



# Oregon Department of Transportation

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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*

December 2013

Tom McClellan, DMV Administrator

## **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 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 electronic 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 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.*

The final annual report is due prior to January 2, 2014 according to House Bill 3624.

## **Fiscal Impact**

DMV implemented SB 1080 in three phases over an 18-month period. The cost to implement the bill was about \$840,000 with approximately 77% 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 driver 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 for 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 for Phase 2 was about \$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 person's approved stay in the United States, or sooner if the regular expiration period for the privilege is less than the person's approved length of stay. Customers with an indefinite length of stay receive a card that is valid for one year. The cost to implement Phase 3 was about \$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 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 laborers<sup>1</sup>.

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 SB 1080 requirements. As a result, any change in the rate of uninsured or unlicensed drivers will likely be gradual over an eight-year period. However, 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 strength of the economy, number of vehicle miles traveled, and the unemployment rate in Oregon.

**Changes in the Rates of Uninsured and Unlicensed Driving:** The general research design uses data on drivers involved in accidents in July 2007 compared 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.

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

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. A traffic stop requires probable cause by an officer, so many unlicensed and uninsured drivers are not subject to a traffic stop and do 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 law enforcement agencies to traffic enforcement versus other traffic patrol strategies.

July 2007 provided 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 when 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 tends 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 2009, the department analyzed driver and accident records to determine the rate of unlicensed and uninsured driving in 2007, 2008, and 2009. This same methodology has been used for all subsequent reports.

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 three years between 2007 and 2010, for the five years between 2007 and 2012, and for the six years between 2007 and 2013.

**Table I: Rate of Unlicensed & Uninsured Driving in Oregon, July 2007, 2010, 2012 & 2013**

<i>Licensed &amp; Insured Status</i>	<i>2007</i>		<i>2010</i>		<i>Change in Rate 2007 to 2010</i>	<i>2012</i>		<i>Change in Rate 2007 to 2012</i>	<i>2013</i>		<i>Change in Rate 2007 to 2013</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	93.05%	5,942	92.96%	-0.09%	5,627	92.43%	-0.62%	5,754	92.06%	-0.99%
Uninsured	177	2.57%	233	3.65%	1.08%	233	3.83%	1.26%	220	3.52%	0.95%
Unlicensed Drivers											
Insured	88	1.28%	33	0.52%	-0.76%	57	0.94%	-0.34%	91	1.46%	0.18%
Uninsured	213	3.10%	184	2.88%	-0.22%	171	2.80%	-0.30%	185	2.96%	-0.14%
<b>Total</b>	<b>6,875</b>	<b>100%</b>	<b>6,392</b>	<b>100%</b>		<b>6,088</b>	<b>100%</b>		<b>6,250</b>	<b>100%</b>	

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 as reported to DMV at the time of the accident.
- Insured status was determined by reviewing the driver records of all persons involved in an accident as 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.

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

**Table II: Relationship of Licensed Status**

<i>License Status</i>	<i>2007</i>		<i>2010</i>		<i>2012</i>		<i>2013</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	6,574	95.62%	6,175	96.61%	5,860	96.25%	5,974	95.58%
Unlicensed	301	4.38%	217	3.39%	228	3.75%	276	4.42%
<b>Total</b>	<b>6,875</b>	<b>100%</b>	<b>6,392</b>	<b>100%</b>	<b>6,088</b>	<b>100%</b>	<b>6,250</b>	<b>100%</b>

Table II shows the percentage of unlicensed drivers involved in vehicle accidents was unchanged over the six year period.

**Table III: Relationship of Insured Status**

<i>Insured Status</i>	<i>2007</i>		<i>2010</i>		<i>2012</i>		<i>2013</i>	
	Counts	Percent	Counts	Percent	Counts	Percent	Counts	Percent
Insured	6,485	94.33%	5,975	93.48%	5,684	93.36%	5,845	93.52%
Uninsured	390	5.67%	417	6.52%	404	6.64%	405	6.48%
Total	6,875	100%	6,392	100%	6,088	100%	6,250	100%

Table III shows insignificant change in uninsured driving from 2010 through 2013, compared to 2007.

