**REPORT OF THE SECRETARY OF TRANSPORTATION**

# Statewide Change of Address Portal and Address Database Feasibility Study (Chapter 553, 2017 Acts of Assembly)

**TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA**

# SENATE DOCUMENT NO. 5

**COMMONWEALTH OF VIRGINIA
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2017**

# Statewide Change of Address Portal and Address Database Feasibility Study

Report to the Governor and the General Assembly Pursuant to Chapter 553 of the 2017 Acts of Assembly

November 1, 2017
Commonwealth of Virginia
Office of the Secretary of Transportation

Aubrey L. Layne, Jr.
Secretary of Transportation

November 1, 2017

The Honorable Terence R. McAuliffe
Governor of Virginia
1111 E. Broad Street
Richmond, Virginia 23219

The Honorable G. Paul Nardo
Clerk of the House of Delegates
P.O. Box 406
Richmond, Virginia 23218

The Honorable Susan Clarke Schaar
Clerk of the Senate
General Assembly Building
Richmond, Virginia 23219

Dear Governor McAuliffe, Mr. Nardo, and Ms. Schaar:

In accordance with the requirements of Chapter 553 of the 2017 Acts of Assembly, I am pleased to submit the Statewide Change of Address Portal and Address Database feasibility study.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Aubrey L. Layne, Jr.

Cc: The Honorable Mark Obenshain

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# Executive Summary

Chapter 553 of the 2017 Acts of Assembly required the Secretary of Transportation to "convene a task force to study the feasibility of establishing a statewide one-stop online portal for address changes for the purposes of developing a statewide address database." The Department of Motor Vehicles (DMV) led the task force on behalf of the Secretary. A full list of task force members is included in Appendix B.

The task force considered a number of different technological solutions to implement a change of address portal and database, including use of the Department of Motor Vehicles' (DMV) existing change of address process, use of a partial or full master data management model, and use of a dedicated website for submitting address change information. Each approach has both benefits and drawbacks. For each of these approaches, the task force believes that governance of a portal and database would be best approached by designating one or two agencies to have control of the operation instead of by using a governing committee.

The task force also looked at potential costs for implementation of a change of address portal and database. The task force had difficulty determining the costs because of the preliminary nature of the proposals and their inherent uncertainties. While a precise proposal cannot be given at this time, preliminary cost estimates based on the information available to the task force for the six agencies which submitted cost estimates to the task force could be between approximately $1.04 million and $3.8 million, with ongoing annual maintenance costs ranging from approximately $790,000 to $2.47 million, depending on the solution option selected. Costs are likely to be higher once cost estimates for other agencies are included. The task force recommends that, if a portal and database are pursued, the General Assembly should provide funding for its construction and maintenance.

The task force examined the benefits and drawbacks of implementing a change of address portal and database. The benefits to the citizen are the increased efficiency that a change of address portal would provide, potentially allowing the citizen to make one notification to the portal to update several state agencies. State agencies could benefit from potentially having more accurate addresses, as well as the possibility that an address database could diminish fraudulent activity related to addresses.

Nonetheless, there are several drawbacks to the proposal. Data sharing is legally restricted in many instances, and the task force found numerous instances where existing state and federal laws and regulations would require amendment before a change of address portal could be implemented. In fact, because many of the statutes specifically affect only one agency, the task force is unable to provide a comprehensive list of all of the legal requirements that must be satisfied before implementing a statewide portal, as such a list would require a survey of all 112 state agencies. The task force also noted that securing amendment to federal laws and regulations could be difficult. Finally, the task force was concerned that application of the Virginia Freedom of Information Act to the portal could lead to the release of sensitive information which would not normally be released, suggesting that a portal and database would require a blanket exemption from the mandatory disclosure provisions of the Act.

The proposal also suffers from a number of practical problems. As the proposal is to build a database with the addresses of a good proportion of the citizens of the Commonwealth, such a database would be a tempting target for criminals and would require extensive security. Additionally, many agencies have business rules which would severely limit the usefulness of a portal and database to them. For example, many agencies require verification prior to accepting a change of address, while others allow customers to maintain multiple addresses and would need a way to verify the type of address submitted. There is also a question of whether customer consent should be required in order to share addresses with different agencies; while obtaining such consent is more transparent than sharing addresses without consent, and would help to satisfy certain legal requirements, it could prove detrimental to attempts to use the portal for anti-fraud purposes.

While the creation of a change of address portal and database would have benefits for citizens and state agencies, the benefits it would create do not outweigh the drawbacks if the portal and database are designed as a standalone program. The task force, therefore, cannot recommend that the General Assembly authorize a portal and database as a standalone project. Nonetheless, the task force believes that it may be possible to overcome some of these drawbacks by integrating a change of address portal and database into a project providing additional services beyond just the portal and database. Likewise, it believes that it would be prudent to proceed at first with a pilot of a smaller subset of agencies. The task force is aware that the Health and Human Resources (HHR) secretariat is currently considering an initiative to share medical records among agencies in that secretariat. Integrating a change of address portal and database into that initiative could be one way to move forward with the project if the General Assembly desires to do so.

## Findings and Recommendations

1. **The General Assembly Should Not Authorize a Statewide, One-Stop Online Change of Address Portal and Statewide Address Database as a Standalone Project at This Time.**

The task force recognizes that the creation of a statewide, one-stop online change of address portal and statewide address database is technically feasible and could have benefits for both citizens and agencies. Nonetheless, the task force believes that these benefits are likely to be minimal —many state agencies are transitioning to communicating via e-mail where feasible, and the laws, regulations, and business rules which restrict the ways in which the portal and database can be used will limit its usefulness to agencies and citizens. Ultimately, the task force believes that creation of a standalone change of address portal and statewide address database would require tremendous Commonwealth resources, the expenditure of which cannot currently be justified by the limited benefit that will be returned to agencies and citizens. The task force recommends that the General Assembly should not authorize a statewide, one-stop online change of address portal and statewide address database at this time.

**2. If the General Assembly Wishes to Proceed with Studying the Concept, it should do so in a Manner Which Allows it to Consider the Benefits of a Change of Address Portal and Database in the Context of Larger Projects.**

Although the benefits of this project do not outweigh its drawbacks, the task force recognizes the benefits that data-sharing could provide in a general sense. State agencies have frequently undertaken such initiatives in the past on a smaller scale. For example, DMV and the Department of Elections (ELECT) have worked together to share change of address data electronically, allowing these agencies to comply with the National Voter Registration Act while reducing the amount of paper printed and mailed and increasing citizen convenience. The Commonwealth has also had some limited experience with multi-agency efforts, such as the Virginia Longitudinal Data Survey, an agreement between eight health, social service, and education agencies to provide data from those agencies to researchers.

Although the benefits of the portal are real, realization of these benefits will likely require that the project be integrated into a project which delivers other services besides the change of address portal and database. One potential solution would be to integrate any further change of address study into the HHR secretariat's data sharing initiative for medical records, which often include addresses. This would allow the solution to be tested within a larger study while allowing for a pilot of the change of address functionality within a smaller subset of agencies. The task force recommends that, if the General Assembly wishes to proceed with a change of address study, it does so either in the context of the HHR initiative or within the context of another initiative of a similar size and scope as the HHR initiative.

# The Task Force

For the purpose of its analysis, the task force made the following assumptions:

- A "Portal" or "Citizen Address Portal" is an information technology solution that would support a citizen logging into a user interface, authenticating identity at a requisite level of assurance, and performing a digital transaction to update personal address information.
- A "Database" or "Statewide Address Database" is a database of citizen addresses which would receive information from a portal and/or other sources for address changes and be searchable by all state agencies verifying addresses.
- A "Citizen" is any natural person, regardless of immigration status, whose address is or should be recorded in the records of a state agency.

The task force recognized that a portal could potentially include an extensive number of stakeholders, such as local governments and private businesses, who also maintain citizen addresses on their own records. Nonetheless, because the time to complete the study was limited, the task force decided to focus the study on state agencies and the Clerks of the Circuit Courts. Additionally, the task force decided to limit its scope to addresses and changes of address. Although members of the task force noted that name changes often accompany a change of address, the task force decided not to include name changes as part of the study because of the additional documentation generally required to complete a name change transaction.

The Task Force began its study by assessing the current state of citizen address information collected, stored, and maintained by state agencies. Following this assessment, the task force created the following subcommittees to examine particular facets of the proposal:

- Benefits
- Challenges
- Costs
- Governance
- Legal and Policy
- Security
- Technology
- Use Case and Architecture Model

The subcommittees reported their findings to the Task Force, and these findings were taken into account in developing draft recommendations. Task Force members discussed the draft recommendations and voted on the direction that the final report should take. A draft of this report was circulated to task force members prior to its publication, and all task force members were given the opportunity to make both informal comments and formal responses to the report.

# Management of Address Data in the Commonwealth

Task Force staff conducted a survey of participating agencies to explore the type of address information within each agency's enterprise-level systems. Descriptive information (metadata) for the systems was derived from the Commonwealth Security Division of the Virginia Information Technologies Agency (VITA). This metadata, which had been collected by Commonwealth Security under *Executive Directive 6: Expanding Cyber-Related Risk Management Activities*, issued by Governor McAuliffe on August 26, 2015, provided a valuable starting point by demonstrating the wide range of agency systems across the Commonwealth that contained address information.

The address survey consisted of measures focused on the type of address data maintained in agency systems; details on address-related attributes; level of sensitivity of the data, such as Personally Identifiable Information (PII), Protected Health Information (PHI), Federal Tax Information (FTI); governing regulations for the data; applicable data exchange standards; and statutory or regulatory constraints on data sharing.

A total of 16 agencies responded to the survey, reporting on more than 120 computer systems used at those agencies with address information. The survey results featured the following trends:

- 57.5% of agency systems with address data contained more than 1 million records

- 78.4% of agency systems granted access to applications to view address data

- 49.5% of agency systems granted access to applications to update address data

- 27.5% of agency systems allowed citizens to update their address information

- 30.0% of agency systems shared address data with other agencies

- 71.7% of the address data is classified as sensitive information (PII, PHI, FTI)

The survey findings reveal the scale of state agency data systems containing address data, as well as the array of applications with access to this data. However, the survey also showed that less than a third of agency systems shared data with other agencies or allowed citizens to update their address information directly. Both of these trends present unique challenges and opportunities for a Citizen Address Portal.

There is limited sharing of change of address data between state agencies today. The National Voter Registration Act requires that all persons conducting certain transactions with DMV, public assistance agencies, or offices providing state funded services for the disabled also be offered the opportunity to change their voter registration address. 42 U.S.C. §§ 20504 and 20506. When a citizen changes his or her address at DMV and consents to share the updated address with ELECT, DMV electronically transfers voter registration information of citizens wishing to update their voter registration address to ELECT for further dissemination to local registrars.

# Technology, Security, and Governance

## *Technology*

The technical feasibility of a Citizen Address Portal is based on three primary principles: (1) the portal would require a secure process for registration and access; (2) the portal's functionality would handle citizen address updates and agency treatment of the updates; and (3) the process flow for the portal would be supported by a viable architecture model.

