

OREGON TRANSPORTATION COMMISSION

**Minutes of the Special Telephone Meeting
January 17, 2008
Salem**

On Thursday, January 17, 2008, at 1:00 p.m., the OTC held a special telephone meeting in Conference Room 122 of the Transportation Building, 355 Capitol Street NE, Salem. Chair Achterman attended the meeting in person. The other two OTC members participated by telephone.

Notice of this meeting was made by press release of local and statewide media circulation throughout the state. Those attending part or all of the meeting included:

Chair Gail Achterman
Vice Chair Michael Nelson
Commissioner Janice Wilson
Director Matthew Garrett
Chief of Staff Joan Plank

Deputy Director for Central Services Lorna Youngs
Interim DMV Administrator, Tom McClellan
Communications Administrator Patrick Cooney
Commission Assistant Kim Jordan

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Chair Achterman called the meeting to order at 1:00 p.m.

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To make the changes necessary to implement the Governor's Executive Order 07-22 the Commission considered approval of the temporary amendment of Oregon Administrative Rules 735-010-0130, 735-062-0000, 735-062-0005, 735-062-0010, 735-062-0020, 735-062-0030, 735-062-0090, 735-062-0110 and 735-070-0010 and the temporary adoption of OAR 735-062-0021. (*Background material in General Files, Salem.*)

The commission clarified that the rules under consideration are not about validating who is in this country legally or illegally. That policy is a matter for the Oregon State Legislature and national immigration authorities to decide. The issue being considered is about strengthening the security of the Oregon Driver License and ID card.

At one time, the purpose of the driver license was to ensure that only safe, qualified, insured drivers got behind the wheel of a motor vehicle. Over time, whether we wanted it to or not, the driver license came to be the primary document by which we all prove who we are in order to rent a car, cash a check, or use a credit card. As such an important document, it became a target for fraud and very valuable for those who want to use it for criminal purposes.

Unfortunately, Oregon's relatively permissive documentary requirements to prove identity and date of birth made Oregon a magnet for people to come here to get a driver

license or ID card that they could use in Oregon or elsewhere for fraudulent purposes or to get other government services. The practice has only increased as other states made their documentation requirements more stringent. If not eligible in their state of residence, people are paying for fraudulent address documents and obtaining Oregon driver licenses and ID cards illegally.

In response, Governor Kulongoski signed Executive Order No. 07-22 on November 16, 2007, directing the Department of Transportation to verify applicants' social security numbers with the Social Security Administration, and to shorten the list of documents it accepts as proof of identity and age. The department was directed to revise and tighten the requirements for issuing driver licenses, driver permits, and ID cards as soon as practical by amending the rules that govern those documents and the issuance processes.

Although not required to conduct a public hearing to adopt temporary rules, the Driver and Motor Vehicle Services Division received public comments for two weeks, concluding with a public informational hearing on December 18, 2007, in Salem. A summary of the oral and written testimony is provided in the background material. The record closed on December 18, so the commission cannot take further testimony.

The proposal before the commission is to adopt temporary rules, which are good for a maximum of 180 days. Prior to expiration of the temporary rules, the department will bring to the commission a proposal for permanent rules. This will require another round of public notice and public input.

Tom McClellan, Acting Administrator of the Driver and Motor Vehicle Services Division, noted that during the two weeks public comments were accepted, DMV received 563 written and oral comments. A private company, Zenn Associates, was hired to facilitate the public input process and to summarize those 563 comments.

Doug Zenn, of Zenn Associates, said that 40 citizens, groups and elected officials provided oral comments at the December 18 meeting. The written and oral comments carried significantly different ratios. Of the 523 written comments received, more than 70 percent were in favor of the proposed rule changes. With the oral testimony, approximately 75 percent were in opposition to the rule changes in some way.

Most of the comments were related to the much larger immigration policies. However, within the testimony, Zenn Associates identified general themes.

Those in support of the changes commented that the changes were long overdue and licenses should not be provided to illegal immigrants who could then use them as ID to receive other services.

Of those in opposition to the changes the most frequently read or heard comments were that the changes would create personal hardships and result in less safe conditions for all drivers due to untested and uninsured drivers.

Comments that came from both sides noted that the timeline was very short, and implementation in such a short time could be difficult and possibly confusing for both staff and applicants.

As a result of the public comments, DMV modified the rules to allow acceptance of a valid U.S. passport up to five years past its expiration date. The rules are also clearer on what is required for proving name changes.

DMV is proposing emergency temporary rules to comply with the Governor's executive order, but also because it makes sense to strengthen the integrity of its processes for issuing driver licenses, permits, and ID cards to make them more secure and reliable.

