



Summary of Results

- Assumes payoff of 100% 6/30/04 PERS UAAL for the City and Borough of Juneau, brought forward to March 1, 2006.

Dated Date	3/1/2006
Delivery Date	3/1/2006
Obligations Par Amount	\$ 75,075,000
True Interest Cost	6.06%
Aggregate Savings	\$ 23,758,921
Average Annual Savings	\$ 1,079,951
Net PV Savings	\$ 14,881,383
Percentage Savings of Refunding Obligations	19.82%



Contact Information

- Lindsay Sovde, Vice President
 - (206) 628-2875
 - lsovde@snwsc.com

- Carol Samuels, Vice President
 - (503) 275-8301
 - csamuels@snwsc.com

- Mark Prussing, Vice President
 - (206) 689-2780
 - mprussing@snwsc.com



Neuman -
1000 acres and development right

very
bright
young

Rep from

Municipal Bond Bank Authority

Risk to State
Legal opinion

$5\frac{1}{2}$ to $6\frac{1}{2}$ %

Contractual obligation - left

Pension Obligation Bonds

One Employer's Perspective

Jeffrey Sinz
Chief Fiscal Officer
Municipality of Anchorage

Introduction

- Purpose of this presentation is to provide the perspective of one participating employer regarding the use of Pension Obligation Debt as a substitute for Unfunded Accrued Actuarial Liabilities
- Potential for Significant Financial Benefits appears to be widespread among participating employers
- Ultimate benefit dependant upon future earnings performance (unavoidable risk)
- Uncertainty regarding administrative issues and timing represent additional risks for employers that act early and/or alone
- Few Participating Employers have ready access to resources needed to properly Analyze the use and sale of POB's
- SOA can facilitate the use of POB's for those employers wishing to pursue and help mitigate many of the non-market based risks

Challenge/Opportunity

- Challenge
 - Large Unfunded Accrued Actuarial Liability (UAAL)
- Response (to date)
 - SB 141
 - Rapidly Increasing Employer Contribution Rates
- Opportunity
 - Substitute Pension Obligation Debt for all or portion of UAAL

Anchorage Challenge

■ Anchorage Share of PERS UAAL

■ Municipality of Anchorage	(MOA)	\$ 288,000,000
■ Anchorage School District	(ASD)	<u>\$ 174,000,000</u>
■ Total Anchorage UAAL		\$ 462,000,000

■ Increase in Employer Contribution Rate*

	<u>FY04</u>	<u>FY09</u>
MOA	3.7%	28.7%
ASD	9.3%	28.6%

*Consolidated Normal Cost Rate Plus Past Service Rate (25 year @ 8.25%)

Anchorage Opportunity

- Substitute Pension Obligation Debt for All or Part of UAAL

<u>SAVINGS</u>	<u>FV</u>	<u>PV</u>
■ MOA	\$ 134.6 mil	\$ 71.4 mil
■ ASD	<u>\$ 78.3 mil</u>	<u>\$ 41.8 mil</u>
■ Total Anchorage	\$ 212.9 mil	\$ 113.2 mil
■ Reduction in Contribution Rate		2.6%

Source: Seattle Northwest Securities Report, January 2006. Assumes entire UAAL substituted with POB's, COC 6.1%, PERS earnings rate 8.25%, and Discount Rate of 6.0%

Current Risks

- Financial
 - Earnings Must Exceed Cost over Life of Debt
 - Market Trends
 - Ratings Risk
- Administrative
 - Accounting
 - Investment Management
 - Cost Allocations
 - Plan Flexibility
- Legal
 - Subject to Appropriation
- Political
 - Ahead of the Curve

Summary

- Financial Impacts of Recent Changes in PERS
Valuation is Real, Significant and Immediate
- Substitution of Lower Cost Pension Debt for Higher Cost UAAL Represents Significant Opportunity to Reduce Retirement Benefit Cost
- Access to Pension Debt Markets is Unclear and Risky for Individual Employers
- SOA Can and Should Facilitate Access to Pension Obligation financing alternatives and help mitigate risks
- HB278 is a Step in the Right Direction

MEMORANDUM

STATE OF ALASKA DEPARTMENT OF REVENUE Treasury Division

To: Representative Seaton, Chair
State Affairs Committee

Date: January 24, 2006

From: Gary M. Bader
Chief Investment Officer

Gary
Telephone: 907-465-4399

Subject: Investment of POB Proceeds

During my testimony before the House State Affairs Committee on HB 278 you asked me the likely investment asset allocation of proceeds from the sale of pension obligation bonds. Specifically you questioned the rationale of selling taxable bonds and then investing the proceeds in taxable bonds.

