About the information in this report

The contents of this report are based upon the Electronic Driver’s License Task Force, created by Senate Joint Resolution 11.
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1. **Task Force Membership**

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<tr>
<th>Name</th>
<th>Appointed By</th>
<th>Position</th>
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<tr>
<td>Senator Karen McConnaughay 33rd District</td>
<td>Senate Minority Leader</td>
<td>Co-Chairperson</td>
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<td>Representative John D’Amico 15th District</td>
<td>Speaker of the House</td>
<td>Co-Chairperson</td>
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<td>Representative Steven Andersson 65th District</td>
<td>House Minority Leader</td>
<td>Member</td>
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<td>Senator Steve Stadelman 34th District</td>
<td>President of the Senate</td>
<td>Member</td>
</tr>
<tr>
<td>Sgt. Joe Hutchins Office of Governmental Affairs</td>
<td>Illinois State Police</td>
<td>Member</td>
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<td>Hardik Bhatt CIO &amp; Secretary of DOIT, State of IL</td>
<td>Governor’s Office</td>
<td>Member</td>
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<td>Mike Mayer Director, Driver Services</td>
<td>Secretary of State’s Office</td>
<td>Member</td>
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<td>Mike Wons CTO, State of IL</td>
<td>Governor’s Office</td>
<td>Proxy</td>
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2. **Purpose and Enacting Legislation**

The Electronic Driver’s License Task Force, created by Senate Joint Resolution 11 (Sen. Karen McConnaughay/Rep. Steven Andersson), was tasked with examining and making recommendations related to the feasibility and cost of the Secretary of State issuing electronic or “virtual” driver’s licenses to Illinois residents, in addition to currently accepted forms of identification. A report with these findings is to be submitted to the General Assembly by May 1, 2016.

3. **Overview of Meetings**

The Task Force met on October 13, 2015, November 10, 2015, March 2, 2016 and April 5, 2016. Presentations were made by the Iowa Department of Transportation, regarding its pilot program, and representatives of the Illinois Association of Chiefs of Police, the Illinois Sheriff’s Association, and the Illinois Retail Merchants Association offered issues to consider when implementing an electronic driver’s license program in Illinois. Additionally, the Secretary of State’s office published a Request for Information (RFI) on behalf of the Task Force. Three of the responding vendors presented to the Task Force with demonstrations regarding the products and solutions currently available in the administration of creating and implementing an electronic driver’s license.

At the October meeting, Paul Steier, Director of the Iowa Department of Transportation’s (IDOT) Bureau of Investigation and Identity Protection, provided background on the progress of Iowa’s mobile driver’s license pilot program, which has not progressed beyond participation by select IDOT employees. He stated that most of Iowa’s costs were covered in-kind by the vendor because they have a vested interest in development of the technology required to provide mobile driver’s licenses. With that in mind, he stated that Iowa’s costs in October 2015 were $50,000 and added that would be nowhere near full cost for implementation. He was unable to provide an estimate of costs for a roll out of the program to the public, or when that rollout
would begin, and said it would be hard to quantify because the vendors have not fully developed the programs yet. As of the date of this report, Iowa remains in the pilot program.

At the November meeting, Rob Karr, President and CEO of the Illinois Retail Merchants Association (IRMA), expressed his thoughts that an electronic driver’s license would mostly affect retail merchants due to liquor and tobacco sales, pharmacy prescriptions and firearms purchases. Mr. Karr stated that an electronic driver’s license is a “natural evolution” and the question is really how retailers can be accommodated. He expressed security and liability concerns, along with concerns regarding the need to setup a system to verify electronic driver’s licenses and asked that the Task Force keep smaller companies in mind that often cannot afford high tech options.

