



Oregon Department of Transportation

Driver and Motor Vehicle Services

HOUSE BILL 3624 REPORT REPORT ON IMPLEMENTATION OF SENATE BILL 1080

*STANDARDS FOR ISSUANCE OF
OREGON DRIVER LICENSES AND IDENTIFICATION CARDS*

January 2012

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Background

Senate Bill 1080 (2008 Supplemental Session) tightened documentation and identity verification requirements for the issuance, replacement and renewal of Oregon driver licenses, driver permits and identification cards. The law was signed by the Governor on March 11, 2008, and partially implemented on July 1, 2008.

Governor Kulongoski's Executive Order No. 07-22 imposed similar requirements when it was implemented nearly five months earlier on February 4, 2008. The executive order directed DMV to tighten identity requirements and verify the social security number (SSN) of applicants. Although the executive order did not require proof of United States (U.S.) citizenship or legal presence, applicants who did not have a verifiable SSN were required to submit U.S.-issued identity documents such as a U.S. passport or U.S. immigration document with a valid foreign passport. The executive order had minimal impact on U.S. citizens, but significantly impacted non-citizens who did not possess a valid SSN since U.S. immigration documents were required. As a result, many applicants who were not legally in the U.S. were unable to receive a driver license or ID card as of February 2008.

SB 1080 put provisions of the executive order into statute, expanded the new requirements to all applicants, and added some additional requirements. The new law affected everyone who applied for a driver license or ID card, no matter who they were, how long they had had an Oregon license, or how long they had lived in the state.

As required by SB 1080, the Department implemented the bill in three phases:

- Phase 1 required the presentation of documents proving legal presence, SSN and full legal name (implemented on July 1, 2008)
- Phase 2 required the verification of legal presence documents using the federal Systematic Alien Verification for Entitlements (SAVE) program (implemented on January 1, 2009)
- Phase 3 required the issuance of limited term cards that expire when immigration documents expire (implemented on January 1, 2010)

This report, the third in a series of five reports, was prepared in accordance with House Bill 3624 (2008 Special Session), which requires that:

The Department of Transportation shall prepare and submit an annual report to each regular session of the Legislative Assembly and to the appropriate interim committees of the Legislative Assembly. The report shall describe the effects of the implementation of chapter 1, Oregon Laws 2008 (Enrolled Senate Bill 1080), by including data and analysis on:

- (a) The fiscal impact of chapter 1, Oregon Laws 2008 (Enrolled Senate Bill 1080).*
- (b) Changes in the rates of uninsured drivers in Oregon.*
- (c) Changes in the rates of unlicensed drivers in Oregon.*
- (d) Changes in the number of accidents occurring in Oregon, particularly accidents that involve:
 - (A) Injuries or fatalities when an uninsured or unlicensed driver is involved; and*
 - (B) Multiple-passenger accidents related to the transportation of laborers.**
- (e) Any trends in the information described in paragraphs (a) to (d) of this subsection, as compared to previous reports.*

Fiscal Impact

DMV implemented SB 1080 in three phases over an 18-month period. The cost to implement the bill was about \$840,000, approximately 77% of which was funded by a Department of Homeland Security grant. Following is a summary of the fiscal impact of each phase of the implementation.

Phase 1: Effective July 1, 2008, SB 1080 required applicants to provide proof of legal presence, Social Security Number (SSN) and full legal name in order to obtain an original, renewal or replacement driver license, driver permit or identification card. The law also required DMV to electronically verify SSNs (electronic SSN verification was implemented on February 4, 2008, as required by Executive Order 07-22). SB 1080 also allowed the Department to renew or replace licenses and ID cards using a previous photo from the DMV database for individuals who were out-of-state and unable to come to a DMV office. The cost to implement Phase 1 was approximately \$175,000.

Phase 2: DMV began verifying immigration documents electronically on January 1, 2009. The SAVE system allows DMV to verify the validity of immigration status prior to issuing driver licenses, driver permits, and ID cards. Inclusion of a legal presence indicator on the customer record enables U.S. citizens and permanent legal residents to obtain future renewal or replacement licenses, permits and ID cards without resubmitting legal presence documents. The cost to implement Phase 2 was approximately \$222,000.

Phase 3: On January 1, 2010, DMV began issuing limited term driver licenses, permits and ID cards to applicants with limited approved stays in the United States. Limited term cards expire on the ending date of the customer's approved stay in the United States, or sooner if the regular expiration period for the privilege is less than the customer's approved length of stay. Customers who have an indefinite length of stay receive a card that is valid for one year. The cost to implement Phase 3 was approximately \$442,000.