As you are aware, the Alaska Retirement Management Board (ARMB) is responsible for investing the assets of the retirement system. Any funds submitted to the ARMB, regardless of their source, will be invested in accordance with the ARMB's investment policy. If a large injection of cash is received by the ARMB, this may change the risk or return preferences of the Board and result in their changing the asset allocation of the funds invested in the plan. The source of the funds, whether the result of a bond issuance or from other sources, is not likely to have an impact on the asset allocation decision in and of itself. Fixed income is currently part of the asset allocation of the ARMB plan assets. The inclusion of fixed income and other investments allows the plan to minimize the risk that is needed to be taken for the return expected. In other words, if the ARMB chose not to invest in fixed income the plan would likely need to take on more risk to achieve the ARMB's expected rate of return.

Regarding the bond interest rate as a hurdle rate: since the ARMB is not issuing a bond, the interest rate on the bond would have no bearing on its asset allocation. For the issuer of the bond, however, the expected return of the plan would need to be higher than the anticipated interest rate on the bond for the issuer to benefit from issuing a bond.

cc: Gail Schubert, Chair ARMB
Tom Boutin, Revenue Deputy Commissioner

Ian Laing

From: Brad Fluetsch [bjf@gci.net]
Sent: Tuesday, January 17, 2006 8:28 AM
To: Rep. Paul Seaton
Subject: Pension Bonds
Attachments: Bradley J Fluetsch (bjf@gci.net).vcf

Lets say you issue a 20 year bond, and then lets say time goes by. In fact lets us say 15 years.

Is it prudent to have a 60/40 asset allocation when you know that money is leaving in 5 years, or 4, 3, 2, 1? What happens if 2001 is twenty years from now?

Bradley J Fluetsch, CFA
Fluetsch Financial Services, LLC

*Market timing
Investment & averaging
ARM - trouble investing immediately
Estimated cost of issuance 1-2%
bond cosval, underwriting etc*

Ian Laing

From: Brad Fluetsch [bjf@gci.net]
Sent: Tuesday, January 17, 2006 7:30 AM
To: Rep. Paul Seaton
Subject: Pension Bonds
Attachments: Bradley J Fluetsch (bjf@gci.net).vcf

I have been thinking about the pension bond issue and this is something I would make those professionals do for you as Chairman.

$E(r)$ is the expected return 8.25% with an expected standard deviation of 16%. To achieve that, a 60% stock, 40% bond portfolio is used.

Add pension bonds to the equation where the proceeds are invested 100% into the stock market having no defense to your question why would I put proceeds into the bond market and guarantee a loss.

Now remodel the portfolio to earn 8.25%? You will be surprised at the answers.

Don't re-balance the portfolio and your expected return goes up to over 10% with a standard deviation ballooning well over 20%. A pension bond in the portfolio mix acts as a bond allocation reducer to the extent the cash flows and interest rates are comparable. Add a pension bond subtract Lehman Aggregate exposure. Investment the proceeds into the equity market, is going all in, in Texas Hold-em with a pair of 8's.

One other thought. I just wonder about the decision makers in Alaska. It was bad decisions by the pension board that has us in this mess and look at who made the board up? I think there is a law against giving loading pistols to children to play with.

Bradley J Fluetsch, CFA
Fluetsch Financial Services, LLC

HB

283

ALASKA STATE LEGISLATURE

Chair:
Legislative Council

Member:
Community and Regional Affairs
Judiciary
Labor and Commerce - Vice Chair



Session:
Alaska State Capitol
Juneau, AK 99801-1182
Phone: (907) 465-3777
Fax: (907) 465-2819
Toll Free (877) 861-5688

Interim:
10928 Eagle River Road - Suite 238
Eagle River, AK 99501-2133
Phone: (907) 694-8944
Fax: (907) 694-8945

REPRESENTATIVE PETE KOTT DISTRICT 17 - EAGLE RIVER

Sponsor Statement for HB 283

*4 members of
7 member board.*

House Bill 283, an Act relating to the compensation for board members of the Alaska Housing Finance Corporation, would increase the per diem from the current level of \$100 to \$400.

The current level of \$100 per diem has been in place since the inception of the Corporation in 1971. This legislation would provide a much needed increase in the amount of per diem commensurate with the importance of the work being done. HB 283 would increase the per diem compensation to \$400, which is the currently the amount received by the Alaska Permanent Fund Corporation Board of Trustees.

The Board of Directors of AHFC is required to review and consider topics having to do with bonding, the mortgage industry, public housing, and many other technical issues. In any given year, the Board is asked to consider and approve \$600 million to \$1 billion in bond programs and millions of dollars in tax credit and other federal grants. The workload is such that board members must spend a great deal of their personal time studying and educating themselves about corporate activities. These are just some of the reasons why it is important to do what is necessary to help keep as capable a board as possible.

The compensation is only applicable to the four public members of the Corporation's seven member Board of Directors. It is estimated that the increase in per diem would cost the Corporation approximately \$15,000 in corporate receipts per fiscal year.

Board of Fish + Board of Game.