### Secure Process for Registration and Access

The first process required for a Citizen Address Portal will be the registration of a citizen into a state agency system.  Registration will be necessary for the address portal regardless of the architecture model option, since the process involves proof of identity, verification, and the issuance of a digital identity credential.  Also, the identity proofing and verification must be at a requisite level of assurance to meet agency requirements.

The registration process for a Citizen Address Portal and the portal's overall digital authentication model will also need to comply with the National Institute of Standards and Technology Special Publication 800-63-3 (NIST SP 800-63-3) and Commonwealth Security Standard 501 (SEC501).  The identity proofing and verification process flow anticipated for the address portal is illustrated below in **Figure 1**.

**Figure 1. Identity Proofing and Verification Process Flow**
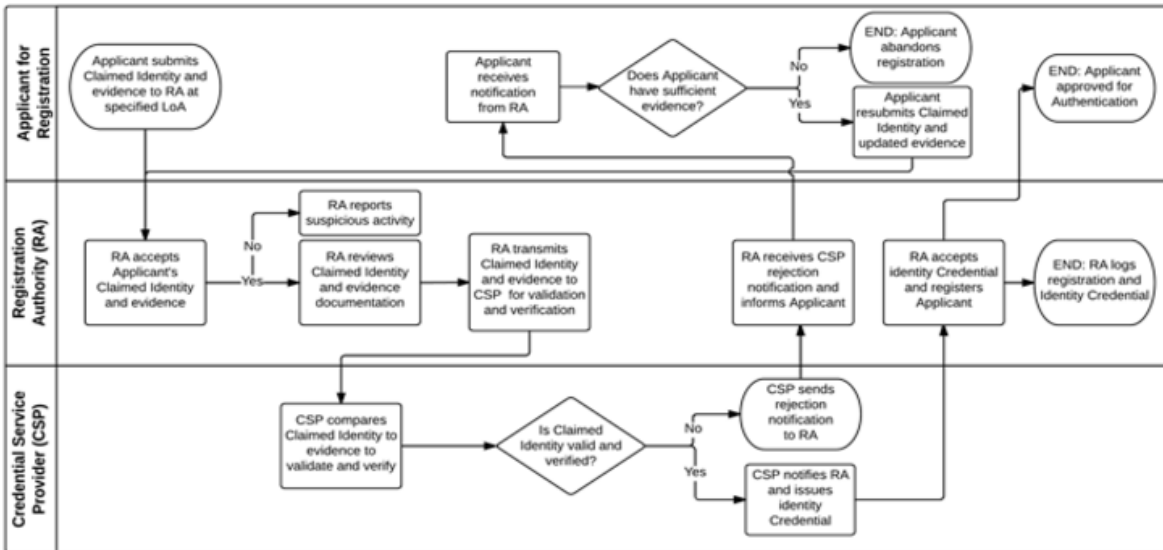


Registration is the first phase of the Citizen Address Portal's digital authentication model. The sequence for registration would proceed as follows:
1. Citizen applies for registration to a state agency.
2. The state agency verifies and approves the citizen's identity.
3. The state agency issues the citizen a credential.
4. The credential will be used for authentication into the address portal.

As a result of this process, new residents of Virginia will not be able to use the portal, since they will be required to first register with Commonwealth agencies and be issued credentials from each agency with which they will conduct business. Once issued credentials, these residents will be able to use the portal if they subsequently move within Virginia.

For a Citizen Address Portal, the authentication model will be implemented to validate the citizen's digital identity credential and enable the citizen to perform the address update transaction.

**Figure 2. Digital Authentication Model**
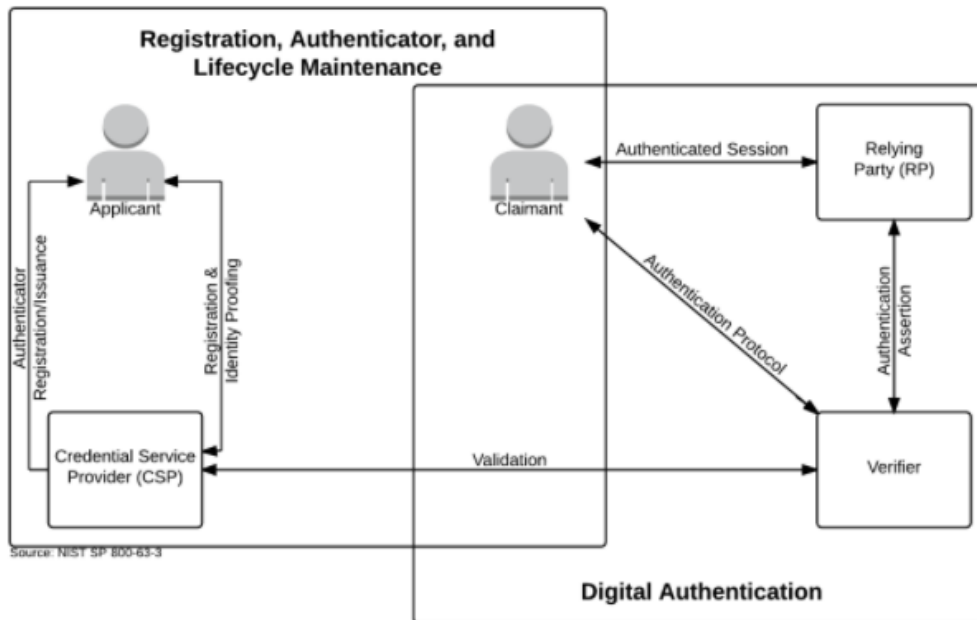


The left-hand side of Figure 2 shows the enrollment, credential issuance, lifecycle management activities, and stages of individual transitions, based on the specific phase of the identity proofing and authentication process for the enrolling agency as described in Figure 1. The portal, acting as verifier, confirms that the credential remains valid, usually by interacting with the credential service provider (CSP), which will likely be the agency providing the credential which is being authenticated. The right side of Figure 2 shows the citizen and the interactions related to using an authentication (sign-on). When the citizen needs to perform an address update transaction, the information provided to the CSP from the enrolling agency is used to authenticate the citizen's identity for a secure login.

Portal Functionality

There are two primary categories of portal function: (1) the citizen's submittal of an address update (Change Entry), and (2) the notification and subsequent treatment of the citizen's address update transaction (Change Notification and Execution).

The use cases within each functional category deal with the allowable methods for a citizen to update address information via the portal, the corresponding assurance level of the update information, and the business rules each participating agency will apply when accepting or rejecting the address update. A general overview of the primary use cases within each

functional category, as well as the corresponding assurance level and architecture model, has been provided in **Tables 3 and 4**.

**Table 3. Functional Category: Change Entry**

| USE CASE CATEGORY 1: CHANGE ENTRY | | |
|---|---|---|
| **PROCESS FLOW** | | |
| 1. Citizen completes registration with state agency.<br>2. Agency issues an identity credential to citizen.<br>3. Citizen uses agency issued credential to authenticate into address portal.<br>4. Citizen updates address information through address portal.<br>5. Address update accepted into address portal system based on architecture model.<br>6. Address portal pushes address update to other participating agencies.<br>7. Participating agencies accept/reject address updates based on business rules. | | |
| **USE CASE** | **DESCRIPTION** | **ASSURANCE LEVEL**[1] |
| **1.1 Citizen Self-Reported** | Citizen submits address change through the address portal via a self-attested process with no verified documentation. | Data Confidence/Assurance Level 1 |
| **1.2 Agency-Reported with no verification** | Citizen submits address change through a state agency system via a self-attested process with no verified documentation. | Data Confidence/Assurance Level 1 |
| **1.3 Agency-Reported with varying level of verification** | Citizen submits address change through a state agency system with a varying level of documentation for verification. | Data Confidence/Assurance Level 2 or 3 |

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[1] An explanation of data confidence/assurance levels is available in the National Institute of Standards and Technology's Special Publication 800-63B, available at https://pages.nist.gov/800-63-3/sp800-63b.html (last accessed Aug. 17, 2017).

**Table 4. Functional Category: Change Notification and Execution**

| USE CASE CATEGORY 2: CHANGE NOTIFICATION AND EXECUTION | | | |
|---|---|---|---|
| **PROCESS FLOW** | | | |
| 1. Citizen address update accepted into agency system.<br>2. System receiving citizen address update provides notification or update to agencies.<br>3. Agencies accept or reject address update based on business rules and regulations. | | | |
| **SOLUTION OPTION** | **DESCRIPTION** | **ARCHITECTURE MODEL** | **BENEFITS / DRAWBACKS** |
| **DMV Agency System** | Citizen address update submitted through DMV agency system; DMV publishes update for participating agency consumption (web service). | • DMV Agency System<br>• WebSphere MQ<br>• WebSphere Webservice | **Benefits:** Agencies connected to the DMV system can choose, on a case-by-case basis, whether to accept and update citizen address.<br><br>**Drawbacks:** Not real time – relies on data collected from only one agency. Does not include notifications and address updates will need to be matched against participating agency customer data. Customer may not know which agencies have accepted the updated address. |

| SOLUTION OPTION | DESCRIPTION | ARCHITECTURE MODEL | BENEFITS / DRAWBACKS |
|---|---|---|---|
| **Partial Master Data Management (MDM) Solution** | Agency subscribes to partial MDM solution on existing InfoSphere/ WebSphere platform; agency may receive update notifications; partial MDM solution features tiers of service based on participation status. | • InfoSphere MDM<br>• WebSphere MQ | **Benefits:** Address updates handled via centralized notification and messaging service. Citizen information verified based on master person index (golden record) for the citizen. Agencies receive notification of address updates.<br><br>**Drawbacks:** Subscription third-party service may be considerably more expensive. Notification only, participating agencies will need to pull changes. Customer may not know which agencies have accepted the updated address. |

| SOLUTION OPTION | DESCRIPTION | ARCHITECTURE MODEL | BENEFITS / DRAWBACKS |
|---|---|---|---|
| **Full MDM Solution** | Agency on boards to full MDM solution; agency has real-time access to address update based on posts to citizen's golden record in MDM solution; MDM solution provides agencies with enhanced services, security, and data access. | • InfoSphere MDM<br>• WebSphere MQ | **Benefits:**<br>Address updates handled via centralized notification and messaging service. Citizen information verified based on master person index (golden record) for the citizen. Agencies receive real-time notifications of address updates. Citizen's unique identifier may be used for identity verification and improvements in service delivery.<br><br>**Drawbacks:**<br>Subscription third-party service may be considerably more expensive. Real time update may not be desired due to participating agency business rules. Customer may not know which agencies have accepted the updated address. |

| SOLUTION OPTION | DESCRIPTION | ARCHITECTURE MODEL | BENEFITS / DRAWBACKS |
|---|---|---|---|
| **Citizen Address Portal Website** | Address portal developed as standalone website; address updates trigger notification to agency; agency required to pull updates and review for accept/ reject decision. | • Web Portal<br>• Notification Service<br>• Authentication Service | **Benefits:**<br>Address updates could be delivered in flat file transfers or web services. May be less expensive to implement.<br><br>**Drawbacks:**<br>Not real time; data collected in portal will be a snapshot in time. Does not include notifications and address updates will need to be matched against participating agency customer data. Customer may not know which agencies have accepted the updated address. |

It should be noted that the Citizen Address Portal Website model is the only solution option which explicitly creates a new website for the purpose of submitting address changes to state agencies. The two MDM models would work similarly to the website model, except that changes of address would not necessarily come from a portal website, but could come instead from some other source, such as existing agency records. Finally, the DMV Agency model would utilize DMV's existing change of address processes as the portal and share that with other agencies.