Changes in the Rates of Unlicensed and Uninsured Driving and the Number of Accidents

House Bill 3624 requires the Department to present annual reports (from 2010 to 2014) to the Legislature on changes in the rates of unlicensed drivers, uninsured drivers and accidents involving unlicensed or uninsured drivers, particularly those that involve injuries or fatalities, and multiple passenger accidents related to the transport of laborers¹.

Due to Oregon's eight-year driver license renewal period, it is expected that an increasing number of drivers will be unable to renew their driver license because they no longer qualify under the new requirements of SB 1080. As a result, any change in the rate of uninsured or unlicensed drivers and in the number of accidents will most likely be gradual over an eight-year period. However, it is likely that factors other than the new requirements of SB 1080 may also affect the number of unlicensed and uninsured drivers and the number of accidents. These factors include the recent economic recession, fluctuations in the price of gasoline, and the high unemployment rate in Oregon.

¹Data on multiple passenger accidents involving the transport of laborers cannot be reported because the employment status of passengers is not recorded on accident reports.

Changes in the Rates of Uninsured and Unlicensed Driving: The general research design was to pull data on drivers involved in accidents in July 2007 and compare it to data in July of each subsequent year. While it is arguable that drivers in accidents are not representative of Oregon drivers, accidents are the principle focus of concern for driver safety and financial responsibility. Accident involvement is of paramount concern in terms of transportation safety policy. Because unlicensed driving is an illegal and covert activity, unlicensed driving comes to light primarily through either accidents or traffic enforcement.

Traffic violations for unlicensed driving do not provide a credible alternative. Because a traffic stop requires probable cause, many unlicensed and uninsured drivers would not be subject to a traffic stop and would not receive a citation. In addition, the number of violations written for unlicensed driving is also influenced by the overall investment in enforcement and the priority given by enforcement agencies to traffic enforcement versus other traffic patrol strategies.

July 2007 provides a good “base” period for the analysis because it was prior to implementation of the Governor’s Executive Order and SB 1080. The Executive Order, which included similar requirements to SB 1080, was implemented nearly five months before SB 1080. July was chosen for several reasons. First, this was the month that the most significant changes went into effect in 2008. Second, a single month will yield between 6,000 to 7,000 accident involvements, which is a sufficient number to yield reliable results. Finally, selecting data from the same month each year will tend to neutralize any seasonal patterns. Since there is a process in place for determining and verifying the insured status of drivers involved in accidents, the information on insurance status is very reliable. By manually reviewing driver records, it was possible to confirm the license status of each driver on the date of the accident.

For the initial report in 2010, the department analyzed driver and accident records to determine the rate of unlicensed and uninsured driving in 2007, 2008, and 2009. The same methodology was used for this report.

A data file containing license and insurance information on all drivers in the sample was the basis for the research. Drivers were initially sorted into one of the following four groups based on the best available information about their license and insurance status:

- Group 1: Licensed and Insured
- Group 2: Licensed and Uninsured
- Group 3: Unlicensed and Insured
- Group 4: Unlicensed and Uninsured

For purposes of this research, the following definitions were used:

- *Unlicensed:* A resident of Oregon whose license was not valid on the date of the accident. Unlicensed drivers include the following:
 - Never licensed in Oregon
 - License expired, but not suspended, revoked, or cancelled
 - License expired and suspended, revoked, or cancelled
 - License not expired, but suspended, revoked, or cancelled

- *Licensed:* A resident of Oregon who had a valid Oregon driver license on the date of the accident. The license was not suspended, revoked, or cancelled and the license was not expired at the time of the accident.
- *Uninsured:* A driver who received an uninsured accident suspension with an accident reference number matching the date of the accident. Suspensions rescinded or vacated within three months of the accident date are excluded.

The license and insurance status information on each driver was compiled and the results analyzed. Table I presents the total number and percent for each group. Also included in the table are changes in each rate for the two years between 2007 and 2009, for the three years between 2007 and 2010 and for the four years between 2007 and 2011.

Table I: Rate of Unlicensed & Uninsured Driving in Oregon, July 2007, 2009, 2010 & 2011

<i>Licensed & Insured Status</i>	<i>2007</i>		<i>2009</i>		<i>Change in Rate 2007 to 2009</i>	<i>2010</i>		<i>Change in Rate 2007 to 2010</i>	<i>2011</i>		<i>Change in Rate 2007 to 2011</i>
	Counts	Percent	Counts	Percent		Counts	Percent		Counts	Percent	
Insured Drivers	6,397	93.0%	5,675	91.9%	-1.1%	5,942	93.0%	-0.0%	5,542	92.2%	-0.8%
Uninsured Drivers	177	2.6%	247	4.0%	1.4%	233	3.6%	1.0%	274	4.6%	2.0%
Unlicensed Drivers											
Insured	88	1.3%	64	1.0%	-0.3%	33	0.5%	-0.8%	35	0.6%	-0.7%
Uninsured	213	3.1%	193	3.1%	0.0%	184	2.9%	-0.2%	158	2.6%	-0.5%
Total	6,875	100%	6,179	100%		6,392	100%		6,009	100%	

