

# State of Michigan Business Plan for Implementation of the Enhanced Driver License/Personal Identification Card

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This plan outlines the State of Michigan's business process for the implementation of the Department of Homeland Security (DHS) and the State of Michigan (SOM) Border Crossing program. This project involves the development and issuance of an enhanced Michigan driver license/personal identification card (EDL/PID) that will be used for border crossing purposes at land and sea border crossings. The Michigan Department of State will adopt policies to meet the Department of Homeland Security's standards for each stage of the process. DHS/CBP expects the enhanced driver license to align with the requirements in the REAL ID rule. Participation in the EDL/PID program will be voluntary and open to all Michigan residents who are United States citizens.

## Card Issuance Process

*The Michigan Department of State (MDOS) will ensure physical security standards are in place to prevent unauthorized access to production or issuance area.*

The physical security standards are applicable to MDOS employees and contractors involved in the issuance of the EDL/PID. The factory producing the EDL/PID cards will be secure from unauthorized access during all hours. Prior notice and acceptable proof of identity will be required for all visitors. All issuance staff is subject to a national criminal background check for prior felony convictions.

A contract management plan will be used to ensure contractor compliance. The contract management plan will require full accountability for all materials, including usage and destruction from the contractor. Standards are in place for the overall security of materials used in production and for the loss or theft of blank documents/materials. All blank document materials will be held in a separate secure repository with controlled access. Physical inventory of all production materials will be conducted weekly. At any time during this process, the Department of State must be able to call the selected contractor's facility and delay printing or pull an individual driver's license out of production because an investigator or police officer has identified potential duplicate, fraud, legal presence issue, or other potential problem during the document authentication and data verification process.

Standards are in place for computer security against unauthorized access. Computer security audits will be in place to verify compliance. All MDOS branch office computers require secure domain authentication for access. The digital capture workstations cannot be accessed without proper authorization. All EDL/PID cards, regardless of office of application, will be produced through the central production process and mailed to the customer.

All cards produced through the central production process will be delivered directly to the U.S. Postal Service for delivery to the customer. Undelivered documents are returned to MDOS. All returned cards will be considered invalid and destroyed.

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## Document Requirements

*EDL/PID cards will include document security features designed to deter forgery and counterfeiting and promote confidence in the card format.*

MDOS credentials are compliant with the material and design standards of the American Association of Motor Vehicle Administrators' (AAMVA) "Personal Identification – AAMVA International Specification – EDL/PID Card Design;" a national driver license card security standard. MDOS currently uses micro-printing, digital watermarking, ghost (half-tone) image, magnetic stripe, 1-D barcode, UV (of the State of Michigan seal) image, and hologram (of the State of Michigan and the word MICHIGAN). Michigan also has level 3 security features, but we do not disclose these features for security purposes.

*The face of the card contains full legal name, date of birth, gender, full facial photograph, principal address, signature, issuance/expiration date, citizenship and the word "enhanced".*

The face of the EDL/PID will contain, at minimum, a unique Michigan license/identification number, the citizen's full legal name (subject to truncation per ICAO-9303 standard), date of birth, gender, a full color full facial photograph, address of principal residence, signature, and the issuance and expiration dates.

A Gen 2 vicinity Radio Frequency Identification (RFID) chip will be imbedded in the EDL/PID card in compliance with DHS security standards. Citizenship status will be depicted on the EDL/PID through use of the U.S. Flag. The back of the EDL/PID will also have a Machine Readable Zone (MRZ) utilizing standard Optical Character Recognition technology (hereinafter referred to as MRZ) to facilitate border crossing at locations not RFID enabled. The EDL/PID will be clearly distinguishable from a standard Michigan driver license with the inclusion of the phrase "Enhanced Driver License" and use of features described in this section.

## Issuance Process

*Issuance Procedures for the enhanced DL/PID will demonstrate an applicant's eligibility.*

MDOS licensing staff will determine EDL/PID eligibility by verifying the documents submitted and interviewing applicants to carefully determine the applicant's identify and citizenship. The state shall require, at a minimum, (1) presentation and verification of a photo identity document; (2) documentation showing the applicant's date of birth and social security number, which are verified through Social Security Online Verification (SSOLV); and (3) documentation showing the applicant's name and address of principle residence.