HOUSE BILL NO. 283 *as amended*

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE KOTT

Introduced: 4/21/05
Referred: State Affairs, Finance



A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the compensation for board members of the Alaska Housing
2 Finance Corporation; and providing for an effective date."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 * Section 1. AS 18.56.030(e) is amended to read:

5 (e) The members of the board described in (a)(4) of this section receive \$400
6 [~~\$100~~] compensation for each day or portion of a day spent on official business of
7 the corporation and may be reimbursed by the corporation for actual and necessary
8 expenses at the same rate paid to members of state boards under AS 39.20.180.

9 * Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

ATTN: Don Bullock
We need a final as amended for House
State Affairs

24-LS0922A

HOUSE BILL NO. 283

**IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION**

BY REPRESENTATIVE KOTT

Introduced: 4/21/05
Referred: State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the compensation for board members of the Alaska Housing
2 Finance Corporation; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 18.56.030(e) is amended to read:

5 (e) The members of the board described in (a)(4) of this section receive \$400
6 [\$100] compensation for each day ~~or portion of a day~~ spent on official business of
7 the corporation and may be reimbursed by the corporation for actual and necessary
8 expenses at the same rate paid to members of state boards under AS 39.20.180.

9 * **Sec. 2.** This Act takes effect immediately under AS 01.10.07C(c).

line six: delete "or portion of a day"

Bill has passed out of committee

MEMORANDUM

State of Alaska
Governor's OfficeTo: James F. Clark
Chief of Staff

Date: February 9, 2005

From: Laraine L. Derr
CommissionerPhone: 465-3393
Fax: 465-8110

Subject: Per Diem for Boards and # of meeting days

You asked that I prepare a table that shows the Boards who get per diem and those that receive a stipend. Also included is the numbers of days that boards meet. I have attached a report from law citing the statute for each of the boards.

The following boards get per diem plus an honoraria:

NORTH PACIFIC RESEARCH BOARD	\$100/day	At least once every 3 months. Majority is quorum.
AEROSPACE DEVELOPMENT CORPORATION	\$100/day	Approximately 150 days per year.
PAROLE BOARD	\$150/day	At call of the chair or of 4 members of the board. (About 6 times a year.)
PENSION INVESTMENT BOARD	\$150/day	10-12 times per year; 20-25 days total; special meetings as necessary.
PUBLIC EMPLOYEES' RETIREMENT BOARD	\$150/day	2 times per year; 6 days total, special meetings occasionally.
TEACHERS' RETIREMENT BOARD	\$150/day	Historically meets 4 times/year, total 50-65 days; Joint F&G Boards meet approximately 7-15 days.
FISHERIES - <i>Br</i>	\$186/day	Historically meets 20-25 days a year. Joint F&G boards meet approximately 7 days per year.
GAME <i>Br</i> -	\$186/day	
MENTAL HEALTH TRUST AUTHORITY	\$200/day	5-6 times per year. 1 day each; 5-6 days total, excluding travel.
COMMERCIAL FISHING/AGRICULTURE BANK	\$250/day	As determined by the Board; full board meetings approximately 10 times per year, 20 days total.
PERMANENT FUND	\$400/day	At least once every three months.
RAILROAD CORPORATION	\$400/day	4 times per year or as necessary, 15 days maximum.
OCCUPATIONAL SAFETY	\$50/day	12 meetings per year.
INDUSTRIAL DEVELOPMENT/EXPORT AUTH	\$100/day	
MUNICIPAL BOND BANK	actual expenses	
A4PC	\$100/day	

ARMB

400

Amendment

To CSB 189

Conceptual

"a report will be completed by the commissioner of the Department of Natural Resources by January 1, 2011 to be transmitted to the legislature on the first day of the legislative session 2011. The report will be a status report of the Alaska Coastal Management Program."

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 283
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title AK Housing Finance Corp Board RDU Alaska Housing Finance Corp.
Comp. Component Operations
 Sponsor Representative Kott
 Requester House State Affairs Committee Component No. 110

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	14.4	14.4	14.4	14.4	14.4	14.4
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	14.4	14.4	14.4	14.4	14.4	14.4

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1103 Alaska Housing Finance Corporation Receipts	14.4	14.4	14.4	14.4	14.4	14.4
TOTAL	14.4	14.4	14.4	14.4	14.4	14.4

Estimate of any current year (FY2005) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

HB 283 would increase the compensation for board members of the Alaska Housing Finance Corporation from \$100 to \$400 per meeting. This change would affect only the four public members of the board.

As a result, the \$300 increase per public board member for an estimated twelve board meetings a year would result in a fiscal impact of approximately \$14,400 per fiscal year for the Corporation.

Prepared by: Bryan Butcher, Gov. Relations/Public Affairs Director Phone 330-8445
 Division Alaska Housing Finance Corporation Date/Time 5/2/05 6:04 PM
 Approved by: _____ Date 5/2/2005
 Agency _____

MEMORANDUM

State of Alaska
Governor's OfficeTo: James F. Clark
Chief of Staff

Date: February 9, 2005

From: Laraine L. Derr
CommissionerPhone: 465-3393
Fax: 465-8110

Subject: Per Diem for Boards and # of meeting days

You asked that I prepare a table that shows the Boards who get per diem and those that receive a stipend. Also included is the numbers of days that boards meet. I have attached a report from a law citing the statute for each of the boards.