## Database Security

The task force examined the database security requirements for the change of address portal and statewide address database. Published in Table 5 below is a listing of relevant security requirements. All use cases and solutions listed in the technology section will need to be compliant with the requirements listed in Table 5.

**Table 5. General Security Requirements for all Models**

| REQUIREMENTS | DESCRIPTION |
|---|---|
| **Security** | Address portal should prepare all necessary documentation required for security and protection of the PII data such as development and annual maintenance of a System Security Plan, Risk Assessment every three years, periodic audits. |
| **Compliance** | Central repositories for address changes will need to store PII in order to distinguish unique person addresses. PII usage and protection is subject to multiple state and federal regulations. |
| **Commonwealth Security Standards – General** | Address portal would be in scope for the following Commonwealth Security Standards: <br><br>• COV SEC 501-09 (or latest) IT Information Security Standard <br>• COV SEC 502-02.2 (or latest) IT Security Audit Standard <br>• COV SEC 514-03 (or latest) Removal of Commonwealth Data from Electronic Media Standard <br>• COV SEC 520-00 (or latest) IT Risk Management Standard <br>• COV SEC 525-02(or latest) Cloud-Based Information Security Standard |
| **Commonwealth Security Standards – Encryption** | Address portal would be required to comply with the following requirements for encryption: <br><br>• SEC501.9 Section 8.16.SC-8-COV for transmission of email, attached data, and identity proofing sensitive data <br>• TLS 1.2 Security for data at rest for all relational database items and enforce for all incoming connections <br>• FIPS 140-2 (or later) Certification for database encryption <br>• Also, AES preferred but a minimum of 256 bit encryption for database and a minimum of 2048 bits on encryption keys |
| **Code of Virginia and Federal Regulations** | Address portal should protect PII records in accordance with state and federal including, but not limited to, the following: <br><br>• Government Data Collection and Dissemination Practices Act, Va. Code § 2.2-3800 *et seq.* <br>• Administration of systems including personal information; Internet privacy policy; exceptions, Va. Code § 2.2-3803. <br>• Virginia Freedom of Information Act Va. Code § 2.2-3700, *et seq.* <br>• HIPPA, SSA, IRS regulations. |

Legal and policy requirements are discussed in more detail in the Problems and Potential Misuse section of this report.

*Governance*

The Governance Subcommittee discussed the structure which would be required to responsibly implement a change of address portal and address database. The report issued in 2016 pursuant to Governor McAuliffe's Executive Directive 7 stated that "[a]gency representatives reported that . . . [d]ata sharing depends on participating agencies having in place the necessary agreements and governance mechanisms to enforce the business, legal, and technical requirements of the relationship."[2] The Governance subcommittee considered two governance models: a central coordinating committee model, and a trust framework model.

The central coordinating committee model would establish a central coordinating committee composed of representatives of agencies participating in the portal. Members of the subcommittee noted that this model is used for the Virginia Longitudinal Data System (VLDS), where it has been very successful. Nonetheless, the Task Force believes that this method is not appropriate for the portal and database because it could involve potentially many more agencies than VLDS. Additionally, given the legal and policy constraints which will be placed on the portal and database, it is entirely possible that many agencies will find that their participation in the portal, and their use of data coming from it, will be limited. This could severely dampen agency enthusiasm for the portal, potentially making it difficult to find volunteers for the central coordinating committee and making it difficult to govern the portal.

The trust framework model system would be based on the Military Medics & Corpsman Pilot Program (MMAC) established by the Department of Veterans Services (DVS) to assist veterans obtain employment with health employers in Virginia. A representative from DVS informed the subcommittee that the MMAC governing structure includes a memorandum of agreement which sets common rules and expectations agreed to by all partner health systems, as well as general scopes of practice which are tailored to the unique needs of each partner health system. While the model used in MMAC does not specifically focus on data sharing and databases, the task force believes that it could be adapted as a governance model for the portal and database.

If the General Assembly wishes to authorize a change of address portal and database, the task force believes that a trust framework model similar to the MMAC program would be the most appropriate way to handle the unique requirements of each agency while ensuring that the project is appropriately governed across the board. While formal regulations are not necessary, the memorandum of agreement and general scopes of practice should be established by the agencies prior to implementation of the portal. Finally, although it will be necessary to have input from participating agencies in the governance of the portal, the task force believes that it would be appropriate to delegate responsibility for governance of a portal to one or two agencies in order to ensure that there is institutional expertise. For example, it may be appropriate for the Office of the Attorney General to coordinate the identification of federal, state, and local laws as they relate to the portal, with another agency maintaining day to day oversight of the portal technology.

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[2] Va. Info. Tech. Agy., *Executive Directive 7: Leveraging the Use of Shared Data and Analytics* (2016), 19, available at http://www.vita.virginia.gov/uploadedFiles/VITA_Main_Public/Oversight/EA/Data_Management_Group/Executive Directive7.pdf (last accessed August 22, 2017).

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# Costs and Funding

*Costs*

The task force created a Costs subcommittee to examine potential costs to build, connect to, and maintain the potential systems outlined in the solution options.  These costs would consist of both initial one-time costs as well as recurring costs.  The Costs subcommittee considered items such as:

- Data stewardship,
- Oversight,
- Customer support,
- Hosting,
- Ongoing technical maintenance and support,
- Servers,
- Software and licensing,
- Development,
- Training,
- Marketing and advertising,
- Enterprise Cloud Oversight Service administrative cost,
- Communication, and
- Administrative and management costs.

Six agencies, including VITA and DMV, submitted cost estimates.  A summary of estimated costs by solution option for the six agencies which submitted cost estimates is presented below:

| Solution Option | One-Time Cost | Annualized Recurring Cost |
|---|---|---|
| DMV Agency Model | $1,036,451 | $787,764 |
| Partial MDM Model | $2,083,697 | $1,826,587 |
| Full MDM Model | $3,389,972 | $2,294,297 |
| Portal Website Model | $3,798,797 | $2,467,719 |

These estimates were determined by adding together the total estimates for each of the six agencies which submitted information to the task force.  The agency estimates upon which this estimate is based are included in Appendix D.  For the partial and full MDM solution options, it was assumed that the solution would be created in-house due to the substantial expense of an external subscription model.

The task force noted that agency estimates varied widely. Some agencies expected a high level of expenditure; this was especially the case for agencies which would have responsibility for building the system.  Other agencies estimated lower costs; this was common where, for

example, an agency thought that it would merely be a consumer of the information and not its supplier. In all cases, however, agencies commented that formulating cost estimates was difficult because of the many uncertainties of the portal and database. The cost figures provided in this section and in Appendix D are merely estimates, are based on very high-level assumptions for solution options which are not fully fleshed out, and could change significantly as decisions are made. Additionally, there are many variables within each solution option as to the exact mechanisms used to accomplish the functions of the portal or data sharing system, making it difficult to provide a high level of precision. Inevitably, the development of such systems would uncover unexpected but necessary tasks which were not foreseen by the task force members when they were calculating their estimates.

Also, the estimates do not necessarily imply that the agencies which have provided estimates would or could commit to be involved in the building and use of any such systems. As explained in the problems and potential misuse section of the report, there are reasons why some agencies will be able to only partially participate with a portal and database, or why some agencies will be completely precluded from using the portal and database. All of these factors should be taken into consideration when examining the estimates, keeping in mind that they represent only an attempt to provide a broad, general sense of the potential costs of a change of address portal and database.

Finally, it must be kept in mind that only six agencies submitted cost estimates to the task force. There will certainly be additional costs to implement the portal among all state agencies; therefore, the final cost for implementation of a change of address portal and database will be higher than the estimate for implementing the database for six agencies shown in this report.

*Funding*

The Governance subcommittee discussed potential funding models for a portal and database. The task force is cognizant of the fact that funds will be needed both to create and maintain the portal and database. Traditionally, projects on a similar scale as the portal and database have been funded through fees which agencies pay to VITA for the use of software, so consideration was given to incorporating the portal and database into VITA's standard software offering to agencies and the cost included in the standard VITA charge. The task force concluded that this approach is not appropriate. Different agencies will likely have differing abilities to participate in the portal, and so it seems that agencies should be charged for the service based on their ability to use the service. Additionally, the task force is aware that some agencies are largely funded by grants from the federal government; the terms of these grants often prohibit the use of grant money for data sharing activities. While much would depend on the ultimate design of the portal, incorporating the portal into an agency's standard VITA package and fee could make it difficult to ensure that grant funds are not being used for prohibited data sharing.

The task force recommends that if the General Assembly wishes to proceed with a portal and database that it provide funding for the creation and maintenance of the portal, which will help ensure that the portal can be best tailored to the services which agencies can accept and will also ensure that no grant money is spent on prohibited data sharing. This approach will also assist agencies whose grant funding prohibits the use of the money for data-sharing, as it will provide a separate funding source for their participation.

# Benefits

The task force created a subcommittee to study the benefits of the creation of a statewide, one-stop change of address portal. The subcommittee studied benefits for both citizens and state agencies.

The task force determined that the benefits for citizens of an address portal and database are mainly in the increased efficiency that a portal has the potential to provide. Generally, a citizen moving within the Commonwealth today must contact separately each state agency with whom he or she interacts, although there are limited exceptions (for example, applying to register to vote when conducting certain transactions at DMV pursuant to the National Voter Registration Act0). This could be cumbersome for a citizen who likely has several other tasks to complete after moving, especially if there are agencies with whom the citizen only interacts infrequently but who nonetheless need to be informed of the new address. A portal could streamline this process, saving the citizen considerable time and ensuring that his or her address is updated with all the agencies with whom he or she interacts.

Benefits for state agencies are largely tied to the increased data quality that would come from obtaining more accurate addresses. Many agencies are required to send notices by mail; when they have an out-of-date address for a person, they will have incurred the postage cost of sending the notice without the person actually having been notified. If a portal is created, and there is high usage of it among the citizens of the Commonwealth, then agencies would benefit from having more up-to-date addresses, saving some of the cost of returned mail and of having to locate individuals.

It is also possible that a change of address portal and statewide address database could help reduce fraud among state agencies. If multiple agencies are receiving address updates from the portal and the database, it may be possible to tie an individual to one address, limiting the opportunities for fraud arising from improperly giving different addresses to different agencies. Additionally, because the portal and database would be a statewide project, it could have access to sophisticated third party verification software which has so far been affordable only to large state agencies. By participating in the portal and database, small and mid-sized agencies could also enjoy the benefits of this software at a lower price.

# Problems and Potential Misuse

Although creation of a change of address portal and statewide address database could have a number of benefits, it also raises the specter of potential problems and possible misuse.

