

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended, Be Printed Engrossed, and Rescind the Subsequent Referral to the Committee on Ways and Means
Vote:	3 - 2 - 0
Yeas:	Deckert, Monnes Anderson, Metsger
Nays:	George L., Starr
Exc.:	0
Prepared By:	Janet Adkins, Administrator
Meeting Dates:	2/22, 4/26

WHAT THE MEASURE DOES: Prohibits an Oregon agency from expending funds to implement the federal Real ID Act of 2005 unless sufficient federal funds are allocated to cover the estimated costs. Requires the Department of Transportation (ODOT) to analyze and report on the costs of implementing the Real ID Act and to analyze and compare the costs of funding citizen applications for passports with Real ID implementation costs. Authorizes the Oregon Attorney General, with approval of the Governor, to challenge the legality or constitutionality of the Real ID Act. Requires ODOT to provide reasonable security measures to protect individual privacy and to prevent unauthorized disclosure before issuing Real ID compliant identification.

ISSUES DISCUSSED:

- Estimated costs of compliance
- Privacy and database security concerns
- Difficulty of many citizens in obtaining birth certificates and other documentation of residency
- Status of nationwide databases required for document verification
- Whether to require proof of legal presence
- Activity in other states related to Real ID and legal presence requirements
- Effect of amended measure on compliance planning at ODOT

EFFECT OF COMMITTEE AMENDMENT: Replaces the original measure, which would have required the Department of Transportation to bring Oregon's driver licenses into compliance with the federal Real ID Act of 2005 and required persons to provide proof of legal presence in the United States when applying for or renewing licenses or identification cards.

BACKGROUND: The federal Real ID Act (P.L. 109-13) was signed May 11, 2005. It creates national standards for driver license and identification cards to ensure acceptable documents for security checks at airports and federal facilities. States are not required to comply with the federal law, but residents of states whose licensing does not meet the minimum standards by a May 2008 deadline would not be able to use their state identification for federal identity purposes. The verification and sharing of information required by state agencies issuing cards will depend on nationwide databases, some of which are under development. The U.S. Department of Homeland Security (DHS) issued proposed regulations for state implementation on March 9, 2007 and opened a 60-day comment period. The DHS also provided states the opportunity to apply for a compliance extension to December 31, 2009. Oregon has some of the required license security features in place and final implementation of Senate Bill 640 (2005) by July 1, 2008 will include biometric identifiers. However, the federal requirements for additional documentation, database verification of the documents, sharing of Oregon licensee information with other states, and scanning and retention of documents would require additional statutory authority, program changes, and staffing. ODOT currently estimates that full compliance would cost over \$65 million.

Senate Bill 424-A directs state agencies not to expend funds for compliance with the federal law until sufficient federal funding is made available to states. It would allow ODOT to continue work on compliance planning this year in order to have the information necessary for an extension application to the Department of Homeland Security later this year.

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This summary has not been adopted or officially endorsed by action of the committee.