Documents that can be submitted to demonstrate eligibility include a valid, unexpired U.S. Passport; an original birth certificate issued by a government unit in the U.S. or U.S. territory, Certificate of Naturalization (Form N-550, N-570 or N-578), or Certificate of Citizenship (Form N-560, N-561 or N-645); a Department of State Consular Report of Birth Abroad issued by the

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U.S. Department of State (FS-240, DS-1350, F-545), and one of the following types of government-issued photo identification:

- Military ID (documents expired less than one year will be accepted.)
- Valid driver license or State Identification card (not temporary or learner permit)
- Government (Federal, State, municipal) employee identification card.
- Michigan's current process for new applicants below the age of 18 is as follows:
  - We record the required identification documents for the new applicant
  - We record the driver's license number of the parent or guardian and they sign for the applicant's driver's license
  - All this information is maintained by MDOS for future reference.

If the social security card is not available, the person may present an original version of any of the following documents bearing the applicant's SSN:

- W-2 form
- SSA-1099 form
- Non-SSA-1099 form
- Pay stub with the applicant's name and SSN
- Valid U.S. military ID card with photo (DD-2 or CAC card). (Documents expired less than one year will be accepted.)

MDOS requires an applicant to present at least two documents from the list of acceptable documents for proof of residency. These documents must include the individual's name and principle residence.

Temporary or altered documents are not acceptable. Other documents that may also be used to support identity determination include legal documents depicting marriages, divorces and name changes.

Automated address verification will be utilized to verify the U.S. Postal Service address and confirm the applicant's address is valid. Social Security electronic verification will be utilized to verify every number with the Social Security Administration. Signature comparisons will be conducted on every applicant when possible.

In January 2010, MDOS will implement the first phase of our Business Application Modernization (BAM) project. The BAM project involves the review and redesign of MDOS processes and the supporting technology. One of the deliverables of this project is for MDOS to collect and retain facial images of all applicants. Prior to the implementation of BAM, MDOS will capture and maintain photographs of individuals where the transaction was processed, even if no card is issued.

Applicants for EDL/PID cards will sign a declaration that states the information presented is true and correct with possible legal penalties for providing false information. A privacy notice will

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be provided to applicants explaining the use of the personal identifying information collected on the application.

An integral step in the application process is the interview. The interview is designed to further establish a link between the applicant and the source documents. All branch staff involved in the issuance of EDL/PID cards will receive fraudulent document recognition training. In addition, MDOS has a group of identification specialists who provide assistance to branch staff in determining the authenticity and acceptability of source documents. These identification specialists have received additional fraudulent document training and have experience with a wider range of identification documents. MDOS will expand our fraudulent document recognition training to include information regarding behaviors that may suggest an imposter or intent to commit fraud. MDOS training is based on AAMVA's Fraudulent Document training and follow-up training is provided as needed.

MDOS will copy, store and authenticate the application and supporting documents for all EDL/PID transactions. In January 2010, MDOS will begin scanning rather than copying supporting documents. This change is the result of the implementation of the first phase of our BAM project.

MDOS will authenticate application source documents by searching for key security features and when available, electronically with issuing authorities. This includes verifying the social security number of each applicant with the Social Security Administration. Source documents will be shared with DHS, when legally required, for law enforcement purposes.

If MDOS staff has questions on the authenticity or validity of a document, they will seek supervisor assistance or assistance from our identification specialists. If documents cannot be authenticated, the applicant will be denied an enhanced driver license. MDOS may, at their discretion, suggest that an applicant who is denied an EDL/PID apply for a passport through the Department of State or for another WHTI compliant border-crossing document, such as the trusted traveler cards issued by U.S. Customs and Border Protection. Procedures will be developed, documented and implemented to ensure uniformity of the application process.

Potential fraud cases will be forwarded to MDOS' Bureau of Information Security (investigation arm of MDOS) for review and disposition.

Staff will conduct photo verification by visually comparing the applicant to their previous photo. For original applications when a photo is not on file, we will visually compare the applicant to the identity documents provided. When Michigan is able to participate in the AAMVA Digital Image Exchange, the photo will be compared to the photo on record with the state of issue.

Currently, there is no national database or connectivity to verify birth certificates with all states. AAMVA has been conducting a study with a few states, but does not at this time have the financial commitment to broaden to other states. The MDOS and the Michigan Department of Community Health are working to have electronic verification of a birth certificate for individuals born in Michigan available upon implementation. Until all Michigan birth

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certificates are electronically available, the original certified birth certificate will be required to verify validity.

The Department of State has a quality assurance program that requires manager review and approval of some license applications. For the EDL program, managers will be required to review and approve all EDL applications. The Department conducts random periodic audits of branch offices to review transactions and assess their compliance with identification-related procedures. EDL offices will be subject to random audits of their EDL transactions by our identification specialists. In addition, the Department reviews daily application data to look for possible fraudulent activity.