## Legal Challenges

The task force spent considerable time studying the legal consequences of the creation of a change of address portal, and as part of that effort examined many statutes, regulations, and other requirements which state agencies must follow. A partial list of such requirements is listed in Appendix C of this report. Nonetheless, it became clear during the study that many of the requirements which affect an address portal are agency specific. Many of the relevant statutes

and regulations found by the task force affect only one agency, and it is likely that many state agencies are subject to statutes of similarly limited scope. Only a subset of the 112 state agencies across Virginia's three branches of government was represented on the task force. Thus, neither this report nor the appendix is, or should be read to be, a comprehensive list of all the legal consequences of the requirements of creating a change of address portal and statewide address database. If the General Assembly wishes to proceed with a change of address portal and database encompassing all state agencies, consideration should be given to authorizing a comprehensive study of all laws, regulations, and other requirements affecting the proposed portal and database. This should specifically include a survey of all state agencies as well as federal and state laws and regulations of general applicability.

<u>Data Sharing</u>

Legal restrictions upon the address portal stem largely from the fact that much of the data held by state agencies is required by law to be protected and kept confidential. At the very least, address information held by state agencies is likely to be considered personally identifying information (PII) under Virginia law because "personal information," as that term is defined in the Government Data Collection and Dissemination Practices Act (GDCDPA), includes anything that can be used to locate a person. Va. Code § 2.2-3801. Many of the provisions of the GDCDPA place restrictions on agency data sharing, which is explained in more detail in Appendix C. Additionally, many agencies are bound by statutes which restrict the release of personal information. *See, e.g.,* Va. Code § 46.2-208 (personal information, as defined in § 2.2-3801, is considered privileged and may only be released in accordance with that statute). In addition to PII, many agencies hold data which is restricted in other ways. For example, many agencies hold data which is personal health information (PHI) or federal tax information (FTI), and so their use of data is bound by the restrictions inherent with those designations.

Although many of these requirements are imposed by the Commonwealth, others are imposed by the federal government. For example, restrictions on the use of PHI and FTI stem from the regulations of the Health Insurance Portability and Accountability Act and the Internal Revenue Code, respectively. 45 C.F.R. 164.502 *et seq.* (PHI); 26 U.S.C. § 6103 (FTI). Violations of these restrictions are treated severely and, in some cases, criminally. For example, willfully making a prohibited disclosure of restricted FTI could earn a state employee a $5,000 fine, a five year federal prison sentence, or both. 26 U.S.C. § 7213. In other instances, restrictions are placed upon state agencies as a result of contracts that a state agency enters into with a federal agency; the state agency agrees to maintain information confidentially in exchange for grant funds or to obtain information necessary to complete their missions. Failure to abide by these conditions could result in the loss of the contract, harming the state agency's ability to carry out its mission. Finally, both federal and state laws often impose background check requirements on employees who handle customer data; the background check requirements often vary between agencies. Sharing address data between agencies could potentially implicate each of the above issues, and potentially more issues which have not yet been identified.

As shown in Appendix C, many of the restrictions on data sharing referenced above can be avoided by obtaining the citizen's consent prior to sharing the information. Obtaining such consent could likely be made part of the portal process, and would allow the portal to share data in that category. Nonetheless, there are many other restrictions for which consent does not

provide an exception to the requirement, or to which it provides an incomplete exception. Thus, although consent to sharing will obviate some of the concerns, some concerns will remain.

Finally, because many of the data sharing requirements are based on federal law and regulation, changes to these requirements would require intervention by Congress and/or federal agencies. Because of the strong privacy interests leading to the creation of the federal requirements, it is likely that any exception applied for would need to be narrow in scope – i.e., for the sole purpose of exchanging address information among agencies within a single state's government. The task force was informed by the National Conference of State Legislators that there are no other states currently considering or implementing a change of address portal.[3] It may be difficult to convince Congress and federal agencies to pass federal legislation or regulations to create exemptions from a myriad of privacy laws that would only benefit Virginia.

<u>Virginia Freedom of Information Act</u>

Most state agencies are subject to the Virginia Freedom of Information Act (FOIA), Va. Code § 2.2-3700 *et seq.*, and data collected for an address portal and database would likewise be subject to the provisions of FOIA. How customer records collected for a portal and database would be treated under FOIA, however, would likely depend on the entity that is considered the data's custodian. The task force determined that existing FOIA and data release laws for data held by agency custodians would also apply to data held by agency custodians which was received from the address portal – that is, the manner by which the custodian received the data would not affect its treatment under FOIA. Customer records held by the custodian of a separate address database, however, would not necessarily be subject to the statutes governing a single agency's data, which means that a record which cannot be released for a FOIA request made to the custodian of an agency's addresses may be required to be released if the FOIA request is made to the custodian of the database. A release of records by the custodian of a statewide address database which would be privileged if held by an agency custodian will be difficult for citizens to understand, and even more difficult for the Commonwealth to explain and defend.

The task force believes that if a single address database is to be created, any customer records held by the custodian of the database should not be subject to the mandatory disclosure provisions of FOIA. Because the database would be used by different agencies, and because different agency custodians are subject to different confidentiality requirements for addresses, it is difficult to determine what exemptions should apply to a portal that handles addresses for different agencies. The purpose of exempting the portal from the mandatory disclosure provisions would not be to suppress information that should be released; indeed, citizens could be encouraged to make FOIA requests to the agency where the data is sent, with that agency's custodian approving or denying the request under the FOIA and data release laws applying to that agency. But a blanket exemption for records within the database would help to ensure the privacy of information by directing FOIA inquiries to agency experts who best understand the interaction of FOIA and any applicable privacy statutes relating to the record.

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[3] E-Mail from Jon Jukuri, National Conference of State Legislators, to Carrie Ann Alford, Task Force Member, April 19, 2017.

*Practical Challenges*

The task force also discussed a number of practical challenges arising from the creation of a statewide address portal and database.

Risks of Misuse

The creation of a change of address portal and address database opens the possibility for misuse. Creating a single statewide address database would create a data rich target for identity thieves and other criminals, who with one fell swoop could steal the personal information of nearly every citizen of the Commonwealth. Other databases held by state agencies have suffered breaches in the past, and agencies whose databases have been breached have found that dealing with breaches has been difficult and expensive. Any breach of a single address database has the risk of being extremely expensive and difficult to contain and has the potential to cause extreme reputational damage to the Commonwealth and its agencies. For this reason, if the General Assembly wishes to proceed with a database, it will be necessary for the database to be extraordinarily well secured to avoid problems of this magnitude.

It was also noted that there is a risk of maliciously submitted false address changes. One example might be a person embroiled in a bitter divorce proceeding who submits a false change of address for his or her ex-spouse so that important mailings are missed. Although it was assumed that the portal would require authentication through personal identifiers prior to accepting a change of address, it was noted that others may have this information. Of course, such misuse is possible now with current online address change systems. Nonetheless, the portal might make it easier for the bad address to be sent to more agencies, potentially causing more inconvenience for the affected citizen and state agencies in fixing the problem.

Business Rules

At many agencies, changing an address requires further action on behalf of the agency. For example, the National Voter Registration Act requires DMV to offer citizens the opportunity to register to vote upon changing an address with DMV. Likewise, because eligibility for public benefits is often dependent on one's residence, the Department of Social Services must confirm the accuracy of the new address prior to accepting it from the client, potentially leading to a delay before the new address is officially implemented for benefits purposes. While these may not be complete barriers to the creation of a change of address portal, limitations such as these will need to be considered in the design of the portal.

Additionally, many agencies keep different kinds of addresses on file, and so it is necessary for these agencies to understand what kind of address has been received when a new address is submitted. For example, while DMV customers are required to give DMV their residence address, many will also submit a separate mailing address and will also be required to submit separate garage addresses if they own vehicles which are garaged away from their home. In contrast, ELECT can only accept a residence address, in order to ensure that voters are assigned to the correct precinct. Likewise, the Virginia Retirement System noted that they have a number of "snow-bird" clients who live in Virginia most of the year but move to warmer climes during the winter and want their retirement check forwarded to them while away for the season.

It also needs to be kept in mind that not all agencies keep customer records of the type that a portal is meant to update.  Representatives from the Office of the Executive Secretary of the Supreme Court and from the Circuit Court Clerks informed the task force that court clerks organize their records by cases; although addresses are associated with the parties in those cases, there are legitimate reasons why the same party could have different addresses in different case files.  For example, suppose that Larry Litigant has hired a lawyer to file a civil lawsuit in General District Court to recover money a contractor owes him, and in the same court he is fighting a speeding ticket without an attorney.  The address the court would likely have for Larry in the debt case would be his lawyer's address, since the lawyer filed the lawsuit.  But in the speeding ticket case, the court would likely have Larry's home address, as the police officer would have copied that from his driver's license when issuing the summons.  It may be difficult for court clerks, upon receiving updates from the portal, to determine which addresses, if any, should be replaced with the portal address.

Additionally, there are some records for which it will not be appropriate to update the address.  For example, many court records relating to cases are required to be kept historically accurate after the creation of the record so that a person conducting research knows that the record accurately states what happened in the case.  Retroactively updating addresses to the party's current address, possibly years after the matter has ended, would negatively affect the accuracy of those records, making them unreliable and useless to researchers.  Likewise, information recorded on vital records cannot be changed without a court record both as a matter of historical accuracy and because locations recorded on vital records can be legally determinative for different purposes.

The interaction of these business rules, and the limitations they place on agencies, could lead to considerable citizen confusion.  As an example, consider Charlie, a college student who attends school in Pennsylvania but lives with his parents in Alexandria when he is not at college.  Charlie maintains his driver's license and voter registration in Virginia.  He also received an expensive speeding ticket while home for Spring Break and has entered into a payment arrangement with the Clerk's Office at the Alexandria General District Court to pay the ticket over time while retaining his driver's license.  One of the terms of the payment arrangement is that Charlie must inform the Clerk's Office if he moves; his arrangement may be revoked and his driver's license suspended if he fails to do so.  For the purposes of this example, assume that DMV and ELECT participate in the portal, but the Clerk's office does not.

Charlie's parents recently moved from Alexandria to Arlington and Charlie wants to update his address through the portal.  But what address should he give?  Charlie physically lives in Pennsylvania during the school year, and it would be convenient for him if government agencies could send important notices to his college address.  Yet if he submits his college address, DMV and ELECT might wrongly believe that Charlie is now a Pennsylvania resident, revoking his driver's license and voter registration despite the fact that Charlie is a Virginia citizen who is entitled to vote and be licensed in Virginia.  In order for the portal to be useful to Charlie, it will need to differentiate between residence and mailing addresses, and it will need to be explained to people like Charlie the importance of correctly differentiating between the different types of addresses.

Another problem will occur if Charlie believes that the portal will update his address with the Clerk's Office, and so does not separately update his address with that office.  Since, in this

example, the Clerk's office does not participate, there is a very real chance that Charlie's driver's license will be in danger of suspension if it is discovered that he has moved and has not separately updated his address with the Clerk's Office. Unfortunately, there are likely to be many agencies for which the portal will not update the address, or for which additional activities will be necessary before the address can be accepted. For this reason, it will be necessary for the portal to explain which agencies do, and do not, participate in the portal. But because there will likely be many agencies which do not participate, the list of disclaimers on the portal is likely to be long, which will make it less likely that citizens will read it. Thus, there is a very real risk that a portal could make it more likely that people like Charlie will have outdated addresses, since they will have thought that they updated their address through the portal and were unaware that it was not changed at all agencies. This could have negative repercussions for agencies and will limit the benefit to agencies of the portal.

