

Department of Public Safety Driver and Vehicle Services

Report on Same-day Issuing of Driver's Licenses and ID Cards at Two Pilot Locations

January 2024

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Executive Summary

The same-day issuance pilot project is an initiative of the 2021 Minnesota legislature for the Department of Public Safety Driver and Vehicle Services division (DVS). The purpose of the pilot project is to provide same-day issuance (also referred to as over-the-counter printing) of driver's licenses and ID cards the same day for eligible customers who apply at two driver's license agent locations. The service became available to the public on Oct. 1, 2022.

In June 2021, the legislature appropriated \$2,229,000 in FY22 and \$155,000 in FY23, for a total of \$2,384,000. The legislature required DVS to submit a legislative report by Jan. 1, 2024. This report will include:

- A description of the project.
- A count of the number of driver's licenses, instruction permits, and identification cards processed as of Oct. 1, 2022.
- Feedback from the driver's license agents at the two pilot locations.
- A recommendation from DVS about whether the pilot project should be expanded statewide.

One year into the pilot project, the two offices have printed 22,856 over-the-counter cards.¹ Customers are pleased to be able to get a driver's license or identification card the same day; however, many have reported problems with banks, airports, retail stores and other locations refusing to accept the cards.

Description of Project

The legislation specified that the cities of Lakeville and Moorhead take part in the pilot project. The Dakota County Lakeville License Center and the Clay County Department of Motor Vehicles agreed to participate. Both of these locations are driver's license agents operated by county governments. DVS developed and executed a memorandum of understanding with both offices.

Same Day Issuing Process

The same-day issuance process differs from the normal issuance process in several ways. In the same-day process, after the counter staff at the pilot location reviews the customer's application documents and completes an issuance application in MNDRIVE, the system places the issuance review case at the top of the queue and DVS issuing staff immediately review it. Normally, issuing staff review applications on a first come, first served basis.

If an issuer at one of the pilot offices has a question or concern about a same-day customer's document(s), they will post a question in a Microsoft Teams chat. Each pilot office has its own

¹ For comparison, 829,044 standard class D driver's licenses and ID cards were printed through the centralized issuance process from Oct. 1, 2022 and Oct. 1, 2023.

Teams chat. The driver's license agents, DVS driver services liaison agents, and issuing leads and supervisors have access to the chat. The Lakeville office is open until 7 p.m. on Wednesdays. DVS adjusted the schedule of one issuing lead, two issuers and one driver services liaison to work an 11 a.m. – 7:30 p.m. shift once per week to be available to answer questions or address any issues. If the problem cannot be resolved at that time, the application is canceled and the customer receives a letter over the counter about next steps. If the problem can be resolved, and the issuer approves the application, and the counter staff prints the card.

In the normal workflow of processing a non-same-day issuance driver's license or identification card, if the counter staff can complete the application in MNDRIVE, the customer receives a temporary paper document, including a photo of the customer. The temporary card expires in 120 days. At most office locations, a customer can request an expedited review for a \$20 fee. The card will be delivered via UPS within ten business days. If an issuer has a question or concern about a document, the customer will receive a letter in the mail. They can submit other documents online to resolve the issue, but in some cases, they must return to an office.

Expenditures

DVS contracted with a security consultant who visited each office, developed a list of recommended alterations, and did a final walk-through of the changes. The pilot offices were required to make modifications to their physical office space to secure the card printers and card printing materials, which are known as "consumables." Lakeville's total cost to remodel their office was \$77,000; Moorhead's total cost was \$8,924. The legislature did not appropriate money to the pilot locations to remodel their offices. The pilot offices paid for the remodeling. However, legislative funding did cover necessary security equipment such as shredders and safes.

Fast Enterprises provides software development for the MNDRIVE database. Developers worked on process flow changes, interface adaptations, and building new reports.

Idemia is the DVS card-printing vendor. They have an over-the-counter card printing solution that is used in other states. DVS negotiated a contract amendment with Idemia to:

- Design new same-day driver's licenses and ID cards.
- Provide training and access to an inventory database system for ordering, tracking, receiving and auditing consumables.
- Provide training to enroll customer photos and signatures, and to use and maintain card printers.
- Lease four printers, two for each pilot office.
- Modify front- and back-office workflows to provide over-the-counter issuance.
- Provide project management and customer support for one year.

The cost of the contract amendment with Idemia was \$2,000,000. DVS paid \$350,000 in FY22, and \$1,650,000 in FY23. A summary of the amount spent under the legislative appropriations is listed in Figure 1.

| Description | Cost |
|----------------------------|-------------|
| Project manager | \$12,184 |
| Three paper/card shredders | \$1,198 |
| Two safes | \$3,179 |
| Idemia | \$2,280,868 |
| Total: | \$2,297,706 |

Figure 1. Summary of dollars spent of legislative appropriations.

