

**Testimony of Attorney General Martha Coakley
Joint Committee on Veterans and Federal Affairs
June 14, 2007**

Good morning, I am Massachusetts Attorney General Martha Coakley. Thank you Chairman Brewer, Chairman Verga, and members of the Committee for giving me the opportunity to testify on the important issue of the Real ID Act. I appreciate the work of Senator Moore and many members of the legislature on this resolution and your commitment to delivering a strong message to the federal government that the Real ID Act is bad policy for the states.

Real ID Act

The Real ID Act was pushed through Congress in 2005, without meaningful debate or a hearing, as part of a military spending and tsunami relief bill. Real ID sets forth requirements for states' driver's licenses in order for them to be accepted by federal agencies for "any official purpose." An official purpose includes boarding an airplane, entering a federal building, opening a bank account, collecting Social Security and applying for federal benefits.

Currently, thirty-eight states are considering or have passed anti-Real ID Act bills or resolutions. I urge the legislature to pass the resolution before the committee today because; 1) the Real ID Act places a tremendous financial and administrative burden on the states; 2) its timeline for implementation is too aggressive; and 3) its public safety protections are illusory, and in fact may lead to an increase in identity theft and other crime.

Financial and Administrative Burden

The federal Department of Homeland Security (DHS), which is responsible for implementing the Real ID program, estimates the cost of implementation at \$23.1 billion over 10 years, of which \$10 to 14 billion are costs to states. The National Governors Association figures are similar - \$11 billion in costs to the states over the next five years. The largest contributing factor will be the estimated 21 million hours of computer programming states will need to adapt their systems to the eligibility verification and database design requirements.

In Massachusetts, the RMV estimates costs to Massachusetts for the first year of implementation will be in the \$140 million range and \$49 million annually on an ongoing basis. Although Massachusetts has relatively sophisticated and secure driver's licenses, the RMV will need to rework its system to allow for a full name to appear on the front of a license, to store documents, and to verify huge amounts of personal data. Additionally, the Act explicitly provides that all states must provide all other states access to the information contained in the motor vehicle database of that state. This will include not only what is printed on the front of a license, but all driving and violation histories. While the Massachusetts RMV sees many benefits for having one shared information system among state RMVs, the lack of funding to build this system has severely compromised the ability to implement such a system by May 2008.

The Real ID Act also requires state DMVs to verify birth date, address, social security number, and citizenship or legal immigration status. Currently, systems for verifying birth certificates do not exist, and states such as Colorado that use national immigration databases have found them to be slow and inaccurate. Until a national database is developed, manual verification would involve contacting multiple issuing

agencies and verifying source documents for every applicant. Additionally, if a state opts out of Real ID, its information would not be available, undermining the entire system.

The Act also requires the states to retain a digital scan of source identity documents. A survey of states by the American Association of Motor Vehicle Administrators showed this requirement was one of the most significant areas of concern. The concern was not only for the costs of scanning and retaining the information, but of hiring additional staff and increasing office space to house them. Massachusetts estimates it would need 700 additional employees to handle the additional workload, doubling its current number of employees.

Implementing the Real ID Act would also have a direct financial impact on individuals. The Act's mandates would cost states billions of dollars that Congress is not providing, and consequently a sharp rise in fees is more than likely. The new document requirements and labor intensive complexities involved in verifying those documents will result in slower service, longer lines, and the need for repeat visits to the RMV. The complicated, yet ambiguous, statutory scheme will also lead to bureaucratic complexities and delays. These kinds of problems would be significant for anyone, but low income workers who may not be able to easily take time from work will be unduly affected.

Timelines Are Too Burdensome

The first Real ID implementations are scheduled to go into effect for states that opt into the program by May 2008. States may seek an extension by February 2008, but they still have to start issuing compliant licenses by January 1, 2010. No matter whether a state requests an extension or not, for participating states, all licenses need to be compliant by spring 2013. These are daunting timetables for any project this complex,

but here it is further complicated by the fact that the regulations for implementing the Real ID Act are not finalized, leaving crucial details uncertain.

Real ID Does Not Meet Its Goal Of Increased Public Safety

The Real ID Act will provide fertile new opportunities for identity thieves. The scanned birth certificates and other documents will be available in a national linked database for seven to ten years. In addition, every driver's license will be "machine readable," which could include the use of magnetic strips, enhanced bar codes or radio frequency identification (RFID) chips. The "common machine readable technology" will put all the information that appears on the front of the license, and possibly other personal identifying data, in wide circulation with government officials, merchants and business.

Furthermore, investing so much trust into one card means that criminals will only have to forge one identification card. Experts agree that no matter how many security standards are adopted, the cards could be forged within hours of the first Real ID issuance. A national database full of identification documents, images and data would entice many kinds of criminals, including terrorists who seek to steal the identity of a targeted individual. Although the stated goal of the Real ID Act is to protect the public from terrorism, the development of huge national databases of personal information may very well present more opportunities for terrorists to disrupt our economy and plan attacks.

The "common machine-readable technology" on Real IDs would also allow for easy, computerized transfer of the data on the cards to private parties. Already, some bars collect their customers' information (including such details as height and weight) by swiping driver's licenses handed over to prove legal drinking age. Widespread Real ID

use would allow access to personal information for local stores, big chains, and data mining companies. Even if the states and federal government do successfully protect the data, it could be harvested by private companies, who could develop a parallel, for-profit database on Americans.

In comments submitted to the DHS, the department's own Data Privacy & Integrity Advisory Committee called the Real ID Act "one of the largest identity management undertakings in history" and said it raises serious privacy, security and logistical concerns. The DHS committee comments noted that the proposed regulations make no mention of a comprehensive plan for securing the stored identity data that states around the country could use. Neither is there any mention of specific steps that states need to take to prevent the unauthorized access of information from the machine-readable strips on the back of the proposed cards.

The proposed DHS rule does not make states accountable for the personal data that they will be required to collect. The rules also are silent on the issue of how states will respond to and redress inquiries and complaints about the use of personal information. Similarly, the proposed rule does not require state agencies to provide consumers with information about the data collection, the purposes for which it will be used, or how it will be stored. This contradicts the work the Massachusetts legislature has done to ensure enhanced privacy protections for Massachusetts citizens.

Conclusion

As states have assessed the impact of the Real ID Act, there is a growing outcry against the statute and its burdens on states. For all the reasons I have set forth, I urge this committee and the legislature to adopt this resolution and send a “Real” message to Congress that Massachusetts will not tolerate such bad policy and law for its citizens. The time to act is now to protect the integrity of personal information and avoid the costly implementation of the Act which offers no true public safety protections. Thank you.