### Consent

The task force discussed at some length whether data should only be shared with agencies for which the citizen has consented to receive the updated address. In simpler terms, the question is whether the citizen should be allowed to only share his or her data with certain agencies and prohibit its sharing with others.

As noted in Appendix C, obtaining citizen consent will overcome many of the legal barriers which have the potential to impair a portal, and so may be necessary in order to develop the portal. Additionally, proceeding only with consent is more transparent to the citizen in that it allows him to choose what he wants shared, and with whom. It also has some benefits for agencies because it will limit the amount of records received through the portal. For example, if a citizen must affirmatively consent to sending records to an agency, it is likely that only that agency's clients will send records there, avoiding the need for the agency to process change of address records from non-clients.

Operating on a model of explicit consent could also help ease the confusion about which agencies do, and do not, participate in the portal. For example, the portal could be designed so that an enrollee is presented with a list of participating agencies and asked to check a box next to each agency to which he consents sharing his change of address data. Since non-participating agencies would not be on the list, the citizen would hopefully have a better understanding of which agencies are receiving his change of address information.

Nonetheless, it should be noted that requiring explicit consent before allowing the portal to share change of address information with an agency could make it harder for agencies to use the portal to combat fraud. Information that an individual has moved could be key information to determine whether, for example, that person continues to be entitled to receive certain government benefits or to vote in certain elections. It is possible that someone could purposely not consent to share information with certain agencies so that he or she could fraudulently continue to exercise a privilege he or she no longer has, or receive a benefit for which he or she is no longer eligible. Thus, although it is likely desirable from a legal and policy perspective to require citizen consent prior to sharing an address with an agency, such a policy will negatively affect the ability of the portal to detect and deter fraud.

# Analysis and Conclusion

The task force believes that a proposed change of address portal and statewide address database suffers because it is both too broad and too narrow. It is too broad in the sense that it would involve all state agencies, despite the fact that many state agencies would have limited use for the portal and could face legal consequences for their participation. But it is also too narrow because of the limited benefit that it offers to citizens and state agencies. Unsurprisingly, most of the benefits of this project would be directly related to addresses – the ability of agencies to potentially have better addresses, or the ability of customers to change their addresses more conveniently.

Having out of date addresses inconveniences both the state agency and the citizen who does not receive important information. The number of people who move each year is significant; the Census Bureau has determined that 11.2% of Americans moved in 2016.[4] But this was an all-time low; in years past, rates of 15-20% were not uncommon.[5] Additionally, many task force agencies noted that they are attempting to move away from physical mail to e-mail. Although some agencies are required by law to send notices by physical mail, others are trying to send more of their correspondence by e-mail, with one task force participant saying that e-mail is now the communication method of choice at his agency whenever feasible. The declining number of people moving, as well as the rise in e-mail communication from state agencies to citizens, further limits the usefulness of a change of address portal. When compared to the problems it would cause and the potential for misuse, the task force does not believe that the change of address portal and statewide database can be justified as a standalone project. The task force, therefore, recommends that the General Assembly not authorize a change of address portal and statewide database as a standalone project at this time.

Nonetheless, it may be worth considering whether a change of address portal could be combined with other data sharing initiatives that could deliver more benefits for the Commonwealth and its citizens. Although address is an important part of an agency's record of a citizen, the record usually contains other information which may also be useful if shared with other agencies. The cost benefit analysis for a system which combines these functions may be more favorable to the Commonwealth and its citizens than a standalone change of address portal and database precisely because it will deliver more benefits.

The task force believes that building a system which provides more services would be more feasible if it is piloted with a smaller subset of agencies. As noted above, implementation of a change of address portal across all state agencies will require further research because of the many statutes, regulations, and business rules which affect only one agency – and there are 112 agencies within the Commonwealth. Additional further research will be required to determine the potential legal barriers for these agencies, as well as the implementation and maintenance costs for these agencies. Starting with a smaller subset of agencies would allow for a pilot to

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[4]United States Census Bureau, *Americans Moving at Historically Low Rates, Census Bureau Reports* (Nov. 16, 2016), *available at* https://www.census.gov/newsroom/press-releases/2016/cb16-189.html (last accessed August 24, 2017).

[5] *Id.*; United States Census Bureau, *Moving in America: U.S. Mover Rate at Historic Low*, *available at* https://www.census.gov/content/dam/Census/library/visualizations/2016/comm/cb16-189_migration_graphic.pdf (last accessed August 24, 2017).

proceed sooner by lessening the number of agencies for whom research is required, while also allowing the Commonwealth to test the benefits of the system before committing to a costly research project and costlier implementation.

The task force is aware that the Health and Human Resources (HHR) secretariat is currently exploring an initiative to share medical records among agencies within the secretariat. Many HHR agency clients receive services from multiple agencies; the task force understands that the initiative aims to share medical records among these agencies in order to allow the agencies to better serve their patients. Addresses are, of course, an important part of medical records; doctors require their patients' addresses for many purposes, such as billing and mailing test results. Creating a database of addresses for HHR clients within the broader medical record sharing initiative could be a reasonable way to test the feasibility of a change of address portal and database on a smaller scale in a way that is likely to deliver benefits to the Commonwealth and its citizens.

If the General Assembly wishes to proceed with a change of address portal and statewide address database, the task force recommends that it do so in the context of a smaller project which offers a broader scope than simply change of address. This could be done within the medical record sharing initiative being considered by the HHR secretariat or within another project of a similar size and scope. Since it seems unlikely that a change of address portal and database will have enough benefit to stand on its own, piloting it as part of a data sharing initiative with a broader scope will allow for the concept to be tested in a way which makes it more likely to succeed long-term. A pilot with fewer agencies means that much less legal and costs research would be required prior to implementing the pilot, and so it is more likely that it could be implemented more quickly than could a portal and database including every state agency. Additionally, piloting the portal in this way would allow the Commonwealth the opportunity to observe the functioning of an address portal and database prior to attempting to implement a statewide project.

**APPENDIX A: CHAPTER 553 OF THE 2017 ACTS OF ASSEMBLY**

# CHAPTER 553

*An Act to require the Secretary of Transportation to convene a task force to study the feasibility of establishing a statewide one-stop online portal for address changes for the purposes of developing a statewide address database; report.*

[S 1363]

Approved March 16, 2017

Be it enacted by the General Assembly of Virginia:

**1.** *§ 1. That the Secretary of Transportation or his designee shall convene a task force composed of representatives from the Division of Motor Vehicles, the Department of Elections, the Department of Taxation, the Department of Health, the Department of Medical Assistance Services, the Virginia Information Technologies Agency, the Clerks of Circuit Court and any other agencies deemed appropriate to study the feasibility of establishing a one-stop online portal for citizen address changes in order to develop a single statewide address database for utilization by state entities. The task force shall review issues related to the establishment of a statewide address database, including (i) the benefit to citizens and state entities, (ii) potential problems and possible misuse, (iii) costs related to its development and maintenance, and (iv) database security.*

*§ 2. The task force shall begin its work no later than May 1, 2017. The task force shall submit to the Governor and the General Assembly a report on its findings and recommendations by November 1, 2017.*

2. That the provisions of this act shall expire on July 1, 2018.

# APPENDIX B: TASK FORCE MEMBERSHIP

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**APPENDIX C: PARTIAL LIST OF LAWS, REGULATIONS, AND OTHER LEGAL REQUIREMENTS FOR IMPLEMENTATION OF A CHANGE OF ADDRESS PORTAL AND DATABASE**

# Appendix C: Partial List of Requirements Affecting the Change of Address Portal and Database

## Statutes, Regulations, and Contracts

| Requirement | Citation | Barrier | Would Consent Fix | Modification Needed |
|---|---|---|---|---|
| Confidentiality and Disclosure of State Unemployment Compensation Information | 20 C.F.R. § 603 | Federal regulation prohibits disclosure of PII) that the Virginia Employment Commission (VEC) holds except for permitted purposes. When VEC may disclose PII, it must be with agreements which cover data security and which explicitly provide for VEC's costs to be reimbursed, as federal grants to VEC must not be used to cover data information sharing costs. Failure to comply could lead to loss of federal funding, which accounts for an overwhelming majority of funds for VEC's administrative activities. | Yes, when consent given under requirements provided in 20 C.F.R. § 603.5(d)(2). | Amend federal law to provide VEC the ability to share data with the portal. |

| Requirement | Citation | Barrier | Would Consent Fix | Modification Needed |
|---|---|---|---|---|
| Health Insurance Portability and Accountability Act (HIPAA) | 42 U.S.C. § 1320d-2 note<br>45 C.F.R. 164.502 | HIPAA prevents healthcare organizations from exchanging and disclosing PHI, including addresses, without patient consent. In some cases, even permitted disclosures can only be the minimum disclosure necessary. Also, the Health Breach Notification Rule component means agencies will have to notify all clients any time there is a breach. | Consent authorizes sharing of data with other medical entities to further health service, but does not explicitly allow sharing with other governmental agencies for non health service related reasons. | Amend HIPAA to provide that sharing of name and address data does not constitute sharing of PHI.<br><br>Amend HIPAA breach notification rule to exclude address portal when data taken is only name and address instead of health information. |

| Requirement | Citation | Barrier | Would Consent Fix | Modification Needed |
|---|---|---|---|---|
| Contract between Department of Veterans Services (DVS) and the federal Departments of Defense (DOD) and Veterans Affairs (VA) | N/A | DVS receives information from DOD and VA for veterans who live in and are discharging to Virginia and uses that information to deliver benefits to veterans. The contract allows DVS to receive this information and requires that it be kept confidential. Failure to comply could cause DVS to lose access to this information, hampering its ability to serve veterans. | DVS representatives have advised that the contract with DOD does not authorize sharing with consent. Addresses obtained pursuant to other contracts may be releasable upon consent, depending upon the contract. | Amend contracts with DOD and VA to permit sharing of address data with other agencies through the portal. |
| Confidentiality and disclosure of returns and return information | 26 U.S.C. § 6103 | Tax return information is to be disclosed only as authorized. Tax return information includes taxpayer identifying information; this may include address data. | No. The statute allows for release upon taxpayer consent given to the IRS, but not upon consent given to state agencies. | Amend the statute to permit address information to be made available to other agencies, even if information was received from the IRS. |
| Unauthorized Disclosure of Information | 26 U.S.C. § 7213 | Forbids willful unauthorized disclosure of federal tax information (FTI), including address. | No. 26 U.S.C. § 6103 allows for release upon taxpayer consent to the IRS, but not upon consent to state agencies. | Agencies would need an exemption in 26 U.S.C. § 6103 to share information with other state agencies. |

| Requirement | Citation | Barrier | Would Consent Fix | Modification Needed |
|---|---|---|---|---|
| Driver Privacy Protection Act | 18 U.S.C. § 2721 | Only allows DMV to distribute data for specific purposes. Specific purposes include disclosures to government agencies for carrying out its functions. | N/A; DMV can disclose without consent to another agency as long as the agency uses that address to carry out its functions. | No modification needed if only government entities are members of portal. Modification may be needed to permit sharing with non-government entities, depending on circumstances. |
| Family Educational Rights and Privacy Act (FERPA) | 20 U.S.C. § 1232g | FERPA protects student directory information, including addresses. A school may designate addresses as directory information, allowing it to be disclosed publicly, but only if time is given for students and parents to opt out. | Consent is not needed to publish addresses if schools designate addresses as directory information, but an opt-out opportunity must be given prior to publication of the information. Many schools have opt-out procedures in place already for other uses of directory information. | None. |