The following boards get per diem plus an honoraria:

NORTH PACIFIC RESEARCH BOARD	\$100/day	At least once every 3 months. Majority is quorum.
AEROSPACE DEVELOPMENT CORPORATION	\$100/day	Approximately 150 days per year.
PAROLE BOARD	\$150/day	At call of the chair or of 4 members of the board. (About 6 times a year.)
PENSION INVESTMENT BOARD	\$150/day	10-12 times per year; 20-25 days total; special meetings as necessary.
PUBLIC EMPLOYEES' RETIREMENT BOARD	\$150/day	2 times per year; 6 days total; special meetings occasionally.
TEACHERS' RETIREMENT BOARD	\$150/day	Historically meets 4 times/year, total 50-65 days; Joint F&G Boards meet approximately 7-15 days.
FISHERIES - <i>Brd</i>	\$186/day	Historically meets 20-25 days a year. Joint F&G boards meet approximately 7 days per year.
GAME <i>Brd</i> -	\$186/day	
MENTAL HEALTH TRUST AUTHORITY	\$200/day	5-6 times per year, 1 day each; 5-6 days total, excluding travel.
COMMERCIAL FISHING/AGRICULTURE BANK	\$250/day	As determined by the Board; full board meetings approximately 10 times per year, 20 days total.
PERMANENT FUND	\$400/day	At least once every three months.
RAILROAD CORPORATION	\$400/day	4 times per year or as necessary, 15 days maximum.
OCCUPATIONAL SAFETY	\$50/day	12 meetings per year.
INDUSTRIAL DEVELOPMENT/EXPORT AUTH	\$100/day	
MUNICIPAL BOND BANK	actual expenses	
A4FC	<i>\$100/day</i>	

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



Central Microfilm Services
Department of Education & Early Development
State of Alaska

Amendment

To CSHB 189

Conceptual

"a report will be completed by the commissioner of the Department of Natural Resources by January 1, 2011 to be transmitted to the legislature on the first day of the legislative session 2011. The report will be a status report of the Alaska Coastal Management Program."

HB 283

Amly #

Page 1, line 6: delete: "of position of Day"

Par. no

G-2-93

G-3-93

G-4-93

E-1-93

G-5-93

Sec - 10

paths



~~All boards and
should any other →~~

listen to ~~reference~~

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 283
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Revenue
 Title AK Housing Finance Corp Board RDU Alaska Housing Finance Corp.
Comp. Component Operations
 Sponsor Representative Kott
 Requester House State Affairs Committee Component No. 110

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	14.4	14.4	14.4	14.4	14.4	14.4
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	14.4	14.4	14.4	14.4	14.4	14.4

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1103 Alaska Housing Finance Corporation Receipts	14.4	14.4	14.4	14.4	14.4	14.4
TOTAL	14.4	14.4	14.4	14.4	14.4	14.4

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

HB 283 would increase the compensation for board members of the Alaska Housing Finance Corporation from \$100 to \$400 per meeting. This change would affect only the four public members of the board.

As a result, the \$300 increase per public board member for an estimated twelve board meetings a year would result in a fiscal impact of approximately \$14,400 per fiscal year for the Corporation.

Prepared by: Bryan Butcher, Gov. Relations/Public Affairs Director Phone 330-8445
 Division Alaska Housing Finance Corporation Date/Time 5/2/05 6:04 PM
 Approved by: _____ Date 5/2/2005
 Agency _____

MEMORANDUM

State of Alaska
Governor's OfficeTo: James F. Clark
Chief of Staff

Date: February 9, 2005

From: Laraine L. Derr
CommissionerPhone: 465-3393
Fax: 465-8110

Subject: Per Diem for Boards and # of meeting days

You asked that I prepare a table that shows the Boards who get per diem and those that receive a stipend. Also included is the numbers of days that boards meet. I have attached a report from law citing the statute for each of the boards.

The following boards get per diem plus an honoraria:

