

# SHB 1207 Report

DECEMBER 2023



## Purpose

This report is required by SHB 1207 to evaluate the impact of expanded online renewals and remote photo capture on backlog reduction, access to services, employment, public safety, identity fraud, and other related topics in consultation with relevant stakeholders and industry experts.

## Background

Prior to the Legislature's passage of SHB 1207 in 2021, the Department of Licensing (DOL) issued driver licenses and identicards (ID) for a period of six years. The law required these documents to be renewed in person if the last renewal was conducted online. In addition, the law required that applications for a new license or instruction permit be signed before an agent authorized to administer oaths, meaning that an in-person visit to a DOL office was required. The statute also required instruction permits to be renewed in-person.

As a result of the COVID-19 pandemic, DOL closed all 55 driver licensing offices (LSOs) at the end of March 2020 due to the COVID-19 outbreak and Washington's Stay Home, Stay Healthy order. LSOs began to open in May 2020 under a multi-stage reopening plan. At this time, the LSOs modified their operations to comply with health and safety guidelines. Safety measures put in place included Plexiglas at counters, closure of every other service counter, and an appointment system to ensure appropriate physical distancing. With these safety measures in place, the maximum physical capacity to serve customers was about 60% of our pre-COVID-19 level. DOL's true capacity was about 50% when adjusted for available staffing levels.

## Pandemic Response Efforts

In response to DOL's limited capacity for in-person services, the Governor issued a series of proclamations that allowed DOL to issue a no-photo instruction permit online, renew driver instruction permits online, and provide expanded online renewals for driver licenses and ID cards. The Legislature continued to extend these proclamations, making it easier for DOL customers to get services online during the pandemic.

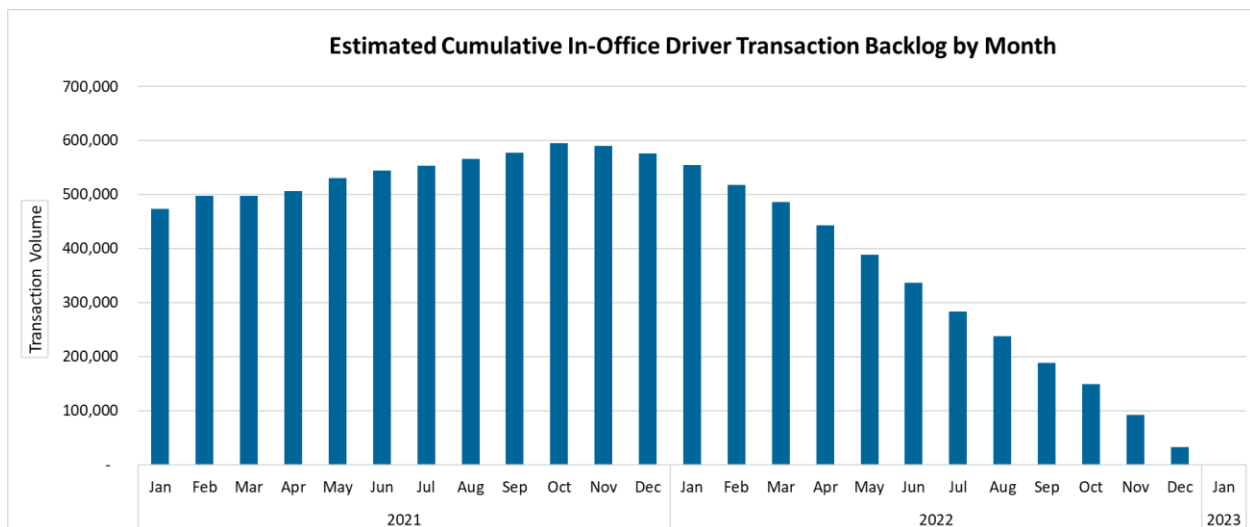
SHB 1207 codified some of these changes. Online renewals of driver licenses and IDs are currently not restricted to every other renewal cycle for the period starting January 2022 until July 2024. Non-photo instruction permit renewals are now authorized to be made online. Photographs for renewed driver licenses and IDs need be updated only every 16 years for persons over 30. Persons under 30 must update their photos every eight years. Beginning January 2023, persons making online renewals must provide an updated photograph in a form and manner that meets DOL's requirements for remote photo capture, *if possible*. DOL was given authority to make an exception for updating the photograph if the person making the online renewal is unable to provide an updated photograph and the photograph on file with the DOL is not more than 10 years old at the time of renewal. This does not include first-time issuances, which continue to require an in-person visit to an LSO.

## Expanded Online Renewals Waiver

When the LSOs began to re-open in May 2020, there was an estimated backlog of 145,000 transactions requiring in-person service. DOL did not have the capacity to serve the expected demand for in-person service for the reasons covered in the background section on page one of this report, resulting in a growing backlog each month. The accumulated backlog of demand for in-person service reached its peak in the third quarter of 2021 and then gradually declined until it was eliminated in December 2022. This was the result of several factors. First, October through February is considered DOL’s slow season, allowing staff additional capacity to clear the backlog. Second, SHB 1207 became effective January 2022, and this allowed DOL to extend the expanded online renewals for customers past the expiration date of the Governor’s proclamations. Finally, in March of 2022, all DOL’s fulltime offices reopened with normal staffing levels.

Figure 1 below shows the estimated cumulative in-office transaction backlog by month during calendar years 2021 and 2022.

