



**Homeland
Security**

Frequently Asked Questions

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REAL ID

Q: What grant funding has been made available to states for REAL ID implementation?

A: The Department of Homeland Security (DHS) has made available \$361.375 million in grants (FY06-FY08) to assist states driver's license issuance authorities with REAL ID implementation:

FY 2008 REAL ID Demonstration Grant Program –FEMA has awarded \$79.875 million to assist states and territories with implementing REAL ID. The FY 2008 REAL ID Demonstration Grant Program is designed to assist State progress toward compliance with REAL ID implementation, including the deployment of the required verification systems and each jurisdictions ability to connect to the required verification systems. Grant funds will help states enhance the integrity of driver's licenses (DL) and identification documents (ID), improve state issuance capabilities, as well as system security.

State Homeland Security Grant Program (SHSGP) - \$274.5 million in State Homeland Security Grant Program (SHSGP) funds (20% of the total SHSGP minus M&A funds) were made available to states for REAL ID (FY07-FY08).

REAL ID Pilot Project - The Commonwealth of Kentucky received \$3 million in Fiscal Year (FY) 2006 to fund a REAL ID Pilot Project. The pilot is being implemented to test and validate birth record verification processes and to develop a common set of standards that states can use during the driver's license issuance process.

REAL ID Vital Events Verification State Project Grant –FEMA awarded Kentucky an additional \$4 million to help state Departments of Motor Vehicles (DMVs) connect to state Vital Records Offices (VRO). The Commonwealth of Kentucky will enable state VROs to access the Electronic Verification of Vital Events hub (a web based portal) to verify birth and death record information of individuals applying for REAL ID driver's licenses and identification cards. Kentucky will also use these funds to expand the scope of its REAL

ID Pilot Project by comparing U.S. foreign born citizens applying for a REAL ID driver's license with the U.S. Department of State's foreign born citizen birth record information.

The President's FY 2009 budget also requests up to \$110 million for REAL ID competitive grants for States as part of the National Security and Terrorism Prevention Grants, and \$40 million in discretionary funds the state could use for REAL ID implementation as part of the State Homeland Security Grant Program.

If the FY 2009 budget request is approved, this provides \$511.375 million in grants (FY06-FY09) states can use to assist their driver's license issuance authorities with REAL ID implementation.

Q: How much funding was awarded to each jurisdiction in this round of the REAL ID Demonstration Grant Program?

A: The DHS FY 2008 REAL ID Demonstration Grant Program competitively awarded \$79.875 million to assist states and territories with implementing REAL ID. These funds will be used to enhance and improve the integrity of driver's licenses (DL) and identification documents (ID), state issuance capabilities, and system security. The breakdown of award dollars per state is provided in the table below.

FY 2008 REAL ID	
State/Territory	Total Award Amount
Alabama	\$500,000
American Samoa	\$300,000
Arizona	\$2,721,110
Arkansas	\$891,887
California	\$3,200,000
Colorado	\$1,169,678
Connecticut	\$1,901,846
Delaware	\$500,000
District of Columbia	\$500,000
Florida	\$3,750,926 (\$1.2M to partner with the lead hub state for pilot implementation and verification testing)
Georgia	\$2,478,043
Guam	\$300,000
Hawaii	\$470,000
Illinois	\$2,307,808
Indiana	\$3,149,637 (\$1.2M to partner with the lead hub state for pilot implementation and verification testing)

Iowa	\$1,211,326
Kansas	\$925,026
Kentucky	\$1,003,087
Maine	\$1,023,911
Maryland	\$1,138,000
Massachusetts	\$1,609,635
Michigan	\$2,495,000
Minnesota	\$694,060
Mississippi	\$718,424
Missouri	\$17,548,293 (\$17M to Missouri as the lead state for verification hub requirements and development)
Nebraska	\$687,188
Nevada	\$2,893,607 (\$1.2M to partner with the lead hub state for pilot implementation and verification testing)
New Jersey	\$1,287,489
New Mexico	\$500,000
New York	\$2,255,748
North Carolina	\$1,799,000
North Dakota	\$500,000
Ohio	\$1,200,000
Oregon	\$1,169,678
Pennsylvania	\$2,042,800
Puerto Rico	\$300,000
Rhode Island	\$500,000
South Carolina	\$500,000
South Dakota	\$300,000
Tennessee	\$694,060
Texas	\$3,200,000
U.S. Virgin Islands	\$300,000
Utah	\$1,006,418
Vermont	\$500,000
Virginia	\$2,660,252
West Virginia	\$500,000
Wisconsin	\$2,071,063 (\$1.2M to partner with the lead hub state for pilot implementation and verification testing)

Wyoming	\$500,000
Total	\$79,875,000

Q: How were the grant award allocations determined?

A: DHS included a peer review panel that assessed the projects submitted based on the criteria identified in the *FY 2008 REAL ID Demonstration Grant Program: Program Guidance and Application Kit*. The peer review score was highly valued in the Department's rationale for its allocation decision. In addition to the project's effectiveness, as determined by the peer review, DHS felt it was important to ensure that each State that applied received funds to expedite improvements in its licensing system, recognizing that the security vulnerabilities of one State's process counteract the enhancements being made in others. Each State is different in terms of its current business processes and the size of its driver's license system. While DHS is building metrics by State for progress towards REAL ID implementation, there is currently no true barometer by which DHS could judge progress. So, we used the size of the State's driver's license and identification documents system as a factor in the allocation decision. Finally, as part of the award process, DHS is including reporting progress toward REAL ID that will be used in future grant cycles. No jurisdiction received more than it requested.