NORTH PACIFIC RESEARCH BOARD	\$100/day	At least once every 3 months. Majority is quorum.
AEROSPACE DEVELOPMENT CORPORATION	\$100/day	Approximately 150 days per year.
PAROLE BOARD	\$150/day	At call of the chair or of 4 members of the board. (About 6 times a year.)
PENSION INVESTMENT BOARD	\$150/day	10-12 times per year; 20-25 days total; special meetings as necessary.
PUBLIC EMPLOYEES' RETIREMENT BOARD	\$150/day	2 times per year; 6 days total; special meetings occasionally.
TEACHERS' RETIREMENT BOARD	\$150/day	Historically meets 4 times/year, total 50-65 days; Joint F&G Boards meet approximately 7-15 days.
FISHERIES - <i>Brd</i>	\$186/day	Historically meets 20-25 days a year. Joint F&G boards meet approximately 7 days per year.
GAME <i>Brd</i> -	\$186/day	
MENTAL HEALTH TRUST AUTHORITY	\$200/day	5-6 times per year, 1 day each; 5-6 days total, excluding travel.
COMMERCIAL FISHING/AGRICULTURE BANK	\$250/day	As determined by the Board; full board meetings approximately 10 times per year, 20 days total.
PERMANENT FUND	\$400/day	At least once every three months.
RAILROAD CORPORATION	\$400/day	4 times per year or as necessary, 15 days maximum.
OCCUPATIONAL SAFETY	\$50/day	12 meetings per year.
INDUSTRIAL DEVELOPMENT/EXPORT AUTH	\$100/day	
MUNICIPAL BOND BANK	actual expenses	
A4PC	\$100/day	

HB

2990

Alaska State Legislature

Chairman

Military & Veterans' Affairs Committee

Member

Labor and Commerce Committee

State Affairs Committee

Economic Development, Trade & Tourism
Committee

Education Committee

Joint Armed Services Committee

Finance Subcommittees

Labor & Workforce Development

Community & Economic Development

Military & Veterans' Affairs



A Communication From
REPRESENTATIVE BOB LYNN
District 31 Anchorage

E-Mail: Representative_Bob_Lynn@legis.state.ak.us
"Bob Lynn's Alaska Blog" AlaskaDistrict31.blogspot.com

Session:
Alaska State Capitol
Juneau, AK 99801-1182

Phone: (907) 465-4931
Fax: (907) 465-4316
Toll Free: (800) 870-4391

Interim:
716 W. 4th Ave., #650
Anchorage, AK 99501-2133

Phone: (907) 269-0205
Fax: (907) 269-0207

Sponsor Statement HB 290

In 2005, Congress passed sweeping legislation that will have major implications for the way in which state governments issue driver's licenses and identification cards. This legislation, called the "Real ID Act, sets national standards and mandates that states enhance the security and data integrity of driver's licenses and identification cards. HB 290 is designed to bring Alaska into compliance with the new federal Real ID Act.

Currently the Alaska Division of Motor Vehicles, through Standard Operating Procedures, has required that proper documentation be provided to establish that an applicant is either a U.S. citizen or legally present in the United States for the purposes of issuing an identification card or drivers license. HB 290, puts into statute what DMV is currently requiring procedurally.

Secondly, as required by the REAL ID Act, HB 290 establishes that in order to issue temporary licenses or temporary ID cards, that will be acceptable to the federal government for identification purposes, there must be an expiration date of the identification card or driver license to coincide with the length of stay in the United States. If the period of authorized stay is indefinite, the expiration date of the license is one year from the date of issue.

A federal agency may not accept a driver's license or personal identification card after May 11, 2008, unless the state has been certified by the U.S. Department of Homeland Security in consultation with the U.S. Department of Transportation to meet the requirements of the law.

HB 290 is needed to enhance the security of the driver's license and identification card due to increasing problems of identity theft and fraud. Driver's licenses and state issued identification cards have been used as proof of identity more often than proof of one's ability to drive safely. Holding one of these credentials provides access to an ever-increasing number of privileges and services, from obtaining credit to cashing checks, buying or leasing cars and boarding airplanes.

Alaskans deserve the right to be assured motorists driving with Alaska driver's licenses are legally in the United States and we know their identities

Fiscal Note

24-LS0981Y
Luckhaupt
2/2/06

CS FOR HOUSE BILL NO. 290()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY

**Offered:
Referred:**

Sponsor(s): REPRESENTATIVE LYNN

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to issuance of identification cards and to issuance of driver's licenses;**
2 **and providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** AS 18.65.310 is amended by adding new subsections to read:

5 (h) The department may not issue an identification card under (a) of this
6 section to a person who has not presented to the department valid documentary
7 evidence that the person is a citizen of the United States, a national of the United
8 States, a legal permanent resident of the United States, or a conditional resident alien
9 of the United States.

10 (i) Notwithstanding (h) of this section, the department may issue an
11 identification card to a person who presents in person valid, documentary evidence of
12 the person's legal status and presence in the United States. The identification card
13 authorized under this subsection is valid only during the period of the time of the
14 person's authorized stay in the United States and must clearly indicate that expiration

1 date. If the period of authorized stay is indefinite, the expiration date for the
2 identification card is one year from the date of issue. The identification card
3 authorized under this subsection may be renewed only upon presentation of valid,
4 documentary evidence that the status by which the person qualified for the temporary
5 identification card has been extended by the proper United States government
6 authority. The department may by regulation specify what is valid, documentary
7 evidence under this subsection except that the department may not specify that a
8 matricula consular card is valid, documentary evidence.