Source: Oregon Department of Transportation, Driver and Motor Vehicle Services

Notes:

- License status was determined by reviewing the driver records of all drivers involved in an accident that was reported to DMV to determine license status at the time of the accident.
- Insured status was determined by reviewing the driver records of all persons involved in an accident that was reported to DMV and determining if the driver received a suspension for an uninsured accident with an accident reference number matching the date of the accident.

* Rates of change shown in **boldfaced type** are significant at the .05 level

The data in Table I were used to develop tables II–IV to highlight specific relationships in the results.

Table II: License Status

<i>License Status</i>	<i>2007</i>		<i>2009</i>		<i>2010</i>		<i>2011</i>	
	Counts	Percent	Counts	Percent	Counts	Percent	Counts	Percent
Licensed	6,574	95.6%	5,922	95.9%	6,175	96.6%	5,816	96.8%
Unlicensed	301	4.4%	257	4.1%	217	3.4%	193	3.2%
Total	6,875	100%	6,179	100%	6,392	100%	6,009	100%

Table II shows that the rate of unlicensed driving (based on accidents) declined in 2009 through 2011, compared to 2007.

Table III: Insured Status

<i>Insured Status</i>	<i>2007</i>		<i>2009</i>		<i>2010</i>		<i>2011</i>	
	Counts	Percent	Counts	Percent	Counts	Percent	Counts	Percent
Insured	6,485	94.3%	5,739	92.9%	5,975	93.5%	5,577	92.8%
Uninsured	390	5.7%	440	7.1%	417	6.5%	432	7.2%
Total	6,875	100%	6,179	100%	6,392	100%	6,009	100%

Table III shows that uninsured driving (based on accidents) increased from 2009 through 2011, compared to 2007.

Table IV: Relationship of Insured & License Status

<i>Insured Status</i>	<i>2007</i>		<i>2009</i>		<i>2010</i>		<i>2011</i>	
	Counts	Percent	Counts	Percent	Counts	Percent	Counts	Percent
Insured	6,485	94.3%	5,739	92.9%	5,975	93.5%	5,577	92.8%
Uninsured								
Licensed	177	2.6%	247	4.0%	233	3.6%	274	4.6%
Unlicensed	213	3.1%	193	3.1%	184	2.9%	158	2.6%
Total	6,875	100%	6,179	100%	6,392	100%	6,009	100%

Table IV shows that the increase in uninsured accidents is concentrated among licensed drivers. The percent of drivers in accidents who are both unlicensed and uninsured is not increasing.

In short, there is no evidence that unlicensed driving is increasing. And, although uninsured driving was higher in 2009 through 2011 than in 2007, because the rate of unlicensed drivers did not also increase, it seems likely that decreases in the insurance rate are due to a weak economy rather than SB1080.

Unlicensed and Uninsured Drivers and Severity of Accidents: The Oregon Legislature asked ODOT to report annually on changes in the number of unlicensed and uninsured drivers involved in accidents in Oregon, particularly fatal and injury accidents.

Accident reports filed by drivers involved in accidents occurring in July of 2007, 2009, 2010 and 2011 or by police officers investigating an accident were the basis for determining the severity of each accident. This information was obtained for the drivers in the same sample as described above by cross referencing to the Statewide Crash Data System and by manual review of the actual accident reports filed. Due to time constraints, information about 2011 accident severity was collected only for drivers who were unlicensed and/or uninsured and not for the large group of licensed, insured drivers.

DMV used the accident severity information to determine the number of drivers, by license and insurance status, who were involved in fatal, injury and property damage accidents. The results of this analysis are presented in Table V. Also included are changes in each rate of involvement between 2007 and, for the two years between 2007 and 2009, for the three years between 2007 and 2010, and, where the data were available, for the four years between 2007 and 2011. The increase in drivers who are licensed but uninsured is evident in all accidents, property damage only accidents and injury accidents. Otherwise there are no notable changes from 2007 to 2010.

New requirements for driver licensing have been in effect since July 2008, but the full impact of the change may not be evident until 2016 because Oregon has an eight-year driver license renewal cycle. Consequently, it is not possible to draw definitive conclusions on the law's impact on the number of accidents involving an unlicensed or uninsured driver.

