

From: Blair Goodrich <bgoodrich@gov.sc.gov>
To: Marcia.Adams@SCDMV.net Marcia.Adams@SCDMV.net
CC: Scott Englishscott@gov.sc.gov
Date: 3/13/2008 11:39:21 AM
Subject: Fwd: 16 Benchmarks?

Marcia, Inglis' office would like to know the 16 benchmarks we're meeting and the 2 we have not. I have these summaries but I think it would be good to get them numbered benchmarks as well. Is that possible? I'm going to send them all of the info below as well to give them a fuller picture of what we're facing.

Blair

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What Is South Carolina Already Doing that is REAL ID Compliant

In a meeting in December with Darrell Williams, Director of REAL ID Program Office, told Marcia Adams and DMV staff that South Carolina was already 90% compliant with REAL ID.

In 2002, prior to any federal legislation, the General Assembly passed legislation requiring the DMV to check a driver's license applicant's name, origin of birth, social security number, and proof of address prior to issuing a license or identification card.

During the same meeting in December, DHS's representative told DMV staff that currently eight states do not require proof of lawful status prior to issuing a driver's license.

Since 2002 and even before, South Carolina has taken steps to secure licenses so that fraudulent applicants could not obtain a valid credential. Even when other states advocated that the main concern in issuing licenses should be the ability to drive, South Carolina made laws to protect not only the safety of our highways but also the security of a credential that is widely used as an identity document. Some of the measures taken include:

- * In 2002, South Carolina passed a law that required SCDMV to verify citizenship of its applicants and to tie the expiration of licenses to the authorized length of stay for all non-U.S. citizens.
- * South Carolina already verifies all social security numbers for applicants for initial private passenger vehicle licenses and for all commercial driver licenses (initial licenses and at renewal).
- * South Carolina conducts fraudulent document training for front counter personnel and managers. Training for all field office employees is almost complete.
- * Regardless of implementation of REAL ID, South Carolina is planning to update the physical security features of its credentials.
- * SCDMV and SLED are pursuing a partnership to implement elements of facial recognition that will allow SCDMV to identify possible duplication of records and to pursue any potential acts of fraud.
- * SCDMV recently signed a contract to begin using the SAVE system to verify select information and DHS documents provided by non-US citizens.

All of these measures have been pursued and implemented without guidance or mandates from the federal government.

All states understand the importance of security and safeguarding the privacy of their citizens' personal information.

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What Would South Carolina Need to do For Full REAL ID Compliance

Currently, South Carolina meets 16 of the 18 benchmarks for material compliance. In order to meet materially compliant standards, SCDMV would need to implement the following changes:

- * "Photo up front" * Instead of taking the customer's photo at the end of the process, SCDMV would take the customer's photo at the beginning of the application process.
- * Credential security * SCDMV will need to adopt the AAMVA standard for physical security of the credential; the AAMV standard includes covert, overt, and forensic security markings on the credential itself.
- * SCDMV will need to mark each credential as non-compliant, REAL ID materially compliant or REAL ID compliant.
- * SCDMV will need to develop a documented security plan for offices.
- * Submit employees to background checks to include fingerprint checks.

To become fully compliant, SCDMV will need to implement the following additional changes:

- * Scan all source documents and retain them for required periods.
- * Submit verification transactions for all source documents (some systems do not currently exist * SSOLV and SAVE exist now but the traffic on the systems will increase dramatically, and they have not tested to verify that the system will

tolerate the increased load).

- * Re-verify information when there are name changes.
- * Re-verify social security information at time of renewal.
- * Change the expiration period of a credential to not exceed 8 years.
- * Verify REAL ID credentials with the state of issuance (system does not currently exist).

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National Cost Estimates for REAL ID Implementation

In its final regulations for implementation, published January 11, 2008, DHS significantly scaled back its cost estimate, from \$23 billion to \$9.9 billion. The new estimate is broken down roughly as follows:

\$3.9 billion * costs to the states

\$5.8 billion * costs to individuals

\$0.2 billion * costs to federal government and private sector

\$9.9 billion * TOTAL

Most outside groups believe the costs will run closer to \$20 billion.

To date Congress has appropriated \$90 million for REAL ID, with \$80 million available for states through the FEMA grant process.

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South Carolina Cost Estimates

* DHS's own estimate to fund REAL ID under the final rules is \$9.9 billion, a cost that far exceeds the grant funds available. This total cost does not include estimates for ongoing annual costs that will be incurred by states.

* South Carolina's estimate to implement REAL ID is \$16 million.

* South Carolina's estimate to maintain systems for REAL ID compliance is \$10 million annually.

* South Carolina's estimates a license fee increase from \$12.50 to \$40 for a 5-year license and from \$20 to \$60 for a 8-year license.

* Verification systems have not been defined, and it is difficult to determine an accurate cost estimate for the ongoing use of those systems.

* Transaction costs from each source agency will vary, and the number of times information must be verified has not been defined. For example, verification with the SAVE system often requires a two-step transaction process. If the information does not verify, the state must submit another transaction to obtain more information concerning the problem, incurring more cost for the state.

>>> "Van Meter, Garth" <Garth.VanMeter@mail.house.gov> 3/13/2008 10:55:49 AM >>>

Blair,

Do you have a list of the 16 REAL ID benchmarks that SC meets and which two they don't meet?

Garth Van Meter
Legislative Director
US Rep. Bob Inglis (SC-4)
202.225.6030