| Requirement | Citation | Barrier | Would Consent Fix | Modification Needed |
|---|---|---|---|---|
| Children's Online Privacy Protection Act | 15 U.S.C. § 6502 16 C.F.R. §§ 312.1 through 312.13 | Prohibits operators of websites from collecting personal information, including addresses, from children under 13 without parental consent. The law applies to those with actual knowledge that they are collecting information from children. For example, if the portal requires date of birth to verify the record, then the agency may have actual knowledge that it is collecting information from children. | Parental consent will allow portal to collect addresses. The child's consent will not. | If a website based portal is created such that the portal would have actual knowledge of a child's age, and the portal is unable to prevent a child under 13 from using the portal, amend COPPA to not apply to address information collected through the portal. |
| SAMHSA: Confidentiality of Substance Abuse Patient Records | 42 U.S.C. § 290dd-2 and 42 C.F.R. §§ 2.31 – 2.35 | Substance abusers may only have their identifying information disclosed for permitted reasons. | Yes | No modification necessary if portal obtains patient consent prior to release. |
| Medicaid Privacy Requirements | 42 U.S.C. 1396a(a)(7) 45 C.F.R. §§ 307.13, 307.21 | This law compels the state to provide safeguards for the exchange of information. | N/A | No modification necessary if portal designed with necessary safeguards in place. |

| Requirement | Citation | Barrier | Would Consent Fix | Modification Needed |
|---|---|---|---|---|
| Virginia Governmental Data Collection and Dissemination Practices Act | Va. Code § 2.2-3800(C)(2) | Data collection is limited to instances where a need has clearly been established in advance. | N/A | It is likely that keeping current addresses is a general need of all agencies. To the extent that it is not, a statement that keeping current addresses is a Commonwealth-wide need could be placed in the enacting legislation. |
| Virginia Governmental Data Collection and Dissemination Practices Act | Va. Code § 2.2-3800(C)(5) | "Information shall not be used unless it is accurate and current." This may be difficult for agencies to ensure if they are only receiving information from the portal and are not collecting or maintaining the data. | N/A | This section could be amended to allow agencies to assume that portal data is accurate, or at least that agencies shall not be held as violating this section when using portal data. |
| Virginia Governmental Data Collection and Dissemination Practices Act | Va. Code § 2.2-3800(C)(8) | "Any agency holding personal information shall assure its reliability and take precautions to prevent its misuse." This may be difficult for agencies to ensure if they are only receiving information from the portal and are not collecting or maintaining the data. | N/A | An amendment allowing for the presumption of the accuracy or a release from liability over portal data. |

| Requirement | Citation | Barrier | Would Consent Fix | Modification Needed |
|---|---|---|---|---|
| Virginia Governmental Data Collection and Dissemination Practices Act | Va. Code § 2.2-3800(C)(9) | "There shall be a clearly prescribed procedure to prevent personal information collected for one purpose from being used for another purpose." | N/A | Can likely be satisfied prospectively by disclosing to citizens that address data is collected, among other reasons, for the purpose of updating addresses across state agencies. For existing data, an amendment permitting this use may be required. |
| Virginia Governmental Data Collection and Dissemination Practices Act | Va. Code § 2.2-3801 | "Personal Information" is defined to include "all information that . . . locates . . . an individual." An address likely "locates" and individual, and so would be considered personal information. | This definition is referenced in numerous statutes. Whether consent would allow release of information depends on the statute that applies. | If a modification is needed, and a modification cannot be made in the statute in which the definition applies, an amendment could be made to exclude address information in the portal from the definition of personal information. |
| Virginia Governmental Data Collection and Dissemination Practices Act | Va. Code § 2.2-3803(A)(2) | Agencies are required to collect directly from individuals to the greatest extent feasible. | N/A | Provide that information in the portal must be collected directly from the individual, but allow other agencies to accept portal data. |

| Requirement | Citation | Barrier | Would Consent Fix | Modification Needed |
|---|---|---|---|---|
| Virginia Governmental Data Collection and Dissemination Practices Act | Va. Code § 2.2-3803(A)(5) | An agency may "[m]ake no dissemination to another system without (i) specifying requirements for security and usage including limitations on access thereto, and (ii) receiving reasonable assurances that those requirements and limitations will be observed." | N/A | None |
| Virginia Public Records Act | Va. Code § 42.1-86.1 | Documents retained under this statute must be retained until the end of the period stated in an approved retention schedule, then certified as destroyed by the agency's records officer. This requires a wet signature, and could be burdensome if records are deleted frequently. | N/A | Consider amendments to the Public Records Act allowing for certificates of record destruction relating to the portal to be produced automatically if data is to be deleted regularly. |

| Requirement | Citation | Barrier | Would Consent Fix | Modification Needed |
|---|---|---|---|---|
| Health Records Privacy | Va. Code § 32.1-127.1:03 | "No person to whom health records are disclosed shall redisclose or otherwise reveal the health records of an individual, beyond the purpose for which such disclosure was made, without first obtaining the individual's specific authorization to such redisclosure." This restricts the usage of any agency using an address updated from a health agency's records. | Specific consent to share address data may qualify as the specific authorization contemplated by this statute. | An amendment may not be needed if the portal is designed to obtain specific consent to share address data. Otherwise, consider creating an exemption for this address portal and other agency authorized uses. |
| Confidential records and information concerning social services; penalty | Va. Code § 63.2-104 | Prohibits disclosure of information on social services clients unless specifically authorized. | Generally no. Section 63.2-105 allows non-adopted persons over 18 whose parents' parental rights were terminated to receive information from files relating to the identify of their biological families; however, this requires a Circuit Court order, and the disclosure can only be made to the person in question. | Permit disclosure of address information for active clients. |

| Requirement | Citation | Barrier | Would Consent Fix | Modification Needed |
|---|---|---|---|---|
| Confidentiality of records of persons receiving domestic and sexual violence services | Va. Code § 63.2-104.1 | Programs assisting domestic violence and other victims cannot disclose information of those victims. | Yes, if the consent is informed, written, and reasonably time limited. | Provide provisions for handling address information for domestic violence victims. |
| Records of Department; when open for inspection; release of privileged information | Va. Code § 46.2-208 | DMV may share address information with other governmental agencies. Sharing information with other entities may be restricted. | Consent authorizes release in limited circumstances (e.g. to an employer). Otherwise, data may be released to the subject of the information; the subject must then make further disseminations. | An amendment to § 46.2-208 explicitly sanctioning sharing data through the portal is ideal, especially if non-governmental agencies would be portal participants. |
| Commercial drivers required to notify the Department of change of address | Va. Code § 46.2-341.11 | CDL holders who do not report their change of address subject to traffic infraction. | N/A | Specifically specify that changing an address through the portal counts as notifying DMV. |
| Issuance of special identification cards; fee; confidentiality; penalties | Va. Code § 46.2-345 | Sanctions a false statement regarding an address as a misdemeanor. | N/A | This should explicitly apply to a false address entered onto the portal as well. |
| Notice of suspension or revocation of license | Va. Code § 46.2-416 | Specifically allows the DMV to pull from the National Change of Address System. | N/A | Include ability of DMV to pull addresses from the portal as well. |
| Notice of change of address | Va. Code § 46.2-606 | Requires alerting the department of a change of address; explicitly allows for the National Change of Address System. | N/A | Include the portal in this section as well. |

| Requirement | Citation | Barrier | Would Consent Fix | Modification Needed |
|---|---|---|---|---|
| Use or disclosure of certain protected health information required | Va. Code § 32.1-127.1:04 | This law allows health service agencies to share information across a secure system without the customer's consent | N/A | This should be updated to allow sharing of information across the portal system too, with any state agency. |
| Virginia Freedom of Information Act | Va. Code § 2.2-3700 | Allows public to request information. If portal is a separate database; data held in the portal may be subject to different, possibly more generous rules than data held by the agencies. | N/A | If the portal is a standalone database, database held by its custodian should be exempt from the mandatory disclosure provisions of FOIA. Information held by agency custodians would continue to be releasable or not depending on FOIA rules applying to that agency. |

## Business Rules

| Applicability | Barrier | Would Consent Fix | Modification Needed |
|---|---|---|---|
| Commonwealth-wide | Different agencies organize address data using different terminology. | N/A | Require agencies throughout the Commonwealth to standardize address data. This may require the adoption of a standard such as NIEM. |
| Commonwealth-wide | Different agencies keep different types of address data – for example, some agencies may keep separate residential, mailing, and work addresses, while others only accept residential addresses. The portal will need to differentiate between address types and ensure the correct address is sent, or not sent, to other agencies according to their business rules. | N/A | Require standardization of address types throughout all agency databases. Require portal to adhere to all agency business rules in determining whether an address should or should not be sent to an agency. |
| Commonwealth-wide | Many agencies have obligations upon receiving a change of address to take certain actions, such as to verify the address or offer an opportunity to vote. | N/A | Amend agency business rules to ensure that obligations are honored when receiving a change of address through the portal. Design portal to facilitate these obligations. |
| Commonwealth-wide | Many agencies have obligations stemming statutorily or otherwise to protect sensitive persons' (domestic violence victims, judges, law enforcement, and senior elected officials) personal information. | Whether consent fixes the issue will depend on the specific statute or rule in place. | Standardizing databases and accompanying address changes require rules to ensure that sensitive profiles remain confidential, possibly requiring separate databases for those persons to ensure privacy of information. |

| Applicability | Barrier | Would Consent Fix | Modification Needed |
|---|---|---|---|
| Judicial Branch | Currently files are stored by case number, not name/address. Furthermore, addresses in the record generally should not change because that would disrupt the historical accuracy of court records. | N/A | Create a new database of address records separate from existing court records that could be accessed by the courts. |

