



(FORM UPDATED: 08/11/2010)

**WISCONSIN STATE LEGISLATURE ...
PUBLIC HEARING - COMMITTEE RECORDS**

2005-06

(session year)

Senate

(Assembly, Senate or Joint)

**Committee on Natural Resources and
Transportation...**

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
(**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
(**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

Senate

Record of Committee Proceedings

Committee on Natural Resources and Transportation

Clearinghouse Rule 04-099

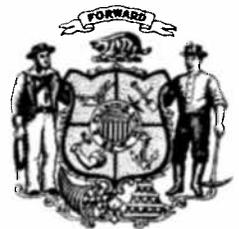
Relating to the issuance of driver licenses and identification cards.
Department of Transportation

January 05, 2005 Referred to Committee on Natural Resources and Transportation.
February 7, 2005 No action taken.

Matt Phillips
Committee Clerk



WISCONSIN STATE LEGISLATURE





Wisconsin Department of Transportation

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Governor

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Secretary

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The Honorable Senator Neal Kedzie
Chairman, Senate Transportation Committee
Room 313 South
State Capitol
Madison, Wisconsin 53707

January 4, 2004

The Honorable Representative John Ainsworth
Chairman, Assembly Transportation Committee
Room 309 North, State Capitol
Madison, Wisconsin 53702

RE: Proposed Administrative Rule **TRANS 102**
Notification of Legislative Standing Committees
CLEARINGHOUSE RULE 04-099

Dear Senator Leibham and Representative Ainsworth:

In accordance with the Department of Transportation's efforts to keep you informed of its ongoing rule making actions, enclosed is a courtesy copy of Final Draft rule **Trans 102**, relating to the **issuance of driver licenses and identification cards**, which is being submitted to the Legislature for committee review.

Sincerely,

A handwritten signature in cursive script that reads "Julie A. Johnson".

Julie A. Johnson
Paralegal

JAJ/dim

Enclosure

cc: Beverly Larson
Phil Alioto

CR 04-099

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

**REPORT OF THE DEPARTMENT OF TRANSPORTATION
ON THE FINAL RULE DRAFT**

This report is submitted to the presiding officers of the Senate and Assembly for referral to the appropriate standing committees. The report consists of the following parts:

Part 1--Analysis prepared by the Department of Transportation.

Part 2--Rule text in final draft form.

Part 3--Recommendations of the Legislative Council.

Part 4--Analysis prepared pursuant to the provisions of s. 227.19(3), Stats.

Submitted by:



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PART 1

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 proposed 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 proposed 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 proposed 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 proposed 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.

PART 2

TEXT OF PROPOSED 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 5th day of November, 2004.


FRANK J. BUSALACCHI
Secretary
Wisconsin Department of Transportation



WISCONSIN LEGISLATIVE COUNCIL RULES CLEARINGHOUSE

Ronald Sklansky
Clearinghouse Director

Richard Sweet
Clearinghouse Assistant Director

Terry C. Anderson
Legislative Council Director

Laura D. Rose
Legislative Council Deputy Director

PART 3 CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE 04-099

AN ORDER to amend TRANS 102.14 (1); and to create TRANS 102.14 (1m), relating to the issuance of driver licenses and identification cards.

Submitted by **DEPARTMENT OF TRANSPORTATION**

09-14-2004 RECEIVED BY LEGISLATIVE COUNCIL.

10-01-2004 REPORT SENT TO AGENCY.

RS:PGC

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]
Comment Attached YES NO
2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]
Comment Attached YES NO
3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]
Comment Attached YES NO
4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS [s. 227.15 (2) (e)]
Comment Attached YES NO
5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]
Comment Attached YES NO
6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL REGULATIONS [s. 227.15 (2) (g)]
Comment Attached YES NO
7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]
Comment Attached YES NO

PART 4
CR 04-099

ANALYSIS OF FINAL DRAFT OF TRANS 102

(a) **Basis and Purpose of Rule.** Section Trans 102.14(1) requires the Department to directly issue driver license or identification card to the customer after the application has been processed and fees collected. To reduce fraudulent applications listing a false address, the Department is requesting the flexibility to mail driver licenses and identification cards. This rule change is to help ensure that driver licenses and identification cards go to people who live where they say they live. This change allows the Department to consider a centralized issuance system which may be more cost effective and efficient.

(b) **Modifications as a Result of Testimony at Public Hearing.** The public hearing was held in Madison on October 12, 2004. There were no modifications made as a result of testimony at the hearing.

(c) **List of Persons who Appeared or Registered at Public Hearing.** No persons appeared/registered at the hearing.

(d) **Summary of Public Comments and Agency Response to those Comments:** The Department received no public comments on the proposed rule.

(e) **Explanation of any Changes Made to the Plain Language Analysis or Fiscal Estimate:** No changes were made.

(f) **Response to Legislative Council Recommendations.** The Legislative Council report contained no recommendations on the proposed rule.

(g) **Final Regulatory Flexibility Analysis.** This proposed rule will have no adverse impact on small businesses.