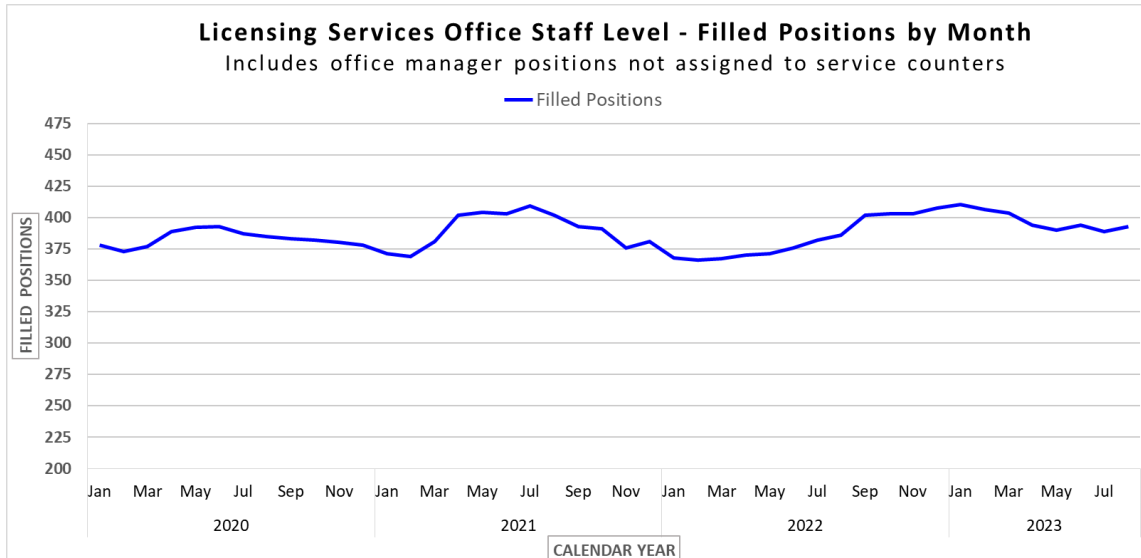
*Figure 1 Estimated In-Office Transaction Backlog*



While the pandemic forced a shift in our service model, many changes to service delivery have meant the Department can serve customers more efficiently, reduce the need for customers to visit an LSO in-person and meet customers where they are. We continue to implement short and long-term strategies using technology and innovation to further refine how we serve the residents of Washington.

**Impact to Employment** Figure 2 below shows staffing levels in licensing offices. The changes in online services did not appear to have any impact on DOL staff employment.

**Figure 2** Licensing Services Office Staff Levels



## Remote Photo Capture Technology

In 2022, the DOL began working with a contractor to develop remote photo capture technology, in accordance with Section 1 of SHB 1207. This technology would allow online customers to update their photo remotely, while conducting online transactions. The legislature granted DOL this authority with the caveat that the technology must prioritize data security and antifraud features as well as closely monitor its usage. The legislation stated that, within a year of implementation of remote photo capture, driver’s license and ID photos should be updated with each renewal whenever possible. At the time of issuing this report, remote photo capture technology has not met DOL standards for release and the project is on hold indefinitely while the Department implements legislation and other time sensitive projects.

### Remote Photo Capture Implementation Update

Remote photo capture technology has yet to be successfully implemented by any other state department of motor vehicles (DMV). The goal of the Department has been to develop a secure, easy way for customers to take their own photo during an online driver license or ID card renewal transaction using a mobile phone, tablet or computer with a webcam. Remote photo capture technology would reduce the number of customers who come to licensing offices. The COVID-19 response was initially the impetus for considering this technology. The Department continues to grapple with striking a balance between adjusting security and quality thresholds to ensure customers can submit their photo using remote photo capture, while maintaining maximum security and performance standards. For future implementation efforts, DOL must continue to work on background replacement capabilities, which replace a customer’s background with the standard blue photo background. This will ensure customers, law enforcement partners, and stakeholders who rely on ID and driver license photo quality are able to have confidence in this technology.

Figure 3 below shows photos captured by DOL’s testing of remote photo capture technology. The “High Quality” images represented some of the best photos testers were able to capture, in settings that featured bright lighting and solid backgrounds. The “Low Quality” images were taken by testers staged in similar settings, except that some images were taken in front of busy backgrounds.

*Figure 3 DOL Remote Photo Capture Beta Testing*



### Stakeholder Concerns

Law enforcement has expressed concerns about potential fraud with remote photo capture technology. Labor partners have expressed concerns about driving customer traffic away from in-person services where licensing staff have traditionally evaluated a customer’s ability to safely operate a motor vehicle. The broader stakeholder community has expressed concern about bias in remote photo capture technology affecting certain groups’ ability to use the service.

### Future Considerations

In hindsight, the Department recognizes our timelines to implement remote photo capture were too aggressive. As other technological demands have become the priority, such as mission critical maintenance, future technology efforts must consider the prioritization of these types of efforts. The Department has considered coordinating future work on remote photo capture with ID and driver license redesign efforts for ease of resourcing and project management.

### Summary of Findings

The Department has yet to implement remote photo capture technology and, with pandemic era restrictions gone, DOL will return to issuing online renewals every other cycle. Remote photo capture technology has yet to meet DOL’s internal standards related to image quality and anti-fraud measures. The Department continues to monitor fraudulent activity related to online renewals and customers continue to favor in-person renewals over online renewals. Without other factors driving the need for expanded online renewals, the Department elected not to pursue further authority from the Legislature for online renewals outside of every other renewal cycle.