A summary of the costs not paid for under the appropriations is listed in Figure 2. The total cost of the project to date is \$2,594,153.

Figure 2. Other expenses not covered under the appropriations.

| Description | Cost |
|---------------------|-----------|
| Security consultant | \$12,250 |
| Project manager | \$198,273 |
| Remodeling costs | \$85,924 |
| Total | \$296,447 |

Communications

DVS developed a communication strategy to inform the public, deputy registrars, driver's license agents, hospitality industry, restaurant and beverage associations, financial institutions, law enforcement agencies, state agencies, neighboring states, the TSA, and others, about the launch of over-the-counter credentials. DVS created a "Just the Facts" sheet (see Appendix A) which was posted on the DVS website. The "Just the Facts" sheet provides details about where customers can apply for the over-the-counter cards, what types of cards are available and the differences between the regular, centrally issued cards, and the over-the-counter cards.

DVS leadership gave interviews to the media prior to the launch of the project. They answered questions and provided details about the pilot project and the same-day credentials. They attended launch events at the Dakota County Lakeville License Center and Clay County Department of Motor Vehicles on Oct. 2, 2022.

DVS leadership and the same-day project team have reoccurring meetings with leadership and staff of Dakota County Lakeville License Center and the Clay County Department of Motor Vehicles to discuss their issues and concerns.

Reporting and auditing

DVS exam regional supervisors for the two pilot offices visit each location once a month to perform an audit of the consumables. The regional supervisors have found persistent errors between the card count in MNDRIVE, the card count in the Idemia tracking software (SIMS), and the physical count of cards in the offices. DVS worked with Idemia to find the reason for the discrepancies. Idemia made some changes to their inventory system, which improved the accuracy of the count. However, discrepancies still occur regularly.

Data on Number of Cards Issued

Oct. 1, 2022 – Oct. 1, 2023:

Total number of cards printed: 22,856

Driver's licenses: 17,317

Instruction permits: 1,879

Identification cards: 3,658

Motorized bicycle permits: 2

Customers who changed back to centrally issued card: 814

Feedback from Driver's License Agents

DVS sent a survey to driver's license agents (DLAs) at both pilot offices after one year to get their feedback on what has been going well, what has been challenging and what improvements they would recommend. Nine out of 14 people responded to the survey. Overall, they replied the project was going well.

DLAs appreciated the communication that went out prior to the roll out of the pilot project and the training they received for operating the equipment. They reported customers are happy to get credentials the same day; it is helpful for them to be able to get on an airplane or to apply for a job or services.

Challenges

Some customers have reported to pilot office staff that some bars, banks, car rental agencies, airports, etc. refused to accept the cards because they looked fake. DVS keeps a log of the problems that customers reported to the pilot locations:

- A restaurant where alcohol is served refused to serve a customer.
- A casino and bar in Mankato called law enforcement because the security features on the over-the-counter card were not the same as normal standard cards.

- A bar in another state refused to serve two customers who had same-day cards.
- Three banks refused to serve a customer.
- Transportation Security Administration and Minneapolis/St. Paul airport police questioned three customers and refused to accept their cards.
- In St. Paul, a customer was taken to a police station and fingerprinted.

The security features of the laminate can obscure the faces on the photo. Customers who are not satisfied with the over-the-counter cards are upset that they have to pay in full for a centrally issued card if they choose to replace it. The barcode on the cards do not have the customer's full name and date of birth, unlike the centrally issued cards. Suffixes initially did not print on the cards.

Other challenges include waiting several minutes for DVS staff to review the applications, not understanding the reason DVS is denying the application, instances where other offices have given their customers wrong information about same-day licenses and dealing with technical issues where the photo enrollment process freezes up.

Suggested improvements

Suggestions for making the process better included making the cards look more like centrally issued cards, improving community awareness of the pilot project, and extending the card options to include duplicates and renewals of REAL ID and enhanced IDs.

Other suggestions were having more staff at DLA offices and DVS headquarters, having DVS staff work past 4:30 p.m., adding more Twin Cities locations, doing the pilot program at larger offices, being able to know right away if a customer is not eligible and having technical issues fixed more quickly.

Other feedback

One responder said the state is sending mixed messages by offering non-compliant over-thecounter cards while also stressing the importance of getting a REAL-ID by 2025. Another responder thought the state should have provided enough funding to reimburse offices for remodeling.

DVS Recommendations

DVS does not recommend expanding the same-day licensing project statewide. Although the service meets a need for a certain segment of the population, DVS is concerned that issuing staff are not given time to thoroughly review the customer's documents. There is no way to verify the customer's address since the cards are not being mailed to their address. Photos of the customer cannot be verified against others in the database because that is an overnight process performed by Idemia. These concerns increase the potential for a card to be issued improperly.