DMV intends to commence the permanent rulemaking process, but failure to act immediately by adopting these more stringent standards as temporary rules perpetuates continuing fraudulent activity, and continues to jeopardize those members of the public and private sectors who rely upon these state-issued documents to accurately represent the identity of the holder.

An effective date of February 4, 2008, provides sufficient time to prepare employees and customers for this change. The effective date was selected after confirming that electronic verification of Social Security numbers could be implemented for all driver license and ID card applicants by the end of January.

Preparing customers for this change is certainly a challenge. Nevertheless, we believe that delaying the new requirements won't make it any easier to implement. The department will be ready to implement on February 4th, and will do all that it can to ensure that customers are informed about the new requirements.

DMV employees who serve the public via the telephone and in person are receiving training this month. Trainers will deliver up to four hours of hands-on instruction on the new eligibility requirements and SSN verification process. Training will continue for several months to ensure that new and experienced employees understand the new procedures and document requirements.

We have revised the renewal reminder postcard to emphasize the SSN verification step and the new set of acceptable documents. We are also issuing additional news releases, updating the website, publishing a revised Oregon Driver Manual, disseminating a customer-oriented fact sheet/brochure, and mailing information to numerous stakeholder groups. Field offices will post the new requirements and have brochures available in several languages.

In addition, a special dedicated unit is being formed in the DMV Customer Care Center to assist customers via telephone with issues arising out of the new identity requirements. The new requirements apply to all applicants, even those who have lived in Oregon for many years and possess an Oregon driver license or ID card. Staff will

help people apply for identity documents from various state and federal agencies, including how to clear up discrepancies in the data on file with the Social Security Administration.

We know that, despite all that we may do in the next few weeks and months, many people will be confused and frustrated when the new requirements take effect. Consequently, we are prepared to issue up to two 30-day temporary applicant permits to people who need to find or obtain one of the accepted identity documents.

Because only the Legislature can change the statutory requirement that driver licenses and ID cards be issued for eight years, the proposed rules continue this requirement even though some people will provide identity documents that expire in less time. Issuing for a lesser amount of time is not permitted by existing state law, and the administrative rules must be consistent with state law.

An applicant must present an identity document to renew or replace a driver license or ID card even if the department already has a record and photo on file for the person. An applicant's prior photograph(s) and driver record can be very helpful in validating a person's identity, but it is insufficient when used solely for identity purposes. The previous photo (and facial recognition technology later this year) will provide an additional procedural check. This balances the need for efficient processing of renewals and replacements against the need to strengthen the security measures used during issuance of Oregon driver licenses and ID cards.

Additional documents were not added to the lists of acceptable documents as suggested during the public comment period, and the Mexican Matricular Consular card was eliminated from the list. The executive order directed the department to adhere generally to the standards recommended by the American Association of Motor Vehicle Administrators regarding acceptable documentation to prove name and date of birth. AAMVA standards do not include any consular cards as acceptable identity documents. The department also relied upon the AAMVA standards and consultation with other states in determining which immigration and military documents to accept.

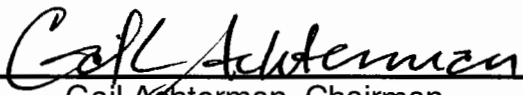
Commissioner Wilson moved to approve the temporary amendment of Oregon Administrative Rules 735-010-0130, 735-062-0000, 735-062-0005, 735-062-0010, 735-062-0020, 735-062-0030, 735-062-0090, 735-062-0110 and 735-070-0010 and the temporary adoption of OAR 735-062-0021. The motion passed unanimously.

By this action, the commission has taken steps to restore the confidence in the Oregon Driver License and ID card that the bearer is the person the license says it is. These rule amendments will reduce the types and number of documents the DMV will accept as proof of identity and date of birth. It is hoped that these changes will reduce exposure to fraud and identity theft for the state and every merchant. The temporary rules will immediately strengthen the security of the Oregon Driver License and will carry us through the permanent rule-making process.


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Chair Achterman adjourned the meeting at 1:40 p.m.

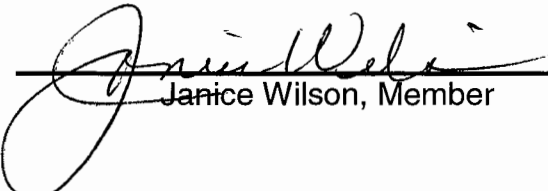
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Gail Achterman, Chairman



Mike Nelson, Vice Chair



Janice Wilson, Member



Kim Jordan, Commission Assistant