Driver License Data Verification (DLDV)

Program Update

American Association of Motor Vehicle Administrators

2013 Region I Conference

July 13-18, 2013
• Background
• DLDV System
• Summary of Pilot Results
• Pilot Approach
• Pilot Participants
• Jurisdiction Participation
• Next Steps
• Contact Information
**Background**

DLDV Provides Commercial Partners and Government Agencies with Real-time Capability to Verify DL/ID Credentials with Data from the Issuing Jurisdiction

<table>
<thead>
<tr>
<th>DLDV aims to meet AAMVA member goals</th>
<th>Curb identity theft</th>
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<tbody>
<tr>
<td></td>
<td>Prevent documentation fraud</td>
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<tr>
<td></td>
<td>Protect integrity of credentials issued by the Jurisdictions</td>
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<table>
<thead>
<tr>
<th>DLDV targets three goals from the AAMVA Strategic Plan</th>
<th>Goal 2.2 - Identify, develop and deliver new top-prioritized solutions</th>
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<tbody>
<tr>
<td></td>
<td>Goal 3.1 - Develop and implement a funding allocation methodology that enables financial return to Jurisdiction members</td>
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<td>Goal 3.2 - Mitigate risk of net income shortfalls from contracts expected to end before September 2014</td>
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Returns “Match” / “No-Match” Indicator for Each Attribute on the Verification Request

<table>
<thead>
<tr>
<th>Required Attributes to Be Submitted</th>
<th>Attributes Eligible for Verification</th>
</tr>
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<tbody>
<tr>
<td>Document Number (License/Permit/ID card)</td>
<td>Address (by component)</td>
</tr>
<tr>
<td>State Code</td>
<td>First Name, Middle Name, Last Name</td>
</tr>
<tr>
<td></td>
<td>Expiration Date</td>
</tr>
<tr>
<td></td>
<td>Eye Color</td>
</tr>
<tr>
<td></td>
<td>Gender</td>
</tr>
<tr>
<td></td>
<td>Height</td>
</tr>
<tr>
<td></td>
<td>Weight</td>
</tr>
<tr>
<td></td>
<td>Document Number (License/Permit/ID card)</td>
</tr>
<tr>
<td></td>
<td>State Code</td>
</tr>
<tr>
<td>Relying Party Infrastructure</td>
<td>AAMVA Infrastructure</td>
</tr>
<tr>
<td>------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>End User #1</td>
<td>Match / No Match</td>
</tr>
<tr>
<td>Partner Gateway #1</td>
<td></td>
</tr>
<tr>
<td>End User #2</td>
<td>Match / No Match</td>
</tr>
<tr>
<td>Partner Gateway #2</td>
<td></td>
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</tbody>
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### DLDV Pilot Conducted from January 2012 Through March 2013

| Jurisdictions | • Found value in participating in the pilot  
|               | • Each of the five pilot jurisdictions is participating in DLDV |
| Gateway Partners | • DHS S&T - Met objective of developing an open standards gateway to streamline and strengthen the verification process to reduce fraud  
|               | • Partners #2 & #3 - Plan to integrate DLDV into their client product offerings |
| AAMVA | • Technical capability in place to deliver on all aspects of DLDV  
| | • All processes and documentation in place  
| | • Confirmed strong market demand  
| | • Sustainable business model established |
Each of the Five Pilot Jurisdictions Plan to Participate in DLDV

- DLDV was easy to setup, and operates on current systems with minimal effort
- Two primary issues related to the jurisdictions surfaced
  - One jurisdiction received significantly more test messages than expected
  - Transaction response times were deemed too slow in one jurisdiction
- Enhancement to level of detail returned by DLDV on address data
  - Jurisdictions in agreement with expanding DLDV to return a match/no-match indicator for each address component (vs. entire address)
- Jurisdictions agreed to the proposed License Fee / Royalty equal to 50% of AAMVA DLDV revenue
  - Multiple options for remuneration (payment, credit, etc.)
- Detailed notes by jurisdiction are available
Pilot Results – AAMVA

AAMVA Well Positioned to Deliver DLDV

- Minimal issues with development of verification engine, and implementation with gateway partners and jurisdictions
- Verification engine operated as expected
- Documentation and procedures in place
- Market assessment complete
- Viable business model established
- Close monitoring of transaction volumes
- Requested enhancements being prioritized (DLDV 2.0)
# Working Groups Organized from End-Users and Jurisdictions

<table>
<thead>
<tr>
<th>End-User Working Group</th>
<th>Jurisdiction/MVA Working Group</th>
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<tbody>
<tr>
<td>• Financial Services Sector Coordinator Council (FSSCC)</td>
<td>• California, Florida, Iowa, Maryland, Mississippi, Pennsylvania, Texas and Virginia</td>
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<td>• Defense Installation Access Control (DIAC)</td>
<td>• Provided DLDV requirements</td>
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<tr>
<td>• Social Security Administration (SSA)</td>
<td>— Verification system that complies with state privacy rules and correctly interprets state driver records and identification card information</td>
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<tr>
<td>• National Association of Public Health Statistics and Information Services (NAPHSIS)</td>
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<tr>
<td>• Vital Records Agencies (VRA)</td>
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<tr>
<td>• Provided DLDV specifications</td>
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Pilot Participants

Pilot Participants Included Three End-Users and Five Jurisdictions

End Users
- Gateway/aggregator for financial institutions
- Gateway/aggregator for retail sector
- Proof of concept with DHS in parallel for open market use

Jurisdictions
- Florida
- Idaho
- Iowa
- Mississippi
- Nebraska
Key Reasons for Jurisdictions to Participate in DLDV

**Meets Jurisdiction Goals**
- Curb identity theft
- Prevent documentation fraud
- Protect integrity of credential
- Delivers diversified revenue

**Streamlined Solution**
- End-users that desire/require access to Motor Vehicle Agency data

**Limited Effort for Jurisdictions to Participate**
- Leverages current technical solution between AAMVA and Jurisdictions
- Pilot findings

**Jurisdiction Revenue**
- Jurisdictions receive License Fees / Royalties
- End-user fees billed/collected by AAMVA

**Strong Interest Across Multiple Markets**
Next Steps

• Jurisdictions
  – Execute commercial agreements with current jurisdictions
  – Follow-up with interested jurisdictions
  – Recruit new jurisdictions

• Gateway Partners
  – Finalize commercial agreements with pilot partners
  – Finalize commercial agreements with additional partners
  – Recruit additional partners

• AAMVA
  – Evaluate and prioritize user enhancement requests
  – Capacity planning
  – Continually refine procedures
  – Execute partner agreements and recruit new partners
Contact Information

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