DVS is also concerned that features on the cards are inconsistent with the centrally issued cards and have caused confusion, inconvenience, and even criminal investigation. The laminate obscures much of the customer's face, especially for customers with darker complexions. Hundreds of customers have returned to driver's license agent offices to replace their over-thecounter card with a centrally issued card, requiring them to pay the fees for a duplicate card.

DVS recommends the project be reconsidered. Seven other states provide over-the-counter credentials; this is down from 13 states in 2014. States that dropped the same-day cards cited concerns about fraud and a desire to move toward only offering federally compliant cards. The same-day process requires DVS staff to work outside of normal business hours. Expanding the project statewide could mean staff would be required to work more evenings and possibly weekends. The new AFSCME contract that went into effect August 16, 2023, requires employees working past 6:00 pm to be paid an additional \$2.25 per hour. The legislature would need to provide DVS with more funding if the project is to continue.



Driver and Vehicle Services Just the Facts

Same-Day Issue Standard Driver's Licenses/IDs

license offices.

About the Pilot Project Oct. 3, 2022- June 30, 2023

Only standard class D driver's

Reference: Laws of Minnesota 2021, 1st Special Session. Chapter

5, Article 4, section 141.

The project is limited to two driver's

licenses and permits, and standard

ID cards can be issued on the same day an application is submitted.

October 2022

Same-Day Issued Cards

Starting Oct. 3, 2022, you can get a standard class D Minnesota driver's license, permit or standard ID card issued on the day you apply at the Lakeville or Moorhead driver's license offices.

Where: Same-day cards are offered at:

- Lakeville License Center, 20085 Heritage Dr., Lakeville. Visit <u>co.dakota.mn.us</u> for office information.
- Clay County Dept. of Motor Vehicles, 420 Center Ave., Moorhead. Visit <u>claycountymn.gov</u> for office information.

Same-day cards are not available at other offices or exam stations.

What You Need to Know

• Only a standard class D driver's license, permit or standard ID card is available for same-day issue.

- A standard card is accepted at most places as proof of name and date of birth.
- A class D driver's license or permit allows you to operate a regular passenger vehicle or a light truck.
- Same-day cards are not available for commercial driver's licenses or permits, REAL ID or enhanced driver's licenses, permits or ID cards.
- You will need to downgrade to a standard card if you have a REAL ID or enhanced driver's license or ID and want a new card the same day.
- If you are about to turn 21, you can only apply for a same-day issued card on or after the day you turn 21.
- A same-day issued card and a traditionally issued card require first-time applicants to provide one primary and one secondary proof of identification document. Visit <u>drive.mn.gov</u> and select Driver's License and Options from the DVS Information panel for a list of acceptable documents.
- There is no additional fee for same-day issued cards. Visit <u>drive.mn.gov</u> for fees.

Important: Federal enforcement of REAL ID begins May 3, 2023.

Starting May 3, 2023, Minnesotans will need **one** of the following to board a domestic flight or enter certain federal facilities:

- A REAL ID driver's license or identification (ID) card
- An enhanced driver's license or ID card
- A REAL ID-compliant document like a valid U.S. passport, valid foreign government issued passport, unexpired permanent resident card, or unexpired employment authorization document. Visit <u>tsa.gov/real-id</u> for complete list.

The Transportation Security Administration will not accept standard driver's licenses or ID cards starting May 3, 2023.

For more information, visit <u>REALID.DPS.MN.gov</u>



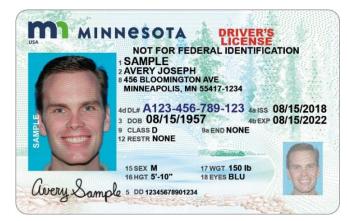
SAME-DAY DRIVER'S LICENSE OR ID CARD

Same-day issued cards have a slightly different look and feel than traditionally issued cards due to the card stock and laminate used in the printing process. The same-day issued cards are less flexible.

The back of the cards will appear the same.

- The barcode at the top of same-day cards is shorter than on the traditional card and does not include the cardholder's driver's license number.
- The information contained in the magnetic stripe and the barcode at the bottom of the card is identical for same-day and traditional cards.
- Endorsements and restrictions are the same on both cards.

Same-Day Card



- 1. Ghost image of photo is in color.
- 2. There is no canoeist.
- 3. Date of birth appears on the card only once.
- 4. Does not include the laser-perforated walleye.
- 5. Issue date cannot be before Oct. 1, 2022

Traditional Card





- Location of the shoreline on the background appears vertically on under 21 cards, not the bottom.
 - Ghost image of photo is black and white
 - There is a canoeist.
 - The shoreline always appears at the bottom of the card.
 - Date of birth appears on the card twice.
 - Includes laser-perforated walleye image.

Contact us by email at <u>dvs.driverslicense@state.mn.us</u> or call 651-297-3298 if you have any questions. Visit <u>drive.mn.us</u> for more information.