9 * Sec. 2. AS 28.15.031(b) is amended to read:

10 (b) The department may not issue an original or duplicate driver's license to,
11 nor renew or reinstate the driver's license of, a person

12 (1) whose license is suspended, [OR] revoked, or cancelled, or who is
13 disqualified from obtaining a license, except as otherwise provided in this chapter;

14 (2) who fails to appear in court for the adjudication of a certain
15 vehicle, driver, or traffic offense when the person's appearance is required by statute,
16 regulation, or court rule;

17 (3) who is an habitual user of alcohol or another drug to such a degree
18 that the person is incapable of safely driving a motor vehicle;

19 (4) [REPEALED

20 (5)] when the department, based upon medical evidence, has
21 determined that, because of the person's physical or mental disability, the person is not
22 able to drive a motor vehicle safely;

23 (5) [(6)] who is unable to understand official traffic control devices as
24 displayed in this state or who does not have a fair knowledge of traffic laws and
25 regulations, as demonstrated by an examination;

26 (6) [(7)] who has knowingly made a false statement in the person's
27 application for a license or has committed fraud in connection with the person's
28 application for, or in obtaining or attempting to obtain, a license, or who has not
29 applied under oath on the form provided for the purpose of obtaining or attempting to
30 obtain a license or permit;

31 (7) [OR (8)] who is required under AS 28.20 to furnish proof of

1 financial responsibility and who has not done so; or

2 (B) who has not presented to the department

3 (A) valid documentary evidence that the person is a citizen
4 of the United States, a national of the United States, a legal permanent
5 resident of the United States, or a conditional resident alien of the United
6 States; a person who is seeking a renewal of, duplicate of, or change of
7 legal name on a license is presumed to meet the requirements of this
8 subparagraph if the license has not expired or been cancelled, suspended,
9 or revoked and the person has not been disqualified from obtaining a
10 license; if the department has been notified by a local, state, or federal
11 government agency that the person seeking a renewal of, duplicate of, or
12 change of legal name on a license is not a citizen of the United States or is
13 not legally in the United States, then the presumption available in this
14 paragraph does not apply; the department may by regulation specify what
15 is valid, documentary evidence under this subparagraph except that the
16 department may not specify that a matricula consular card is valid,
17 documentary evidence; or

18 (B) in person valid, documentary evidence of the person's
19 legal status and presence in the United States; a license issued under this
20 subparagraph may be renewed only upon presentation of valid,
21 documentary evidence that the status by which the person qualified for
22 the license has been extended by the proper United States government
23 authority; a change of name for a license issued under this subparagraph
24 may be made only upon presentation of valid, documentary evidence that
25 the person's name has been changed with regard to the status by which
26 the person qualified for the license; a duplicate license for a license issued
27 under this subparagraph may be issued only upon presentation of valid,
28 documentary evidence that the person's status by which the person
29 qualified for the license remains valid and in effect; the department may
30 by regulation specify what is valid, documentary evidence under this
31 subsection except that the department may not specify that a matricula

1 consular card is valid, documentary evidence.

2 * Sec. 3. AS 28.15.101(a) is amended to read:

3 (a) Except as otherwise provided in this chapter and in (d) of this section, a
4 driver's license expires on the licensee's birthday in the fifth year following issuance of
5 the license. A license may be renewed within one year of its expiration upon proper
6 application, payment of the required fee, and except when a license is renewed under
7 (c) of this section, successful completion of a test of the licensee's eyesight.

8 * Sec. 4. AS 28.15.101 is amended by adding a new subsection to read:

9 (d) A driver's license issued under AS 28.15.031(b)(8)(B) is valid only during
10 the period of the time the person is authorized to stay in the United States and must
11 clearly indicate the expiration date. If the period of authorized stay is indefinite, the
12 expiration date of the license is one year from the date of issue.

13 * Sec. 5. This Act takes effect January 1, 2007.

#1

24-LS0981\Y.2
Luckhaupt/Cook
4/3/06

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE GRUENBERG

TO: CSHB 290(), Draft Version "Y"

1 Page 1, line 5:

2 Delete "not"

3

4 Page 1, line 6:

5 Delete "not"

6

7 Page 1, line 10:

8 Delete all material.

9 Insert "(i) The department may issue an"

10

11 Page 2, following line 8:

12 Insert a new subsection to read:

13 "(j) The department may issue an identification card under (a) of this section
14 to a person who does not present documentary evidence under (h) or (i) of this section.

15 The identification card must be different in color from those issued under (h) or (i) of
16 this section and must bear on its face the following notice: "This identification card
17 may not be accepted by any federal agency for federal identification or any other
18 official purpose.""