**APPENDIX D: COSTS ESTIMATES BY AGENCY**

# Virginia Information Technologies Agency Costs Estimate

| Agency Name: VITA | DMV Agency Model | | | Partial MDM Model | | | Full MDM Model | | | Portal Website Model | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Item | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring |
| Software Licensing | $17,500 | $292 | $3,500 | $523,500 | $25,165 | $301,980 | $523,500 | $25,165 | $301,980 | $1,528,500 | $41,915 | $502,980 |
| Server | $0 | $4,167 | $50,000 | $0 | $22,000 | $264,000 | $0 | $22,000 | $264,000 | 0 | $26,400 | $316,800 |
| Storage | $0 | $1,667 | $20,000 | $0 | $3,333 | $40,000 | $0 | $3,333 | $40,000 | $0 | $4,167 | $50,000 |
| Customer support | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $14,652 | $175,824 |
| Technical development | $170,000 | $0 | $0 | $513,850 | $0 | $0 | $1,550,625 | $0 | $0 | $1,067,700 | $0 | $0 |
| Technical maintenance and support | $0 | $12,500 | $150,000 | $20,000 | $14,913 | $178,956 | $20,000 | $39,575 | $474,900 | $40,000 | $29,830 | $357,960 |
| Communication/marketing | $1,200 | $13 | $150 | $12,000 | $125 | $1,500 | $12,000 | $125 | $1,500 | $24,000 | $250 | $3,000 |
| Training | $2,500 | $67 | $800 | $15,000 | $333 | $4,000 | $15,000 | $333 | $4,000 | $30,000 | $667 | $8,000 |
| Data Steward | $5,950 | $292 | $3,504 | $59,500 | $2,917 | $35,004 | $178,500 | $8,751 | $105,012 | $59,500 | $2,917 | $35,004 |
| Oversight | $4,800 | $142 | $1,704 | $48,000 | $1,417 | $17,004 | $144,000 | $4,251 | $51,012 | $96,000 | $2,834 | $34,008 |
| | | | | | | | | | | | | |
| Total | $201,950 | $19,138 | $229,658 | $1,191,850 | $70,204 | $842,444 | $2,443,625 | $103,534 | $1,242,404 | $2,845,700 | $123,631 | $1,483,576 |

| Level of effort (LOE) in hours | DMV Agency Model LOE | | | Partial MDM Model LOE | | | Full MDM Model LOE | | | Portal Website Model LOE | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Item | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring |
| Customer support | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1375 | 16500 |
| Technical development | 2000 | 0 | 0 | 4700 | 0 | 0 | 10500 | 0 | 0 | 9400 | 0 | 0 |
| Technical maintenance and support | 0 | 167 | 2000 | 320 | 230 | 2760 | 200 | 502 | 6024 | 400 | 446 | 5352 |
| Communication/marketing | 18 | 0 | 4 | 175 | 1 | 16 | 175 | 1 | 16 | 350 | 4 | 48 |
| Training | 16 | 0 | 4 | 64 | 7 | 80 | 64 | 7 | 80 | 128 | 13 | 160 |
| Data Steward | 85 | 4 | 48 | 850 | 42 | 504 | 2550 | 126 | 1512 | 850 | 42 | 504 |
| Oversight | 80 | 3 | 36 | 800 | 32 | 384 | 2400 | 96 | 1152 | 800 | 32 | 384 |
| | | | | | | | | | | | | |
| Total Hours | 2199 | 174 | 2092 | 6909 | 312 | 3744 | 15889 | 732 | 8784 | 11928 | 1912 | 22948 |

These estimates are based on high-level assumptions, are preliminary, and will almost certainly change as more details regarding the portal are determined. Additionally, provision of a cost estimate is not a commitment by the agency that provided the estimate to participate in the portal and database. For more information about the estimates, please see the Costs and Funding section of this report.

# Virginia Employment Commission Costs Estimate

| Agency Name: VEC | DMV Agency System Costs | | | Partial MDM Costs | | | Full MDM Costs | | | Portal Website Costs | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Item | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring |
| Customer support | $21,000 | $2,007 | $24,079 | $38,100 | $4,990 | $59,884 | $38,100 | $4,990 | $59,884 | $38,100 | $4,990 | $59,884 |
| Technical development | $104,184 | $4,226 | $50,709 | $177,904 | $7,765 | $93,184 | $177,904 | $7,765 | $93,184 | $177,904 | $7,765 | $93,184 |
| Technical maintenance and support | $38,444 | $2,930 | $35,165 | $52,015 | $6,998 | $83,972 | $52,015 | $6,998 | $83,972 | $52,015 | $6,998 | $83,972 |
| Communication/marketing | $15,984 | $466 | $5,596 | $17,684 | $1,298 | $15,575 | $17,684 | $1,298 | $15,575 | $17,684 | $1,298 | $15,575 |
| Training | $5,592 | $258 | $3,796 | $9,584 | $1,247 | $14,959 | $9,584 | $1,247 | $14,959 | $9,584 | $1,247 | $14,959 |
| Data Steward | $144,694 | $5,764 | $69,173 | $178,294 | $10,962 | $131,540 | $178,294 | $10,962 | $131,540 | $178,294 | $10,962 | $131,540 |
| Oversight | $56,354 | $2,149 | $25,791 | $93,117 | $23,803 | $285,632 | $93,117 | $23,803 | $285,632 | $93,117 | $23,803 | $285,632 |
| | | | | | | | | | | | | |
| Total | $386,251 | $17,801 | $214,310 | $566,697 | $57,062 | $684,747 | $566,697 | $57,062 | $684,747 | $566,697 | $57,062 | $684,747 |

| Level of effort (LOE) in hours | DMV Agency System LOE | | | Partial MDM LOE | | | Full MDM LOE | | | Portal Website LOE | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Item | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring |
| Customer support | 512.00 | 45.83 | 550.00 | 946.00 | 144.83 | 1738.00 | 946.00 | 144.83 | 1738.00 | 946.00 | 144.83 | 1738.00 |
| Technical development | 1500.00 | 70.83 | 850.00 | 2490.00 | 106.67 | 1280.00 | 2490.00 | 106.67 | 1280.00 | 2490.00 | 106.67 | 1280.00 |
| Technical maintenance and support | 620.00 | 52.50 | 630.00 | 742.00 | 129.33 | 1552.00 | 742.00 | 129.33 | 1552.00 | 742.00 | 129.33 | 1552.00 |
| Communication/marketing | 384.00 | 11.33 | 136.00 | 450.00 | 32.67 | 392.00 | 450.00 | 32.67 | 392.00 | 450.00 | 32.67 | 392.00 |
| Training | 136.00 | 6.17 | 74.00 | 240.00 | 32.33 | 388.00 | 240.00 | 32.33 | 388.00 | 240.00 | 32.33 | 388.00 |
| Data Steward | 3280.00 | 131.67 | 1580.00 | 4352.00 | 250.83 | 3010.00 | 4352.00 | 250.83 | 3010.00 | 4352.00 | 250.83 | 3010.00 |
| Oversight | 668.00 | 33.33 | 400.00 | 1020.00 | 216.67 | 2600.00 | 1020.00 | 216.67 | 2600.00 | 1020.00 | 216.67 | 2600.00 |
| | | | | | | | | | | | | |
| Total Hours | 7100.00 | 351.67 | 4220.00 | 10240.00 | 913.33 | 10960.00 | 10240.00 | 913.33 | 10960.00 | 10240.00 | 913.33 | 10960.00 |

**These estimates are based on high-level assumptions, are preliminary, and will almost certainly change as more details regarding the portal are determined.  Additionally, provision of a cost estimate is not a commitment by the agency that provided the estimate to participate in the portal and database.  For more information about the estimates, please see the Costs and Funding section of this report.**

# Virginia Retirement System Costs Estimate

| Agency Name: VRS | DMV Agency System Costs | | | | Partial MDM Costs | | | | Full MDM Costs | | | | Portal Website Costs | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Item | One Time | Monthly recurring | Annualized recurring | | One Time | Monthly recurring | Annualized recurring | | One Time | Monthly recurring | Annualized recurring | | One Time | Monthly recurring | Annualized recurring |
| Customer support | | $1,885 | | | | $1,885 | | | | $1,885 | | | | $1,885 | |
| Technical development | $59,150 | $0 | $0 | | $59,150 | $0 | $0 | | $59,150 | $0 | $0 | | $59,150 | $0 | $0 |
| Technical maintenance and support | $0 | $650 | $650 | | $0 | $650 | $650 | | $0 | $650 | $650 | | $0 | $650 | $650 |
| Communication/marketing | $2,600 | $0 | $0 | | $2,600 | $0 | $0 | | $2,600 | $0 | $0 | | $2,600 | $0 | $0 |
| Training | $6,500 | $0 | $0 | | $6,500 | $0 | $0 | | $6,500 | $0 | $0 | | $6,500 | $0 | $0 |
| Data Steward | $0 | $0 | $0 | | $0 | $0 | $0 | | $0 | $0 | $0 | | $0 | $0 | $0 |
| Oversight | $0 | $325 | $0 | | $0 | $325 | $0 | | $0 | $325 | $0 | | $0 | $325 | $0 |
| | | | | | | | | | | | | | | | |
| Total | $68,250 | $2,860 | $650 | | $68,250 | $2,860 | $650 | | $68,250 | $2,860 | $650 | | $68,250 | $2,860 | $650 |

| Level of effort (LOE) in hours | DMV Agency System LOE | | | | Partial MDM LOE | | | | Full MDM LOE | | | | Portal Website LOE | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Item | One Time | Monthly recurring | Annualized recurring | | One Time | Monthly recurring | Annualized recurring | | One Time | Monthly recurring | Annualized recurring | | One Time | Monthly recurring | Annualized recurring |
| Customer support | | 65 | | | | 65 | | | | 65 | | | | 65 | |
| Technical development | 910 | | | | 910 | | | | 910 | | | | 910 | | |
| Technical maintenance and support | | 10 | 10 | | | 10 | 10 | | | 10 | 10 | | | 10 | 10 |
| Communication/marketing | 40 | | | | 40 | | | | 40 | | | | 40 | | |
| Training | 100 | | | | 100 | | | | 100 | | | | 100 | | |
| Data Steward | | | | | | | | | | | | | | | |
| Oversight | | 5 | | | | 5 | | | | 5 | | | | 5 | |
| | | | | | | | | | | | | | | | |
| Total Hours | 1,050 | 80 | 10 | | 1,050 | 80 | 10 | | 1,050 | 80 | 10 | | 1,050 | 80 | 10 |

These estimates are based on high-level assumptions, are preliminary, and will almost certainly change as more details regarding the portal are determined.  Additionally, provision of a cost estimate is not a commitment by the agency that provided the estimate to participate in the portal and database.  For more information about the estimates, please see the Costs and Funding section of this report.