Q: What criteria were used by the review panel?

A: The criteria used by the review panel were outlined in the *FY 2008 REAL ID Demonstration Grant Program: Program Guidance and Application Kit* received by the grant applicants. For example, criteria included what security and privacy enhancements the state plans to implement, whether a state utilized an approach that can be utilized or replicated by another state, and whether the State plans to leverage capabilities to expedite development, deployment, and operation of verification systems as required under the REAL ID Act. The guidance document was posted on grants.gov for the duration of the grant application process, which closed April 7, 2008, and is now available at www.dhs.gov/realid.

Q: What is the verification hub?

A: The verification hub is a single access point for a state's Department of Motor Vehicles (DMV) to verify a variety of source document data with multiple existing Federal databases, State DMVs, and State Vital Record Agencies – including birth certificates, social security numbers, and state-issued driver's licenses. The hub is not a national storage mechanism for state DMV information; rather, the verification hub will receive a single DMV applicant information query and route that query to the relevant databases to verify the information with the issuing agency. The hub will consolidate the responses and send back to the requesting DMV a single message verifying the information. The DMV employee will then review the response message to determine whether to issue a REAL ID. The verification hub will be state owned and operated.

The hub will be designed to provide timely, accurate, and cost-effective verification to all sources through a single mechanism. The alternative – having each state connect directly to every other state and to Federal sources separately – is inefficient and cost-prohibitive.

Q: Have any states committed to working with DHS to design and build the hub?

A: Yes. Missouri will lead the states' effort to develop the hub and will work closely with the four verification pilot test states to test and validate system performance and functionality.

Q: How many states did not submit Demonstration Grant Program proposals?

A: The following jurisdictions did not submit grant proposals, these include Alaska, Idaho, Louisiana, Montana, New Hampshire, the Commonwealth of Northern Mariana Islands, Oklahoma, and Washington State.

Q: Does DHS expect to make additional REAL ID grant funding available to states in FY 2009 and beyond?

A: The President's FY 2009 budget requests up to \$110 million for REAL ID grants for States as part of the National Security and Terrorism Prevention Grants, and \$50 million in discretionary funds to support completion of a State-governed verification hub for REAL ID implementation.

Q: Will DHS monitor grant funded projects?

A: Yes. As an accounting matter, FEMA's Regional Offices will be responsible for oversight of REAL ID grant implementation and related program management activities grantees undertake in the regions to comply with REAL ID. DHS and FEMA Regional Offices will work closely with REAL ID grant recipients to ensure there is a coordinated approach to effective REAL ID implementation in each region. In addition, grantees must provide reporting on progress of their projects to DHS. The reporting will set a baseline for the state's progress in meeting the requirements of REAL ID and a basis for performance as a factor for future grant awards.

Q: What kind of reporting will DHS require from states that receive grant funding?

A: Grant recipients will be required to submit semi-annual progress reports on the status of achievements with compliance benchmarks for REAL ID. Other reports such as the FEMA/GPD financial status report will also be submitted directly to FEMA/GPD pursuant to the terms and conditions and reporting instructions for the grantees.

Q: If a State already has a REAL ID grant award, can it apply for future REAL ID grant funding?

A: Yes. States receiving grant funds in FY 2008 for implementation of REAL ID are not precluded from receiving or applying for future funding for the same effort.

Q: If a state receives a REAL ID grant award, must the state utilize these dollars for REAL ID requirements - as opposed to funding a currently planned initiative that is not related to a requirement in REAL ID? How will states be held accountable for the ensuring that REAL ID grant awards are used on implementing REAL ID requirements?

A: States must utilize grant funding for projects that meet the requirements of the REAL ID final rule. Additionally, states will be required to report on their progress in meeting these requirements. The reporting will set a baseline for the state's compliance with REAL ID and a basis for performance as a factor for future grant awards.

Q: Does DHS consider state legislation prohibiting a state from compliance with the REAL ID Program a disqualifying factor for receiving a REAL ID grant?

A: No, DHS does not consider states with legislation in place that prohibits implementation of REAL ID as prohibited from accepting an award. However, the grant recipient must apply these funds to projects that improve their DL and ID issuance capabilities and procedures that satisfy the requirements of the REAL ID final rule.

Q: If a state accepts REAL ID grant dollars, and at a later time its state legislature rules the state is not allowed to move forward with REAL ID implementation, does the state have to return the money?

A: DHS does not consider states with legislation in place that prohibits implementation of REAL ID as prohibited from accepting an award. However, the grant recipient must use these funds for improvements in their driver's license programs commensurate with REAL ID, which includes improvements in state driver's license issuance capabilities and procedures that satisfy the requirements of the REAL ID final rule.

Q: Can a state use State Homeland Security Grant Program funds for REAL ID implementation?

A: Yes, states have been authorized since FY 2007 to allocate up to 20 percent of the state's share of State Homeland Security grants for REAL ID implementation.