19

20 Page 2, line 31:

21 Delete "(7) [OR (8)]"

22 Insert "or

23 (7) [(8)]"

1

2 Page 3, line 1:

3 Delete "or"

4 Insert "."

5

6 Page 3, line 2, through page 4, line 1:

7 Delete all material and insert:

8 **** Sec. 3. AS 28.15 is amended by adding a new section to read:**

9 **Sec. 28.15.033. Form of drivers' licenses.** (a) The department shall issue,
10 renew, or reinstate to an otherwise qualified person a driver's license that may be used
11 as identification by a federal agency if the person presents to the department valid
12 documentary evidence that the person is a citizen of the United States, a national of
13 the United States, a legal permanent resident of the United States, or a conditional
14 resident alien of the United States. A person who is seeking a renewal of, duplicate of,
15 or change of legal name on a license is presumed to meet the requirements of this
16 subsection if the license has not expired or been cancelled, suspended, or revoked and
17 the person has not been disqualified from obtaining a license. If the department has
18 been notified by a local, state, or federal government agency that the person seeking a
19 renewal of, duplicate of, or change of legal name on a license is not a citizen of the
20 United States or is not legally in the United States, then the presumption available in
21 this subsection does not apply. The department may by regulation specify what is
22 valid, documentary evidence under this subsection, except that the department may not
23 specify that a matricula consular card is valid, documentary evidence.

24 (b) The department shall issue, renew, or reinstate to an otherwise qualified
25 person a driver's license that may be used as identification by a federal agency if the
26 person presents to the department in person valid, documentary evidence of the
27 person's legal status and presence in the United States. A license issued under this
28 subsection may be renewed only on presentation of valid, documentary evidence that
29 the status by which the person qualified for the license has been extended by the
30 proper United States government authority. A change of name for a license issued
31 under this subsection may be made only on presentation of valid, documentary

1 evidence that the person's name has been changed with regard to the status by which
2 the person qualified for the license. A duplicate license for a license issued under this
3 subsection may be issued only on presentation of valid, documentary evidence that the
4 person's status by which the person qualified for the license remains valid and in
5 effect. The department may by regulation specify what is valid, documentary evidence
6 under this subsection, except that the department may not specify that a matricula
7 consular card is valid, documentary evidence.

8 (c) The department shall issue, renew, or reinstate a driver's license to an
9 otherwise qualified person who does not present documentary evidence under (a) or
10 (b) of this section. The license must be different in color from those issued under (a) or
11 (b) of this section and must clearly bear on its face the following notice: "This driver's
12 license may not be accepted by any federal agency for federal identification or any
13 other official purpose."
14

15 Renumber the following bill sections accordingly.

16

17 Page 4, line 9:

18 Delete "AS 28.15.031(b)(8)(B)"

19 Insert "AS 28.15.033(b)"

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 290
 () Publish Date: _____

Revision Date/Time (Note if correction): 3/3/06 - 1:00 p.m. Dept. Affected: Administration
 Title: "An Act relating to issuance of Identification Cards and RDU Division of Motor Vehicles
and the issuance of Driver's Licenses'..." Component: Motor Vehicles
 Sponsor: Rep. Lynn
 Requester: (H) State Affairs Component No.: 2348

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual	20.0	0.0	0.0	0.0	0.0	0.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	20.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1156 Receipt Supported Services	20.0	0.0	0.0	0.0	0.0	0.0
TOTAL	20.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

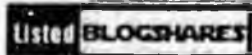
ANALYSIS: (Attach a separate page if necessary)

This bill is designed to bring Alaska into compliance with the new federal Real ID Act. While all of the details of the Act are currently being created through the rulemaking committee, this bill includes the 2 major components of the Act: all DL/ID applicants must be either US citizens or be able to establish their legal presence; and those persons with 'time-limited' legal status may not receive a DL/ID with an expiration date later than the allowable length of stay.

The cost associated in FY 07 is to make major changes in our database (ALVIN) to accept these new expiration dates and other verification fields. Other costs may be associated with the Real ID Act that will not be noted until later.

Prepared by: Duane Bannock, Director Phone (907) 269-5008
 Division: Motor Vehicles Date/Time 3/3/2006 1:00pm
 Approved by: Mike Tibbles, Deputy Commissioner Date 3/3/2006
 Agency: Department of Administration

- o [Entries \(RSS\)](#)
- o [Comments \(RSS\)](#)



« [WMUR reports on RFID chips](#)
[Massive Coalition Protest Against National ID](#) »

New Hampshire House votes to defy Federal ID

12th March 2006

Libertarians in New Hampshire are celebrating after the New Hampshire House of Representatives voted 270-84 to refuse cooperation with the hated "Real ID" act. Real ID is a Federal mandate which attempts to force states into a standardized drivers license system at taxpayer expense. Freedom advocates argue it would be at the expense of privacy as well.

"Give me liberty or give me death," said State Rep Neal Kurk, speaking in favor of the bill on the House floor. The chamber roared with applause.

House Bill 1582 forbids all state agencies from participation in Real ID mandates, and asserts that Real ID "is contrary and repugnant to Articles 1 through 10 of the New Hampshire constitution..."