# Department of Aging and Rehabilitative Services Costs Estimate

| Agency Name: DARS | DMV Agency System Costs | | | Partial MDM Costs | | | Full MDM Costs | | | Portal Website Costs | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Item | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring |
| Customer support | | | $1,000 | | | $1,000 | | | $1,000 | | | $1,000 |
| Technical development | $3,000 | | | $3,000 | | | $15,000 | | | $3,000 | | |
| Technical maintenance and support | | | $450 | | | $450 | | | $7,000 | | | $450 |
| Communication/marketing | $500 | | $500 | $500 | | $500 | $500 | | $500 | $500 | | $500 |
| Training | $500 | | $500 | $500 | | $500 | $500 | | $500 | $500 | | $500 |
| Data Steward | | | $500 | | | $500 | | | $500 | | | $500 |
| Oversight | | | $500 | | | $500 | | | $500 | | | $500 |
| | | | | | | | | | | | | |
| Total | $4,000 | | $3,450 | $4,000 | | $3,450 | $16,000 | | $10,000 | $4,000 | | $3,450 |

| Level of effort (LOE) in hours | DMV Agency System LOE | | | Partial MDM LOE | | | Full MDM LOE | | | Portal Website LOE | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Item | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring |
| Customer support | | | 100 | | | 100 | | | 100 | | | 100 |
| Technical development | 300 | | | 300 | | | 1500 | | | 300 | | |
| Technical maintenance and support | | | 45 | | | 45 | | | 700 | | | 45 |
| Communication/marketing | 50 | | 50 | 50 | | 50 | 50 | | 50 | 50 | | 50 |
| Training | 50 | | 50 | 50 | | 50 | 50 | | 50 | 50 | | 50 |
| Data Steward | | | 50 | | | 50 | | | 50 | | | 50 |
| Oversight | | | 50 | | | 50 | | | 50 | | | 50 |
| | | | | | | | | | | | | |
| Total Hours | 400 | | 345 | 400 | | 345 | 1600 | | 1000 | 400 | | 345 |

**These estimates are based on high-level assumptions, are preliminary, and will almost certainly change as more details regarding the portal are determined.  Additionally, provision of a cost estimate is not a commitment by the agency that provided the estimate to participate in the portal and database.  For more information about the estimates, please see the Costs and Funding section of this report.**

# Department of Motor Vehicles Costs Estimate

| Agency Name: DMV | DMV Agency System Costs | | | Partial MDM Costs | | | Full MDM Costs | | | Portal Website Costs | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Item** | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring |
| Customer support | | $2,400 | $28,800 | | $2,400 | $28,800 | | $2,400 | $28,800 | | $2,400 | $28,800 |
| *Business Analysis (Governance and Bus Rules)* | $37,500 | | | $37,500 | | $0 | $37,500 | | $0 | $56,250 | | $0 |
| Technical development | $212,500 | | $0 | $42,500 | | $0 | $85,000 | | $0 | $85,000 | | $0 |
| Technical maintenance and support | | $3,400 | $40,800 | | $1,700 | $20,400 | | $6,800 | $81,600 | | $1,700 | $20,400 |
| Communication/marketing | $1,200 | | $0 | | | $0 | | | $0 | | | $0 |
| Training | | | $0 | | | $0 | | | $0 | | | $0 |
| Data Steward | | $3,400 | $40,800 | | $1,700 | $20,400 | | $1,700 | $20,400 | | $1,700 | $20,400 |
| Oversight | | $600 | $7,200 | | $300 | $3,600 | | $300 | $3,600 | | $300 | $3,600 |
| | | | | | | | | | $0 | | | |
| **Total** | $251,200 | $9,800 | $117,600 | $80,000 | $6,100 | $73,200 | $122,500 | $11,200 | $134,400 | $141,250 | $6,100 | $73,200 |

| Level of effort (LOE) in hours | DMV Agency System LOE | | | Partial MDM LOE | | | Full MDM LOE | | | Portal Website LOE | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Item** | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring |
| Customer support | | 160 | 1,920 | | 160 | 1,920 | | 160 | 1,920 | | 160 | 1,920 |
| *Business Analysis (Governance and Bus Rules)* | 500 | | | 500 | | - | 500 | | - | 750 | | - |
| Technical development includes (Business analysis, governance, business rules, testing...etc) | 2,500 | - | - | 500 | | - | 1,000 | | - | 1,000 | | - |
| Technical maintenance and support | | 40 | 480 | | 20 | 240 | | 80 | 960 | | 20 | 240 |
| Communication/marketing | 40 | - | - | | | - | | | - | | | - |
| Training | | | - | | | - | | | - | | | - |
| Data Steward | | 40 | 480 | | 20 | 240 | | 20 | 240 | | 20 | 240 |
| Oversight | | 20 | 240 | | 10 | 120 | | 10 | 120 | | 10 | 120 |
| **Total Hours** | 3,040 | 260 | 3,120 | 1,000 | 50 | 600 | 1,500 | 110 | 1,320 | 1,750 | 210 | 2,520 |

** UC1: Technical Development assumes DMV is building and maintaining the data repository and web service to consume by other agencies

**These estimates are based on high-level assumptions, are preliminary, and will almost certainly change as more details regarding the portal are determined. Additionally, provision of a cost estimate is not a commitment by the agency that provided the estimate to participate in the portal and database. For more information about the estimates, please see the Costs and Funding section of this report.**

# Department of Taxation Costs Estimate

| Agency Name: TAX | DMV Agency System Costs | | | Partial MDM Costs | | | Full MDM Costs | | | Portal Website | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Item | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring |
| Customer support | | $2,500 | $30,000 | | $2,500 | $30,000 | | $2,500 | $30,000 | | $2,500 | $30,000 |
| Technical development | $113,100 | $0 | $0 | $161,200 | $0 | $0 | $161,200 | $0 | $0 | $161,200 | $0 | $0 |
| Technical maintenance and support | $0 | $2,600 | $31,200 | $0 | $2,600 | $31,200 | $0 | $2,600 | $31,200 | $0 | $2,600 | $31,200 |
| Communication/marketing | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| Training | $2,600 | $0 | $0 | $2,600 | $0 | $0 | $2,600 | $0 | $0 | $2,600 | $0 | $0 |
| Data Steward/Address Management | $9,100 | $12,758 | $153,096 | $9,100 | $12,758 | $153,096 | $9,100 | $12,758 | $153,096 | $9,100 | $12,758 | $153,096 |
| Oversight | $0 | $650 | $7,800 | $0 | $650 | $7,800 | $0 | $650 | $7,800 | $0 | $650 | $7,800 |
| | | | | | | | | | | | | |
| Total | $124,800 | $18,508 | $222,096 | $172,900 | $18,508 | $222,096 | $172,900 | $18,508 | $222,096 | $172,900 | $18,508 | $222,096 |

| Level of effort (LOE) in hours | DMV Agency System Costs | | | Partial MDM Costs | | | Full MDM Costs | | | Potal Website | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Item | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring | One Time | Monthly recurring | Annualized recurring |
| Customer support | | 41 | 492 | | 41 | 492 | | 41 | 492 | | 41 | 492 |
| Technical development | 1740 | | | 2480 | | | 2480 | | | 2480 | | |
| Technical maintenance and support | | 40 | 480 | | 40 | 480 | | 40 | 480 | | 40 | 480 |
| Communication/marketing | | | | | | | | | | | | |
| Training | 40 | | | 40 | | | 40 | | | 40 | | |
| Data Steward/Address Management | 140 | 304 | 3648 | 140 | 304 | 3648 | 140 | 304 | 3648 | 140 | 304 | 3648 |
| Oversight | | 10 | 120 | | 10 | 120 | | 10 | 120 | | 10 | 120 |
| | | | | | | | | | | | | |
| Total Hours | 1,920 | 395 | 4,740 | 2,660 | 395 | 4,740 | 2,660 | 395 | 4,740 | 2,660 | 395 | 4,740 |

**Notes:**

- Estimates for staff and development do not include costs to address legal and policy issues.
- Such additional costs are unknown at his point and would be significant due to the
- Extensive analysis is required to come up with resolutions and costs for this.

TAX is assuming existing legal and policy constraints are overcome, the ability to utilize the data received through a statewide database or change of address portal requires staff support for the ongoing problem resolution, policy development, and systems design work that is necessary for current and future integration of various address update processes with taxpayer contact, compliance, security, and relationship management functions.

These estimates are based on high-level assumptions, are preliminary, and will almost certainly change as more details regarding the portal are determined.  Additionally, provision of a cost estimate is not a commitment by the agency that provided the estimate to participate in the portal and database.  For more information about the estimates, please see the Costs and Funding section of this report.

**APPENDIX E: AGENCY RESPONSES TO REPORT**

# Comment from a Representative of the Virginia Employment Commission

**From:** Beverly, Ann (VEC)
**Sent:** Wednesday, August 30, 2017 6:10 PM
**To:** Boisvert, Gabriel (DMV)
**Subject:** RE: Address Portal Task Force

Gabe,

This report is very well done!  Please make a correction on page 41:

Federal regulation prohibits disclosure of personal identifiable information (PII) that Virginia Employment Commission (VEC) holds except for permitted purposes. When VEC may disclose PII, it must be with agreements which cover data security and which explicitly provide for VEC's costs to be reimbursed, as federal grants to VEC must not be used to cover data information sharing costs. Failure to comply would lead to loss of federal funding, which accounts for an overwhelming majority of funds for VEC's administrative activities.

Change "would" to "could":  "Failure to comply could lead..." since it is unknown what DOL would do.

Thanks,

Ann

Here's the applicable section:

## 20 CFR §603.12   How are the requirements of this part enforced?

(a) *Resolving conformity and compliance issues.* For the purposes of resolving issues of conformity and substantial compliance with the requirements set forth in subparts B and C, the provisions of 20 CFR 601.5(b) (informal discussions with the Department of Labor to resolve conformity and substantial compliance issues), and 20 CFR 601.5(d) (Secretary of Labor's hearing and decision on conformity and substantial compliance) apply.

(b) *Conformity and substantial compliance.* Whenever the Secretary of Labor, after reasonable notice and opportunity for a hearing to the State UC agency of a State, finds that the State law fails to conform, or that the State or State UC agency fails to comply substantially, with:

(1) The requirements of Title III, SSA, implemented in subparts B and C of this part, the Secretary of Labor shall notify the Governor of the State and such State UC agency that further payments for the administration of the State UC law will not be made to the State until the Secretary of Labor is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, the Department of Labor shall make no further payments to such State.

   (2) The FUTA requirements implemented in this subpart B, the Secretary of Labor shall make no certification under that section to the Secretary of the Treasury for such State as of October 31 of the 12-month period for which such finding is made.

# Comment from a Representative of the Department of Taxation

**From:** Cooper, Edward (TAX)
**Sent:** Tuesday, August 29, 2017 9:05 AM
**To:** Boisvert, Gabriel (DMV); Cavalli, Gregory (DMV)
**Subject:** RE: Address Portal Task Force

GM Gabe and Greg,

I thought when we asked the agencies to provide cost we stated we were going to use the average cost for the report, that way agencies are not singled out and there would not be the appearance that they are committing to participating.

Thanks,

Ed

# Comment from a Representative of the Virginia Retirement System

**From:** Farley Beaton [mailto:fbeaton@varetire.org]
**Sent:** Tuesday, August 29, 2017 6:30 PM
**To:** Boisvert, Gabriel (DMV)
**Subject:** RE: Change of Address Study Cost Estimate

Gabriel,

Attached please find information regarding the cost estimates for VRS. Please let me know if you have any questions.

I do have a question. I believe it was stated when the estimates were requested that the report would not call out the estimates by individual agency, but rather the estimates would be used to develop an average. To develop these estimates we had to make a lot of assumptions, and I suspect when more information was available the estimates would change. While I'm sure we can each defend the estimates we provided, the differences between agencies may be as much a result of differences in assumptions as anything else. I wonder if it really adds value to include the detail at an agency level, and it does introduce the risk of explaining why they differed between agencies.

Let me know if any questions.

Also – I do at this point plan to attend the meeting on Thursday. If you could include me on the list for Security that would be great.

Thanks

Farley

As a result of the comments submitted by the representatives from the Department of Taxation and the Virginia Retirement System, the task force discussed the presentation of the costs appendix.  The task force agreed that the report should continue to list the agency estimates; however, the task force also agreed that the appendix should clearly explain the preliminary nature of the estimates and that the estimates could change as the project evolves. Accordingly, disclaimers were added to Appendix D briefly explaining the preliminary nature of the estimates and directing readers to the Costs and Funding section of this report for a more detailed explanation.