Conclusions

Senate Bill 1080 tightened documentation and identity verification requirements for the issuance of Oregon driver licenses and ID cards. The new law impacts everyone who applies for a driver license or ID card. Due to Oregon's eight-year renewal cycle, it is likely that an increasing number of drivers will be unable to renew their driver license because they no longer qualify under the requirements of SB 1080. As a result, it is expected that any change in the rate of uninsured or unlicensed drivers and in the number of accidents will be gradual over an eight-year period.

The results of the analysis of data from before and after changes in driver licensing requirements occurred show no apparent impact on unlicensed driving. Due to the fact that driver licenses are now issued for eight years, to date only about 40 percent of Oregon's drivers have been affected by the law. As more drivers are unable to obtain an original driver license or renew their driver license due to additional identification requirements, the effects of the law on unlicensed and uninsured driving will become clearer.

The increase in driving uninsured is most likely explained by poor economic conditions that have led to drivers not being able to afford auto insurance.

Table V: Unlicensed & Uninsured Drivers Involved in Accidents by Severity, July 2007, 2008, 2009 & 2010

<i>All Accidents</i>	2007		2009		<i>Change in Rate 2007 to 2009</i>	2010		<i>Change in Rate 2007 to 2010</i>	2011		<i>Change in Rate 2007 to 2011*</i>
	<i>Counts</i>	<i>Percent</i>	<i>Counts</i>	<i>Percent</i>		<i>Counts</i>	<i>Percent</i>		<i>Counts</i>	<i>Percent</i>	
Licensed Drivers											
Insured	6,397	93.0%	5,675	91.9%	-1.1%	5,942	93.0%	0.0%	5,542	92.2%	-0.8%
Uninsured	177	2.6%	247	4.0%	1.4%	233	3.6%	1.0%	274	4.6%	2.0%
Unlicensed Drivers											
Insured	88	1.3%	64	1.0%	-0.3%	33	0.5%	-0.8%	35	0.6%	-0.7%
Uninsured	213	3.1%	193	3.1%	0.0%	184	2.9%	-0.2%	158	2.6%	-0.5%
Total	6,875	100%	6,179	100%		6,392	100%		6,009	100%	

<i>Fatal & Injury Accidents</i>	2007		2009		<i>Change in Rate 2007 to 2009</i>	2010		<i>Change in Rate 2007 to 2010</i>	2011		<i>Change in Rate 2007 to 2011</i>
	<i>Counts</i>	<i>Percent</i>	<i>Counts</i>	<i>Percent</i>		<i>Counts</i>	<i>Percent</i>		<i>Counts</i>	<i>Percent</i>	
Licensed Drivers											
Insured	2,994	89.9%	2,651	88.5%	-1.4%	3,012	92.1%	2.2%	**	**	**
Uninsured	134	4.1%	173	5.8%	1.7%	158	4.8%	0.7%	192	**	**
Unlicensed Drivers											
Insured	57	1.7%	44	1.5%	-0.2%	19	0.6%	-1.1%	26	**	**
Uninsured	144	4.3%	128	4.2%	-0.1%	81	2.5%	-1.8%	108	**	**
Total	3,329	100%	2,996	100%		3,270	100%		**		

<i>Property Damage Only</i>	2007		2009		<i>Change in Rate 2007 to 2008</i>	2010		<i>Change in Rate 2007 to 2009</i>	2011		<i>Change in Rate 2007 to 2010</i>
	<i>Counts</i>	<i>Percent</i>	<i>Counts</i>	<i>Percent</i>		<i>Counts</i>	<i>Percent</i>		<i>Counts</i>	<i>Percent</i>	
Licensed Drivers											
Insured***	1,908	93.0%	1,600	91.0%	-2.0%	2,214	94.0%	1.0%	**	**	**
Uninsured	43	2.1%	74	4.2%	2.1%	76	3.2%	1.1%	82	**	**
Unlicensed Drivers											
Insured	31	1.5%	20	1.1%	-0.4%	14	0.6%	-0.9%	9	**	**
Uninsured	69	3.4%	65	3.7%	0.3%	51	2.2%	-1.2%	50	**	**
Total	2,051	100%	1,759	100%		2,355	100%		**		

Source: Oregon Department of Transportation, Driver and Motor Vehicle Services and Statewide Crash Data System

- License status was determined by reviewing the record of all drivers involved in an accident that was reported to DMV to determine license status at the time of the accident.
- Insured status was determined by reviewing the record of all persons involved in an accident that was reported to DMV and determining if the driver received a suspension for an uninsured accident with an accident reference number consistent with the date of the accident

*rates of change shown in **boldfaced type** are significant at the .05 level.

**data unavailable

***crash severity frequencies for insured, licensed drivers were projected from a sample, rather than manually reviewing thousands of accident reports.