MDOS staff is authorized to confiscate a license, learner permit, EDL/PID cards and registration or title certificates issued by MDOS that have been determined to be fictitious, stolen, or altered, or that have been suspended, canceled or revoked. Procedures are in place for invalidating and canceling issued documents. Once a document is determined to be lost or stolen, a new document is issued containing a new control number that invalidates the previous one.

Michigan shall make reasonable efforts to ensure that the applicant does not have more than one driver's license or identification card already issued by the State of Michigan or any other state under a different identity.

***When a driver license is reported as cancelled, lost or stolen, details must be immediately made available, central databases updated and electronically shared with DHS.***

DMV maintains a database of all issued driver's licenses. Details and specific requirements for sharing changes in the status of the EDL/PID cards with DHS are to be identified and resolved by DHS and MDOS' joint technology workgroup.

### **Employee Requirements**

***Background checks for reliability, criminal history, and security risks will be conducted for employees issuing EDL/PID.***

Employees who are involved in the manufacturing or production of EDL/PID cards or who have the ability to affect the identity information that appears on the EDL/PID, or current employees who will be assigned to such positions must be U.S. citizens and will be subject to appropriate background checks. These background checks will include a name-based and fingerprint criminal history check (CHRC), using at a minimum the FBI's National Crime Information Center (NCIC) and the Integrated Automated Fingerprint Identification System (IAFIS) database and state repository records on each covered employee; employment eligibility check; and employment reference check (if employed less than two years). The MDOS will identify the employees in positions requiring background checks. The MDOS will develop a strategy and take the appropriate action, which will facilitate the responsibility for accomplishment of national background checks. The MDOS will be responsible for performing background checks.

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## Disqualifying offenses:

- Permanent disqualifying offense. A covered employee has a permanent disqualifying offense if convicted, or found not guilty by reason of insanity, in a civilian or military jurisdiction, of any of the felonies set forth in 49 CFR 1572.103(a).
- Interim disqualifying criminal offenses. The criminal offenses referenced in 49 CFR 1572.103(b) are disqualifying if the covered employee was either convicted of those offenses in a civilian or military jurisdiction, or admits having committed acts which constitute the essential elements of any of those criminal offenses within the seven years preceding the date of employment in the covered position; or the covered employee was released from incarceration for the crime within the five years preceding the date of employment in the covered position.
- Under want or warrant. A covered employee who is wanted or under indictment in any civilian or military jurisdiction for a felony referenced in this section is disqualified until the want or warrant is released.
- Determination of arrest status. When a fingerprint-based check discloses an arrest for a disqualifying crime referenced in this section without indicating a disposition, the State must determine the disposition of the arrest to the best of their ability.
- Waiver. MDOS may establish procedures to allow for a waiver of the requirements of the “interim disqualifying offenses” or “determination of arrest status” listed in the above bullets under circumstances determined by MDOS. These procedures can cover circumstances where the covered employee has been arrested, but no final disposition of the matter has been reached. In such event the state establishes such waiver procedures; the state shall notify CBP of such procedures.
- If results of the State’s CHRC reveal a permanent disqualifying criminal offense or an interim disqualifying criminal offense, the employee may not be employed in a position as described above - employees who are involved in the manufacturing or production of enhanced driver’s licenses, or who have the ability to affect the identity information that appears on the driver’s license or identification card.
- An employee whose employment eligibility has not been verified by section 274A of the Immigration and Nationality Act (8 USC 1324a) and its implementing regulations (8 CFR part 274A) may not be employed in any position.

## Technology Requirements

*Michigan’s EDL/PID will use facilitative technology and share biographic information and photos with DHS.*

MDOS will employ facilitative technology in the EDL/PID. The EDL/PID will incorporate both the vicinity RFID chip and MRZ. Technology will be selected to meet DHS technical specifications and interoperability required for the project.

The RFID chip will not contain any personal information about the applicant. The vicinity RFID and MRZ technology will provide a unique identifier that links to the EDL/PID holder’s record in a secure DHS database. The unique identifier, when ready by DHS, will be used to query DHS’ database of MDOS-provided digital photos and biographic information, and will

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simultaneously send a validity query to MDOS. As MDOS proceeds with the development of our BAM project, we will work with DHS to determine whether the digital photos and biographic information will be pushed to DHS by MDOS or pulled from MDOS by DHS.

MDOS will provide CBP with digital photographs and biographical information on EDL/PID holders, and shall update such information, according to the terms of the service level agreement to be developed between the parties. CBP shall receive, store and access such information according to the terms of the service level agreement and the Non-Federal Entity Data System, System of Records Notice, 73 Fed. Reg. 43.462.

DHS will send an inquiry transaction receipt to MDOS anytime a Michigan EDL/PID record is queried. The validity query to MDOS will occur within a response time as close to real-time as possible.

