States say new IDs could cost billions

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COLUMBUS, Ohio (AP) --
New federal security rules for issuing driver's licenses could cost $11 billion to implement, raising concerns among states about paying for the changes, according to a national survey of states released Thursday.

"There's no question that state legislators believe driver's licenses should be as secure as is possible," said William Pound, executive director of the National Conference of State Legislatures which helped conduct the survey.

"The $11 billion question is, 'Who's going to pay for it?'"

The requirements - which are not final - are part of the Real ID Act of 2005, which grew out of a recommendation by the Sept. 11 commission.
The law requires states to incorporate common security features to prevent tampering or counterfeiting, such as using standard materials in every state to print the cards. States will have to verify the legitimacy of documents used to obtain a license and buy equipment to digitally store those documents.

Without such features on their licenses, people would not be allowed to board an airplane or enter a federal building.

Seven of the Sept. 11, 2001, hijackers exploited a loophole that allowed people to obtain driver's licenses and ID cards by submitting sworn statements instead of proof of residency or identity.

The biggest cost, about $8.5 billion, would come in re-enrolling the 245 million people who already have driver's licenses and identification cards, the survey found. Those people would have to show documents like birth certificates and Social Security cards at motor vehicle offices.

"If you can't find those documents, you might find yourself walking instead of driving," Tom Wolfsohn, chief policy officer for the American Association of Motor Vehicle Administrators, said Thursday.

The Department of Homeland Security said the government worked closely with associations representing states as it prepared the report.

"Congress passed the Real ID act to help ensure that other potential terrorists don't similarly use fraudulent documents to board planes, enter nuclear facilities or gain authorized access to federal facilities," Homeland Security spokesman Jarrod Agen said Wednesday.

The agency will release its own cost estimates with its final rules by the end of the year, he said.

The law authorizes Congress to pay for the changes but doesn't specify an amount. Pound said the government has released $6 million to date for state pilot programs.

Typically, state motor vehicle agencies are financed by a combination of gasoline taxes, fees and fines. So the extra costs tied to the new security rules could be passed along to consumers.
The survey does not break down the costs by state. States earlier released estimates to The Associated Press, based on equipment they expect to buy, training they must do and the potential hiring of new employees.

Officials in California, with 25 million licensed drivers and ID card holders, said it would cost $500 million over five years to comply with the law. Texas, with 15 million licensed drivers, said startup costs could reach $167 million with annual, ongoing costs of $101 million a year.

Ohio, with a stubbornly high unemployment rate and a recent history of tight budgets, said implementation could cost about $45 million, with about $15 million in new, annual costs.

North Dakota, with a motor vehicle department budget of just $5 million, estimated it would cost up to $15 million to implement the changes.

The survey released Thursday was conducted by NCSL, the National Governors Association and the American Association of Motor Vehicle Administrators.

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On the Net:


National Governors Association: http://www.nga.org

National Conference of State Legislatures: http://www.ncsl.org

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