**Table IV: Relationship of Insured Status & License Status**

<i>Insured Status</i>	<i>2007</i>		<i>2010</i>		<i>2012</i>		<i>2013</i>	
	Counts	Percent	Counts	Percent	Counts	Percent	Counts	Percent
Insured	6,485	94.33%	5,975	93.48%	5,684	93.36%	5,845	93.52%
Uninsured								
Licensed	177	2.57%	233	3.64%	233	3.83%	220	3.52%
Unlicensed	213	3.10%	184	2.88%	171	2.81%	185	2.96%
Total	6,875	100%	6,392	100%	6,088	100%	6,250	100%

Table IV shows a slight increase in uninsured accidents 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. The data in Table I does suggest that uninsured driving is slightly higher than it was in 2007 for licensed drivers.

**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, 2010, 2011, 2012 and 2013 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 2012 and 2013 accident severity was collected only for drivers who were unlicensed and/or uninsured and not for the large group of licensed and 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 subsequent years starting in 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 may be gradual over an eight-year period.

The results of the analysis of data from before and after changes in driver licensing requirements show no apparent impact on unlicensed driving. However, 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 may become clearer.

The data represented in Table I suggests a potential downward trend in drivers who are licensed and insured. However, no firm conclusions should be drawn from this limited information. The normal year to year variance in licensed, insured driving prior to SB1080 is unknown, as is the direction in which uninsured driving rates were trending prior to 2007. As well, rates of insured drivers may have been impacted in recent years by poor economic conditions and fewer drivers being able to afford automobile insurance.

**Table V: Unlicensed & Uninsured Drivers Involved in Accidents by Severity, July 2007, 2010, 2012 & 2013**

<i>Licensed &amp; Insured Status</i>	<i>2007</i>		<i>2010</i>		<i>Change in Rate 2007 to 2010</i>	<i>2012</i>		<i>Change in Rate 2007 to 2012</i>	<i>2013</i>		<i>Change in Rate 2007 to 2013</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	93.05%	5,942	92.96%	-0.09%	5,627	92.43%	-0.62%	5,754	92.06%	-0.99%
Uninsured	177	2.57%	233	3.65%	1.08%	233	3.83%	1.26%	220	3.52%	.95%
Unlicensed Drivers											
Insured	88	1.28%	33	0.52%	-0.76%	57	0.94%	-0.34%	91	1.46%	0.18%
Uninsured	213	3.10%	184	2.88%	-0.22%	171	2.80%	-0.30%	185	2.96%	-0.14%
<b>Total</b>	<b>6,875</b>	<b>100%</b>	<b>6,392</b>	<b>100%</b>		<b>6,088</b>	<b>100%</b>		<b>6,250</b>	<b>100%</b>	

  

<i>Fatal &amp; Injury Accidents*</i>	<i>2007</i>		<i>2010</i>		<i>Change in Rate 2007 to 2010</i>	<i>2012</i>		<i>Change in Rate 2007 to 2012</i>	<i>2013</i>		<i>Change in Rate 2007 to 2013</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	89.94%	3,012	92.11%	2.17%	**	**	**	**	**	**
Uninsured	134	4.03%	158	4.83%	0.80%	157	**	**	161	**	**
Unlicensed Drivers											
Insured	57	1.71%	19	0.58%	-1.13%	35	**	**	64	**	**
Uninsured	144	4.33%	81	2.48%	-1.85%	111	**	**	127	**	**
<b>Total</b>	<b>3,329</b>	<b>100%</b>	<b>3,270</b>	<b>100%</b>		<b>**</b>			<b>**</b>		

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.

\*\* Data unavailable

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