## **Security Plan**

A single security plan will be developed to address the MDOS and contractor facilities involved in the enrollment, issuance, manufacturing and production of EDL/PID cards.

The plan must address at a minimum:

- Physical security of the buildings used to manufacture or issue EDL/PID cards.
- Physical security storage areas for card stock and other materials used in card production.
- Reasonable administrative, technical, and physical safeguards to protect the security, confidentiality, and integrity of the physical location and the personal information stored and maintained in MDOS records and information systems
- Physical security features for the face of the EDL/PID cards
- Training requirements
- Privacy policy regarding personal information collected and maintained by the MDOS
- Incident response plan
- Internal audit controls
- Procedures to revoke and confiscate driver's licenses or identification cards fraudulently issued in another State.

The Security Plan should be marked Sensitive Security Information and must be handled and protected in accordance with 49 CFR Part 1520.

## **Communication Requirements**

MDOS will work with CBP to rollout WHTI information before the actual launch of the EDL/PID targeting interested audiences. Information will likely include details on the Western Hemisphere Travel Initiative, the availability of a Michigan EDL/PID, and the benefits of the Michigan EDL/PID. MDOS will implement a proactive, effective, and ongoing community outreach program.

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## **Independent Evaluation Requirements**

Key performance metrics will be developed by MDOS and CBP. They will be collected and analyzed in an effort to validate the success of the MDOS project. An evaluation approach will be developed in conjunction with CBP.

CBP will conduct an independent audit of MDOS' EDL/PID project to validate compliance with DHS' minimum standards, the DHS/Michigan Memorandum of Agreement, and this business plan.

MDOS and DHS have identified the appropriate contacts to move forward with the project and minimum standards discussed above. A high-level timeline and critical path have been developed by MDOS and are attached to this plan. The MDOS has requested funding to implement this project. The Michigan Secretary of State and the Assistant Secretary for Policy, Department of Homeland Security have signed a Memorandum of Agreement that authorizes the EDL/PID project. The State of Michigan will continue to work closely with CBP on any remaining planning, timelines, and implementation issues.

## **Confidentiality of Michigan Records**

CBP's use of EDL/PID data transferred from MDOS to CBP for border crossing purposes shall be according to the terms of the service level agreement and the Non-Federal Entity Data System, System of Records Notice, 73 Fed. Reg. 43.462.

The following provisions of this section, "Confidentiality of Michigan Records", apply only to the transfer of personal information incidental to building or maintaining the infrastructure necessary to create or maintain the EDL/PID project.

Each party understands that the other party or third parties may disclose to it information designed by another party as confidential information related to the project discussed in this Business Plan ("Confidential Information").

Each party agrees to maintain in confidence such information and will use this information solely to provide services related to this project. Except as required by law, each party shall not disclose this information to any person except authorized contractors who also agree to not disclose this Confidential Information. Each party shall include requirements on confidentiality for any person having access to this Confidential Information pursuant to this Business Plan and separate MOA.

DHS agrees that all materials containing Confidential Information received pursuant to this Business Plan concerning Michigan residents and its employees, and any other information which may be designated by either party as confidential, shall not be disclosed to other persons without Michigan's written consent except as may be required by law. Any personal information received by DHS shall be handled by DHS, as appropriate and necessary, in accordance with the

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Privacy Action of 1974, as amended and the Driver Privacy Protection Action of 1994, as amended.

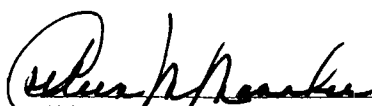
Notwithstanding any other provision of this agreement, disclosure of Confidential Information shall not be precluded if such disclosure is in response to a valid order of a court or other governmental body or is otherwise required by law; provided, however, that the party responding to the order or other legal requirements shall first give notice to the other party hereto and shall have as appropriate:

- a. Fully cooperated in the other party's attempt, if any, to obtain a "protective order" from an appropriate court or other governmental body, or
- b. Attempted to classify such documents to prevent access by the public, in accordance with the provisions of the federal Freedom of Information Act (FOIA) or similar State statutes.

## Amendments

This business plan may be changed, at any time only by an instrument in writing, signed by duly representatives of both parties hereto.

APPROVED  
Customs and Border Protection

 10/7/08  
(Signature) (date)

Colleen Manaher  
Director  
Western Hemisphere Travel Initiative  
U.S. Customs and Border Protection  
U.S. Department of Homeland Security

APPROVED  
State of Michigan  
Department of State

 Oct 13-08  
(Signature) (date)

Terri Lynn Land  
Secretary of State  
Michigan Department of State