

ADDRESS VERIFICATION BEST PRACTICES

Introduction

Securing identity and reducing fraud when issuing driver licenses (DL) and identification (ID) cards is a goal shared by the motor vehicle administration (MVA) community. The AAMVA's Driver Licensing and Control Steering Committee's Uniform ID Subcommittee has been tasked with establishing minimum standards and best practices to assist its members in reaching this goal and many others related to the secure issuance of cards and the ongoing maintenance of MVA data base integrity.

Data elements contained on the DL/ID card and in the driver record, such as name, date of birth, address, social security number, should be verified for accuracy whenever possible. Utilizing existing electronic verification systems, such as those available with the Social Security Administration and the Bureau of Citizenship and Immigration Service (BCIS – formerly INS), is highly recommended. Where no electronic verification methods currently exist with the issuing agencies of documents used to initiate the DL/ID issuing process, AAMVA and its public and private business partners continue to seek new technologies and partnerships to establish them.

An address is an essential data element and one that is frequently used in the perpetration of identity theft and fraud. Therefore, it is very important that reliable methods of verification exist and are utilized.

Background

Whether a jurisdiction issues DL/ID cards over the counter or from a central location, assuring that the address that has been given by the applicant is correct and, in fact, exists is very important to the customer and to the MVA for many reasons. The most obvious reason is that we want to be sure that the customer receives the card. We also maintain the address on the data base for any future mailings such as renewal notices or notifications of actions taken against the customer's driving privilege. Law enforcement and the courts also rely on these addresses in the course of their business.

Most jurisdictions have laws requiring that DL/ID cardholders submit changes of address in a timely manner. New cards are not necessarily issued, but the new address is maintained on the driver record for future use by the MVA.

The consequences of not maintaining accurate and current address information can have a serious impact on the customer. For example, if an action is taken against a driving privilege and the action notification is sent to an incorrect address, the subject of record may not be able to request due process in the form of a hearing or administrative review in a timely manner, and can also be held liable for additional legal action for driving on a suspended or cancelled license. In some cases, the subject's vehicle can be impounded if

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driving on a suspended license that he or she isn't aware is suspended, cancelled or revoked.

The consequences of not verifying the accuracy of an address can also have serious consequences for the MVA and the general public. Using fictitious addresses is a common factor in fraudulently obtaining a DL/ID card or stealing another person's identity, which has far reaching economic impacts on the community and particularly for the individual who's identity is stolen. MVA's could be held liable for issuing cards that were obtained fraudulently, causing someone's identity to be stolen. The cost and personal impact of identity fraud impacts the public in general and is growing nationally.

When DL/ID cards are issued from a central location, it is likely that a valid address will be given so that the applicant can receive the card. This does not mean that the address is actually the applicant's. A "common address" is sometimes used by one or more persons as a "drop" for fraudulently obtaining a DL/ID cards. For MVA's that issue cards over the counter, it is much easier for a customer to submit a bad address since he or she will walk out of the office with the card in hand.

As with all essential data elements contained on the DL/ID card and record, it is recommended that some sort of verification, preferably electronic, be done whenever possible.

Verification

In an informal survey, 13 of 20 responding jurisdictions issue DL/ID cards over the counter some or all of the time, but only 7 of the 20 require proof of address or residency.

Those MVA's that do require some sort of physical verification of an address accept documents such as other mail received at the address by the applicant, utility bills showing the applicant's name and address, rent or mortgage documents or the like. It is possible for an individual intent on identity theft to be able to present mail taken from the victim's mailbox showing the name and address, but at least some effort to verify the information is being made.

As in all data element verification, an electronic method is preferable. There are both public and private business methods available to assist with this effort.

- ***United States Postal Service (USPS)*** has several address verification processes that can assist jurisdictions. One is the National Change of Address process. Addresses, including the subject's name, can be electronically checked against the NCOA master file, and mail can be forwarded to any newer address NCOA may have for that person.

Another USPS process is Delivery Point Validation that can confirm validity of an address down to the apartment or suite number. However, the address may not belong to the individual's name appearing on the DL/ID card.

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- ***Private Industry Service Providers*** offer products and services that can accomplish some form of address verification. Some of these utilize the USPS products and some utilize other database resources containing names and addresses.

Aside from the issue of fraud as it relates to address verification, there is also the issue of maintaining database integrity, particularly as jurisdictions begin to share more information with each other and with other stakeholders. The USPS reported last year that 5.4 billion pieces of mail are undeliverable, or 3% of the total mail volume. They indicate that while 98% of today's mail volume is bar coded, over 23% of the mail still contains address errors or problems that can impact efficient delivery.

While there are costs associated with contracting for address verification services, in the long run they may be offset by the savings realized in current mail costs associated with undeliverable mail, in addition to other costly business ramifications.

Considerations

Address verification clearly has many implications. The need for some sort of electronic verification seems evident, perhaps more particularly for those jurisdictions that issue DL/ID cards over the counter. When contracting for such a service, there are some questions you may want to ask that deal with the privacy, security and reliability of the information and service provided.

1. Which service provider employees have access to the addresses sent by the jurisdictions for verification and do they have security clearances, if necessary?
2. What service provider employee security restrictions are there for accessing and sharing the data submitted by the jurisdictions and that compiled in the provider's database from other sources?
3. From what sources are the data gathered by the provider and is it reliable? If you are not contracting with the USPS, are the addresses actually verified with the USPS or merely from a compilation of information in various public and private data bases. Example: The USPS can provide inform that an address does actually exist and, in some cases, is recorded as being the address that a specific individual receives mail. Other private service providers sources include information from business community data bases that has been compiled from applications or other documents that may have been accepted at face value without any verification of the information submitted.
4. Who are current users of the service provider's product and can you speak with them regarding the strengths and weaknesses of the system as it relates to accuracy, reliability, privacy and security?
5. What type of audit system does the service provider have for adding or deleting data or data sources?
6. How frequently is the data updated in the service provider's systems?

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7. What are the liabilities for jurisdictions that rely or take action on data based on the information acquired from a service provider?

Exceptions

Nearly every process has exceptions and address verification does as well. Minors or persons living with other family members or friends may not be able to present physical verification of an address or even be found in a public or private data base. This is particularly true for younger minors who are perhaps applying for an identification card. Jurisdictions will need to use their discretion to develop appropriate procedures for these exceptions.

Recommendation

Regardless of the way in which you issue DL/ID cards, centrally or over the counter, it is very important that we collect and store accurate addresses for our customers. In order to ensure that, as well as ensure a greater level of identity security and a reduction in fraud, some method of electronic address verification is highly recommended.