

COMMONWEALTH of VIRGINIA

Department of Motor Vehicles 2300 West Broad Street

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September 30, 2008

Members of the General Assembly Division of Legislative Automated Systems General Assembly Building, Suite 660 Richmond, Virginia 23219

Dear Members of the General Assembly:

On behalf of the Virginia Department of Motor Vehicles, I respectfully submit the first quarterly report on the agency's progress in implementing a centralized issuance process for Virginia driver's licenses and identifications cards. The report is required by Senate Bill 116, 2008 Acts of Assembly, Chapter 866, Enactment Clause 2, and provides an overview of the project, including budget and implementation planning, as well as project progress to-date.

If you have questions or need additional information, please contact me at db.smit@dmv.virginia.gov or (804) 367-6606.

Sincerel

D. B. Smit

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D. B. Smit

Commissioner

Attachment

cc: The Honorable Pierce R. Homer

Virginia Department of Motor Vehicles Driver's License Central Issue

Quarterly Report - September 2008

Next year, the Commonwealth will join a growing number of states in issuing driver's licenses and identification cards in a secure centralized process rather than over-the-counter. The Department of Motor Vehicles (DMV) is pleased with progress on this important initiative that will enhance security and reduce the risks for fraud and ID theft, as well as further Virginia's progress with compliance with the federal REAL ID Act. This report, submitted pursuant to legislation enacted by the 2008 Virginia General Assembly, provides an overview of the Driver's License Central Issue (DLCI) project progress to-date.

Customer service centers will undergo layout and configuration changes from October through December of 2008. Then, phased implementation of hardware and camera equipment across 74 customer service centers is scheduled to begin in February 2009. Four implementation teams will simultaneously work in different parts of the state to ensure full statewide implementation of the new issuance process by July 2009.

After a competitive procurement, DMV contracted with CBN Secure Technologies, Inc. in February 2008. CBN specializes in the printing of secure documents such as banknotes, passports and driver's licenses worldwide. Based on a requirement of the contract, CBN will produce driver's licenses and ID cards in Virginia. A secure facility is under construction in Danville and is slated for completion in December 2009. As announced by Governor Kaine in June, the facility will employ 15 to 20 Virginians beginning next year and is designed for expansion as CBN looks to increase its U. S. operations in the future.

In 2007, the General Assembly appropriated funds for the DLCI initiative. The cost for start-up is budgeted at \$3.9 million in Fiscal Year 2009. Ongoing costs are budgeted at \$6.0 million, beginning in FY 2010, part of which will be funded from discontinuing DMV's current driver's licensing contract. The project remains on budget and is supportable within DMV's current appropriation. DMV is working closely with VITA/NG to ensure adherence to IT guidelines and the project remains on schedule.

Once implemented, Virginians will experience a new DMV service model for obtaining driver's licenses and ID cards. The process will be similar to that of obtaining a U. S. passport. Customers will continue to apply for state-issued credentials at DMV customer service centers, where DMV staff will determine eligibility, as they do today. Driver's license applicants will receive temporary driving permits over-the-counter. The permanent driver's license will then be mailed to customers' home addresses. DMV is finalizing the requirements for the new process to determine delivery time. In addition, DMV will conduct a public information campaign to inform Virginians about the changes.



In addition to a new service model, Virginians will receive newly designed driver's licenses and ID cards. Bearing symbols of Virginia pride, the state capitol building and state flower, the credentials will be made of polycarbonate and will have 21 state-of-the-art security features. The most notable of the security features on each card is a clear window, containing a black and white photograph of the cardholder, visible from the front and back of the card. Virginia's will be the third such driver's license worldwide and the first in the U.S. to carry this feature.

The newly designed cards will, however, maintain many of the current card features that have served DMV business partners well through the years. DMV and CBN worked with law enforcement, retailers, hospitality representatives and other stakeholders while designing the new licenses and IDs to ensure the cards meet their unique business needs in the future. As illustrated in the attachment, adult licenses will remain horizontal and cards for those under 21 are vertical. DMV will continue to print on all juvenile cards the dates that the individual turns 18 and 21, to assist retailers curb the illegal sale of tobacco and alcohol to minors.

Without your continued support, DMV would not be able to meet the security and service needs of your constituents. We appreciate your commitment to and support of this important initiative for Virginians.



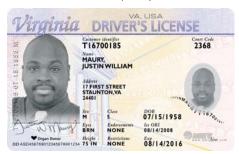
Virginia's New Secure Driver's Licenses and ID Cards

Next year, Virginia driver's licenses and identification cards will have a new look and feel. Most importantly, the new credentials will have 21 state-of-the-art security features, including a photo-window, laser engraving, variable micro printing and tactile printing. The background designs showcase symbols of Virginia pride. Adult licenses and ID cards bear the state capitol building. Juvenile licenses and ID cards bear a dogwood tree.

Driver's Licenses

The banner lettering is blue for adult (horizontal) and juvenile (vertical) driver's licenses.

Adult (front)



Adult (back)



Juvenile

VA USA

DRIVER'S LICENSE

Cutters identifier

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Height Restrictions

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Language Donor

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Addition

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UNDER 18 UNTIL UNDER 21 UNTIL Date of birth 12/12/2006 12/12/2009 12/12/1988

Identification Cards

The adult and juvenile ID card banner lettering is green. The children's ID banner lettering is gold.

Adult



Juvenile



Child



When Virginia implements the requirements of the federal REAL ID Act, the cards will also bear the U. S. Department of Homeland Security brand in the upper right corner. The symbol for materially compliant cards is a gold star. The symbol for fully compliant cards is a gold circle with a star inset.