After hearing from IRMA, the Task Force heard from law enforcement representatives Limey Nargelenas, Manager of Governmental Relations for the Illinois Association of Chiefs of Police and Sheriff Tom Templeton, President of the Illinois Sheriff’s Association. Mr. Nargelenas reviewed some initial concerns from law enforcement including law enforcement officers handling a driver’s phone, whether the phone should be locked to prevent law enforcement officials from seeing other information available on the phone, and how to handle an electronic driver’s license in those areas of Illinois where cellular service is not always available. He added that some police officers in southern Illinois do not currently have computers; therefore, they would not have the capability of verifying an electronic driver’s license without the purchase of electronic devices. Mr. Nargelenas closed by explaining the Illinois Association of Chiefs of Police is not opposed to electronic driver’s licenses as they have already implemented electronic insurance cards, but they appreciated the willingness of the Task Force to hear their initial concerns. He further added that he sees a lot of potential and that law enforcement would appreciate the ability to be able to stop a car and immediately receive electronic identification of the driver. Sheriff Tom Templeton from the Illinois Sheriff’s Association echoed many of the concerns expressed by Mr. Nargelenas.
After the November 2015 meeting, a Request for Information (RFI) was published seeking information from vendors with emerging technologies for electronic driver’s licenses. Four companies responded to the RFI and three of those were selected for presentations based upon the quality of their responses. At the March 2016 meeting, the Task Force heard from those three respondents (IBM, MorphoTrust and HID) regarding the technologies that are available for electronic driver’s licenses. The respondents each had unique capabilities and features and conducted demonstrations of their products. They also each referenced ways an electronic identification could be used for other government identification purposes, such as fishing licenses. While all three companies had products that could possibly create electronic driver’s licenses, none have fully developed technology that would meet all of the needs for Illinois to implement an electronic driver’s license, nor have any of the companies fully deployed an electronic driver’s license in any state. The Task Force agreed that the technology, while not fully developed, is continuing to evolve and will likely be completed within 2 – 5 years. It was also noted that while multiple national organizations, such as the American Association of Automobile Administrators have working groups studying best practices related to mobile driver’s licenses, no national standards or best practices currently exist.

4. Enterprise Licensing and Permitting Working Group

This working group within the Governor’s Office presented to the Electronic Driver’s License Task Force their digital transformation initiative for state agencies. Some of the agencies participating in this workgroup include the: Department of Natural Resources, Department of Financial and Professional Regulation, Department of Commerce and Economic Opportunity, and the Illinois State Police. One of the key objectives is for businesses and citizens to access online services into a single portal, with unified licensing as a major component.

Currently, there are more than 50 individual and business license and permit applications used across agencies. Providing a customer centric-view through a single portal will make it easier for agencies to reference master customer data in an Enterprise Platform. Among some of the guiding principles for establishing an Enterprise Platform include creating efficiencies,
reconciling financial data, adding modules and software that provide distinct requirements of the agencies, and providing agencies with flexibility in determining their financing options.

As part of this overhaul, information security and cyber-resiliency will be a key component for successful execution. Information security would prevent unauthorized disclosure, ensure trustworthiness, and provide reliable access to mission critical information. Some security measures include transaction data being fully encrypted and stored securely on a server, and a secure protocol would be used when exchanging data with government systems. Cyber-resiliency would provide application programs to use a protocol that prevent malicious query attacks, recover from adverse cyber events, while evolving with a changing landscape.

The timeline for implementing these initiatives will occur through August 2017. Defining and establishing the technology used as a foundation and creating the single portal for online services will be the key objectives. The Department of Financial and Professional Regulation and the Department of Natural Resources will then conduct pilot deployments to establish models that other agencies can refer to.

5. **Basic Assessment**

In order to implement an electronic driver’s license program in Illinois, the Task Force finds that the following would first need to be achieved:

1. Secure funding and development for an electronic driver’s license app/program.
2. Enact enabling legislation.
3. Provide adequate staff for implementation and outreach.
4. Confirm willingness of participation from interested parties including, but not limited to: retailers, law enforcement, financial institutions, and governmental entities.

The work of the Task Force over the past year indicates the importance of being prepared when consumer demands dictate the need for an electronic driver’s license as an option in Illinois.
6. Task Force Recommendations

The Electronic Driver’s License Task Force acknowledges the impressive advances in technology, which permits consumers to utilize smart phones in everyday life. Tasked with researching the feasibility and cost of issuing electronic or “virtual” driver’s licenses to Illinois residents, the Task Force recognizes that this technology is still in its infancy and there are many unanswered questions that may significantly impact the proper and successful implementation of an electronic driver’s license. Having considered the ways in which this technology could be adopted, further questions have been prompted about how large or small the scope should be when Illinois decides to take its first step into electronic identification.

Each vendor showcased unique approaches to security and implementation, while solidifying the notion that this may be a realistic endeavor in the future. Yet each answered question appeared to prompt further questions that have not been universally agreed upon at this time – for instance reciprocity and acceptance from state to state. The Secretary of State remains committed to exploring innovative, cost-effective, and convenient services for taxpayers, but security and preserving the integrity of driver’s licenses are the first concerns.

Therefore, the Task Force recommends that the Secretary of State continue to monitor advancements in technology pertaining to the creation and implementation of electronic drivers’ licenses, the anticipated costs of implementing and electronic driver’s license program, and the availability of appropriations by the General Assembly. Furthermore, the Task Force recommends that the Secretary of State continue to monitor the progress of Iowa’s mobile driver’s license pilot program, the Governor’s State of Illinois Enterprise Licensing and Permitting working group, and the American Association of Motor Vehicle Administrators as they develop functional requirements, which will set standards that should be incorporated into an electronic driver’s license.

Respectfully Submitted,

Electronic Driver’s License Task Force, April 21, 2016