
The Wisconsin Department of Transportation adopts an order to amend TRANS 102.14(1) and create TRANS 102.14(1m), relating to the issuance of driver licenses and identification cards.

ORDER ADOPTING RULE

Analysis Prepared by the Wisconsin Department of Transportation

STATUTORY AUTHORITY: ss. 343.02, 343.03(5) and 343.14(2)(f), Stats.

STATUTES INTERPRETED: s. 343.14(2)(f), Stats.

Plain Language Analysis: This rule modifies s. Trans 102.14, relating to the issuance of driver licenses and identification cards. Current law requires the Department to issue driver licenses at motor vehicle service centers. This rule making is intended to permit the Wisconsin Division of Motor Vehicles (DMV) to mail permanent driver license and ID card documents from a centralized issuance facility. DMV would issue a temporary paper receipt (license or ID card) at DMV service centers. DMV recognizes a number of business advantages to using a centralized issuance system including a reduction in identity theft, persons having multiple identities, and residency fraud.

In addition, this rule making makes clear that the department may decline to immediately issue licenses and ID cards at motor vehicle service centers to persons who have not previously been issued licenses in Wisconsin or another jurisdiction. Licenses are mailed to such individuals at the address specified in their license application. DMV has been mailing out licenses to individuals in these categories on a pilot basis and determined that it helps identify persons who are fraudulently representing themselves as Wisconsin residents.

Finally, the rule making would give DMV explicit authority to withhold immediate distribution of licenses and to use mail distribution if other patterns of fraudulent application activity are determined and a person's application fits that pattern.

Summary of, and Preliminary Comparison with, Existing or Proposed Federal Regulation: There are no existing or proposed federal regulations on this matter.

Comparison with Rules in Adjacent States:

Michigan: Central Issuance System

Minnesota: Central Issuance System

Illinois: Over-the-counter Issuance System

Iowa: Over-the-counter Issuance System

Summary of Factual Data and Analytical Methodologies Used and How the Related Findings Support the Regulatory Approach Chosen: DMV has mailed licenses since March 1, 2004 to drivers who are new license or ID applicants in Wisconsin and who have not been previously licensed in another jurisdiction. In that time, about 600 licenses or IDs have been returned to the department and cancelled because the mailing address provided by the applicant was invalid. The fact that this mechanism has been successful in reducing the issuance of falsified identification documents suggests that permanent adoption of a Central Issuance System is appropriate. The American Association of Motor Vehicle Administrators (AAMVA), which represents all U.S. and Canada jurisdictions, recommends a centralized issuance system as an effective method in reducing identity theft, residency fraud, and internal theft of stock materials needed to manufacture licenses and ID cards. A number of long-term, over-the-counter issue states such as Kansas, Washington, Colorado, Utah and Maine have recently switched to a central issuance system to reduce identity theft and other fraud-related issues. Delaying issuance will allow the Department to review and investigate questionable applications before the permanent card is issued.

Persons applying for a license under a centralized issuance system would receive a temporary license document if they need a license document.

Effect on Small Business and, If Applicable, Any Analysis and Supporting Documentation Used to Determine Effect on Small Businesses: This rule will have no adverse impact on small businesses.

Fiscal Effect and Anticipated Costs Incurred by Private Sector: The Department estimates that there will be no fiscal impact on the liabilities or revenues of any county, city, village, town, school district, vocational, technical and adult education district, sewerage district, or federally-recognized tribes or bands. The Department estimates that there will be no fiscal impact on state or private sector revenues or liabilities.

Copies of Rule: Copies of the rule may be obtained, without cost, by writing to Phil Alioto, Department of Transportation, Division of Motor Vehicles, Room 255, P. O. Box 7911, Madison, WI 53707-7911. You may also contact Mr. Alioto by phone at (608) 267-4524.

TEXT OF RULE

SECTION 1. Trans 102.14(1) is amended to read:

Trans 102.14(1) The department shall issue operator's licenses and identification cards ~~directly~~ to eligible Wisconsin residents ~~at motor vehicle services centers~~ upon completion of application processing and payment of required fees, unless:

SECTION 2. Trans 102.14(1m) is created to read:

Trans 102.14(1m) The department may mail any license issued under sub. (1) to the person rather than issue it directly at a motor vehicle service center in any of the following circumstances:

- (a) The person has not been previously licensed in Wisconsin.
- (b) The person has not been previously licensed in another jurisdiction.
- (c) The department has discovered a pattern of falsified license applications and the person's application or the circumstances surrounding that application resemble that pattern.
- (d) For the convenience of the license applicant.
- (e) If the department produces driver license documents at a central facility rather than producing them at motor vehicle service centers.
- (f) If the department does not issue a license to the person immediately for one of the reasons set forth in sub. (1)(b) to (d).

(END OF RULE TEXT)

Effective Date. This rule shall take effect on the first day of the month following publication in the Wisconsin Administrative Register as provided in s. 227.22(2)(intro.), Stats.

Signed at Madison, Wisconsin, this ____
day of February, 2005.

FRANK J. BUSALACCHI
Secretary
Wisconsin Department of Transportation