

**TESTIMONY OF DEPUTY SECRETARY KURT MYERS
PENNSYLVANIA DEPARTMENT OF TRANSPORTATION
REAL ID ACT OF 2005
HOUSE INTERGOVERNMENTAL AFFAIRS COMMITTEE
(HARRISBURG)
JANUARY 23, 2008**

Good morning. My name is Kurt Myers, and I am the Deputy Secretary for PennDOT's Safety Administration. On behalf of Secretary of Transportation Allen Biehler, I appreciate the opportunity to testify today on the REAL ID Act of 2005.

PennDOT acknowledges the concept and principles of the Real ID Act of 2005 and recognizes the fundamental importance of establishing the proper identity when issuing a driver's license or photo identification card. PennDOT is committed to enhancing the security of our products, processes and facilities in a continuing effort to safeguard the integrity of our driver licensing and identification card systems. With this commitment, PennDOT recognizes the importance of maintaining the customer's expectation that personal data will be secure and privacy maintained.

The REAL ID Act is a federal effort to enhance the integrity and security of state-issued driver's licenses and photo identification cards, which is intended to aid in fighting terrorism and further mitigating the risk for fraud. As you know, the U.S. Department of Homeland Security released the final REAL ID regulations on Friday, January 11, 2008. PennDOT immediately began an in-depth analysis of the 284-page document in order to identify potential options for Pennsylvania and the impact those options would have on the citizens of the Commonwealth.

This analysis has not been completed as of this hearing. However, I am in a position to discuss what PennDOT does today in regard to ensuring the integrity of the driver's license and photo identification card issuance process and the security measures currently in place to maintain the privacy of customer data. I am also able to speak in regard to the REAL ID timeline as set forth in the final regulations as well as some possible limited funding options should Pennsylvania choose to implement the REAL ID Act.

As background, and fundamental to issuing driver's licenses and photo identification cards, Pennsylvania law requires that individuals must meet certain identity and residency requirements in order to obtain a Pennsylvania driver's license and/or photo identification card.

A U.S. citizen applying for a driver's license or photo identification card must present PennDOT with one form of identification such as a birth certificate with a raised seal or a U.S. Passport. In addition, the individual must provide two proofs of residency and his/her Social Security card. PennDOT performs three main electronic verifications including verifying the individual's Social Security number with the Social Security Administration; verifying that the individual's driving privilege is not suspended in another state; and, if the individual is moving from another state, verifying the validity of the out-of-state driver's license with the issuing state.

A non-U.S. citizen applying for a driver's license or photo identification card must present PennDOT with valid immigration documents based on his/her immigration status, a Social Security card and two proofs of residency. PennDOT performs, when applicable, the same electronic verifications as mentioned previously. In addition, PennDOT completes an electronic verification of the INS credentials of those individuals who are not eligible for a Social Security card.

All electronic verifications must be satisfactorily completed prior to the issuance of any product.

In addition to these requirements, PennDOT conducts facial recognition checks to ensure the applicant does not have more than one driver's license or photo identification card already issued under a different identity. The facial recognition checks are an anti-fraud measure, which aid in further mitigating the risk for identity theft.

As stated earlier, PennDOT takes the security of our products, processes, systems and facilities and the privacy of customer data very seriously. I am sure you can understand that I cannot discuss specific security features we have in place.

However, at the highest level, the following are some measures PennDOT has implemented to enhance security and maintain privacy of customer data.

Our driver's licenses and photo identification cards contain three levels of security: overt, covert and forensic. Recently PennDOT began issuing driver's licenses and photo identification cards with additional security features and a new overlay. In addition to the security of our products, managers and supervisors at PennDOT's 72 Driver License Centers have completed fraud recognition training, and we are in the process of training all Driver License Center employees. The training is focused on recognizing fraudulent identity documents.

Some additional security measures include initial, name-based criminal history checks of those employees responsible for the handling of confidential information and continued monitoring of the employee's criminal history. Those employees responsible for handling confidential information are also required to read and sign a confidentiality policy annually, with the understanding that if they breach the policy in any way, disciplinary action may be taken, up to and including termination. And, depending on the severity of the breach, it could lead to a law enforcement investigation.

PennDOT also has a Privacy Manual, which outlines the controls and measures we have in place to address the security and privacy of customer information and the responsibility of each employee to maintain the confidentiality of that information. All employees who are responsible for handling confidential information receive a copy of this manual.

In addition to these safeguards, PennDOT has an Office of Risk Management, whose responsibilities include the oversight of our security policies and the investigation of alleged misuse.

I can assure you that PennDOT is and will remain committed to enhancing the security of our products, processes, systems and facilities and maintaining the privacy of customer data, regardless of whether Pennsylvania decides to implement the REAL ID Act.

In regard to the timeline set forth in the final REAL ID regulations, it is our interpretation that the following chronology has been established:

Effective **May 11, 2008**, only REAL ID driver's licenses and photo identification cards will be accepted by federal agencies for official purposes, i.e. boarding a commercial aircraft, entering a nuclear power plant or federal facility that requires identification, unless the state in which the individual resides has been granted a initial extension by the Department of Homeland Security. At this point, Pennsylvania plans to file for an initial extension in order to complete the analysis of the final REAL ID regulations. If Pennsylvania is granted an initial extension by DHS, the citizens of the Commonwealth will be able to use their current driver's licenses or photo identification cards for federal official purposes until **December 31, 2009**.

If Pennsylvania decides to implement the REAL ID Act, individuals born on or after December 1, 1964, approximately 4.1 million driver's license and photo ID card holders, must have a REAL ID driver's license or photo identification card by **December 1, 2014** for official federal purposes as defined by the final regulations. Individuals born before December 1, 1964, approximately 5.4 million driver's license and photo ID card holders, must have a REAL ID driver's license or photo identification card by **December 1, 2017** for official federal purposes as defined in the final regulations.

In regard to funding, currently REAL ID funds are very limited. However, funds are available through a grant application process and/or redirection of up to 20 percent of Pennsylvania's Homeland Security committed funds. In consultation with Pennsylvania's Office of Homeland Security, we calculate that the 20 percent equates to approximately \$2.4 million. However, many of these dollars are already committed to other homeland security efforts in Pennsylvania. Grant programs that total \$31 million and an additional \$50 million are available for all states that are participating in REAL ID. This is clearly a limited amount of funding considering the potential costs of implementing the REAL ID Act in multiple states, the District of Columbia and U.S. territories.

I can assure you that we are working as quickly as possible to complete our analysis of the REAL ID final regulations and will be able to provide further details once we complete this analysis.

At this time, I am available to take any questions you may have. Thank you.