing a driver's license or identification card to a person, the State shall verify, with the issuing agency, the issuance, validity, and completeness of each document required to be presented by the person under paragraph (1) or (2).

(B) The State shall not accept any foreign document, other than an official passport, to satisfy a requirement of paragraph (1) or (2).

(C) Not later than September 11, 2005, the State shall enter into a memorandum of understanding with the Secretary of Homeland Security to routinely utilize the automated system known as Systematic Alien Verification for Entitlements, as provided for by section 404 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (110 Stat. 3009-664), to verify the legal presence status of a person, other than a United States citizen, applying for a driver's license or identification card.

(d) Other Requirements- To meet the requirements of this section, a State shall adopt the following practices in the issuance of drivers' licenses and identification cards:

(1) Employ technology to capture digital images of identity source documents so that the images can be retained in electronic storage in a transferable format.

(2) Retain paper copies of source documents for a minimum of 7 years or images of source documents presented for a minimum of 10 years.

(3) Subject each person applying for a driver's license or identification card to mandatory facial image capture.

(4) Establish an effective procedure to confirm or verify a renewing applicant's information.

(5) Confirm with the Social Security Administration a social security account number presented by a person using the full social security account number. In the event that a social security account number is already registered to or associated with another person to which any State has issued a driver's license or identification card, the State shall resolve the discrepancy and take appropriate action.

(6) Refuse to issue a driver's license or identification card to a person holding a driver's license issued by another State without confirmation that the person is terminating or has terminated the driver's license.

(7) Ensure the physical security of locations where drivers' licenses and identification cards are produced and the security of document materials and papers from which drivers' licenses and identification cards are produced.

(8) Subject all persons authorized to manufacture or produce drivers' licenses and identification cards to appropriate security clearance requirements.

(9) Establish fraudulent document recognition training programs for appropriate employees engaged in the issuance of drivers' licenses and identification cards.

(10) Limit the period of validity of all driver's licenses and identification cards that are not temporary to a period that does not exceed 8 years.

SEC. 203. LINKING OF DATABASES.

(a) In General- To be eligible to receive any grant or other type of financial assistance made available under this title, a State shall participate in the interstate compact regarding sharing of driver license data, known as the 'Driver License Agreement', in order to provide electronic access by a State to information contained in the motor vehicle databases of all other States.

(b) Requirements for Information- A State motor vehicle database shall contain, at a minimum, the following information:

(1) All data fields printed on drivers' licenses and identification cards issued by the State.

(2) Motor vehicle drivers' histories, including motor vehicle violations, suspensions, and points on licenses.

SEC. 204. TRAFFICKING IN AUTHENTICATION FEATURES FOR USE IN FALSE IDENTIFICATION DOCUMENTS.

(a) Criminal Penalty- Section 1028(a)(8) of title 18, United States Code, is amended by striking 'false authentication features' and inserting 'false or actual authentication features'.

(b) Use of False Driver's License at Airports-

(1) IN GENERAL- The Secretary shall enter, into the appropriate aviation security screening database, appropriate information regarding any person convicted of using a false driver's license at an airport (as such term is defined in section 40102 of title 49, United States Code).

(2) FALSE DEFINED- In this subsection, the term 'false' has the same meaning such term has under section 1028(d) of title 18, United States Code.

SEC. 205. GRANTS TO STATES.

(a) In General- The Secretary may make grants to a State to assist the State in conforming to the minimum standards set forth in this title.

(b) Authorization of Appropriations- There are authorized to be appropriated to the Secretary for each of the fiscal years 2005 through 2009 such sums as may be necessary to carry out this title.

SEC. 206. AUTHORITY.

(a) Participation of Secretary of Transportation and States- All authority to issue regulations, set standards, and issue grants under this title shall be carried out by the Secretary, in consultation with the Secretary of Transportation and the States.

(b) Compliance With Standards- All authority to certify compliance with standards under this title shall be carried out by the Secretary of Transportation, in consultation with the Secretary of Homeland Security and the States.

(c) Extensions of Deadlines- The Secretary may grant to a State an extension of time to meet the requirements of section 202(a)(1) if the State provides adequate justification for noncompliance.

SEC. 207. REPEAL.

Section 7212 of the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108-458) is repealed.

SEC. 208. LIMITATION ON STATUTORY CONSTRUCTION.

Nothing in this title shall be construed to affect the authorities or responsibilities of the Secretary of Transportation or the States under chapter 303 of title 49, United States Code.

Appendix C

73rd OREGON LEGISLATIVE ASSEMBLY--2005 Regular Session

NOTE: Matter within { + braces and plus signs + } in an amended section is new. Matter within { - braces and minus signs - } is existing law to be omitted. New sections are within { + braces and plus signs + } .

House Bill 2108

Ordered printed by the Speaker pursuant to House Rule 12.00A (5).
Presession filed (at the request of Governor Theodore R. Kulongoski for Department of Transportation)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Allows Department of Transportation to retain certain documents presented or submitted to department.

A BILL FOR AN ACT

Relating to retention of documents by Department of Transportation.

Be It Enacted by the People of the State of Oregon:

SECTION 1. { + Section 2 of this 2005 Act is added to and made a part of the Oregon Vehicle Code. + }

SECTION 2. { +(1) As used in this section, 'document' means any:

(a) Information that is written or in a tangible medium and that is presented or submitted by a customer of the Department of Transportation at an office of the department in the course of the administration or enforcement of the vehicle code; or

(b) Item used for a financial transaction that is presented or submitted by a customer of the department at an office of the department in the course of the administration or enforcement of the vehicle code.

(2) The department may retain a document when the department has reason to believe that the document:

(a) Contains false or fictitious information;

(b) Is counterfeit;

(c) Has been altered;

(d) Was unlawfully or erroneously issued; or

(e) Is presented or submitted by a person who is not in lawful possession of the document.

(3) At the time a document is retained under subsection (2) of this section, the department shall provide the person who presented or submitted the document with:

(a) The reason the document was retained;

(b) The name, telephone number and address of the law enforcement agency to which the department will forward the document as provided under subsection (4) of this section;

(c) The time frame in which the person first will be able to contact the law enforcement agency regarding the retained document; and

(d) Any other information required by the department by rule.

(4) Within two business days of retaining a document under subsection (2) of this section, the department shall forward the document to a law enforcement agency that has jurisdiction over an investigation involving the document. + }