The lopsided anti-Federal vote was a shock even to proponents of the bill. Real ID passed the U.S. Senate 100-0 last year and generated little debate. But as states like New Hampshire have taken a closer look at what it will require of them, liberty activists and local government officials have been teaming up to draw a line in the sand between Washington and their own states.

New Hampshire in particular has become increasingly restive since 2003, when it became a migratory destination for "Free Staters," libertarian activists who move into the state to fight for freedom.

HB 1582 next goes to the New Hampshire Senate; if it passes there it will have to be signed by the Governor.

This entry was posted on Sunday, March 12th, 2006 at 2:27 pm and is filed under [New Hampshire](#), [Politics](#), [Liberty](#), [National ID](#). You can follow any responses to this entry through the [RSS 2.0 feed](#). You can leave a response, or [trackback](#) from your own site.

Leave a Reply

Name

Mail (will not be published)

Website

XHTML: You can use these tags: `` `<abbr title="">` `<acronym title="">` `` `<blockquote cite="">` `<code>` `` `<i>` `<strike>` ``

CONTRA COSTA TIMES

Posted on Wed, Jan. 11, 2006

Drop in foreign enrollment worries U.S. educators

BY MATT KRUPNICK
Knight Ridder Newspapers

WALNUT CREEK, Calif. - It used to be that the choice between a U.S. or foreign university was a no-brainer for top international students. If they gained admission to Harvard or Berkeley, their choice was made.

But the combined effects of the Sept. 11 attacks and other countries' higher-education improvements have concerned U.S. educators who fear a drop in foreign student enrollment would threaten college engineering and science departments.

"Universities could not, in some cases, conduct research or teach classes without their very talented foreign students," said Peggy Blumenthal, executive vice president of the Institute of International Education, which tracks statistics on international students.

In the mid-1950s, according to the institute, U.S. universities were attracting more than 30,000 international students per year. Last year, more than 500,000 attended U.S. institutions, generating about \$13 billion in tuition.

Some recent attendance figures have concerned educators, however. Last year, colleges and universities reported the lowest international undergraduate enrollment since 1999, while graduate enrollment dropped to its lowest level since 2000.

The United States' universities have long held a commanding lead in educating the world's top scientists and engineers. Many institutions, inspired by the impressive German university system, began fortifying doctoral programs in the late 19th century.

Education experts say increased visa hassles and other U.S. policies have sent the wrong message to the world's students.

"There's just a whole bunch of things that make people say, 'Wait a minute, I don't have to go through any of this to study anywhere else,'" said Victor Johnson, who directs public policy for the Association of International Educators in Washington, D.C. "It's simply an undeniable fact that the United States isn't a popular place in the world, and that does affect people's propensity to study here."

The University of California-Berkeley enrolls nearly 2,700 international students from more than 100 countries, but enrollment - particularly at the graduate level - still has yet to bounce back to its pre-Sept. 11 numbers. The campus had a high of 950 international graduate students in 1999, but that number fell to 507 in 2002 before climbing to around 870 the past two years.

Nearly 600 of those foreign graduate students are in Berkeley's engineering school - comprising 39 percent of the student body - and school and business officials fear a further decline could harm the technology industry. Universities across the country have struggled to attract American-born students to the math and science fields, but their efforts have largely failed.

Industry leaders say they appreciate the international graduates from the University of California and other U.S. colleges, but the success those alumni have generated could be having adverse effects as well.

"Certainly the advantage of having global competition and the rest of the world becoming more prosperous is that now there's a larger talent pool out there," said Dennis Ciria, director of education and work force development for the Silicon Valley Leadership Group. "The disadvantage is now there's more of an incentive to stay in your home country."

While the visa process - criticized as cumbersome and unfriendly following the terrorist attacks - has been improved over the past couple of years, educators say they are facing a new and growing challenge: competition.

China is expected to award more doctorate degrees than the United States in five or 10 years, and India is also producing more doctorates than ever before. Australia and Europe have also beefed up their higher-education systems in the past five years.

"Unlike 20 years ago, other countries are actively recruiting students who previously would not have thought about going anywhere but the United States," said Heath Brown, director of research and policy analysis at the Council of Graduate Schools.

Brown and others are pushing for a coordinated recruitment strategy between the U.S. government and colleges, something that has proven difficult given the country's highly independent education system.

But some students and officials say they don't see why educators are so concerned. It's logical for universities to have to compete for students, they say, and U.S. institutions already have an edge over the rest of the world.

In India, for example, the well-regarded top universities simply don't have room for all the Indian students, said B.S. Prakash, India's consul general in San Francisco. Exporting students to the United States is good for both countries, since many graduates return home to improve India's economy, he said.

"In the big picture, India believes in globalization," Prakash said. "We don't look at these things as win-loss."

Neither does Chris Yuan, a mechanical-engineering doctoral student at the University of California-Berkeley. The 27-year-old was encouraged by his Chinese employers to gain global knowledge by attending graduate school in the United States, so he left Beijing to work on a master's degree in Texas.

Now he and his wife, a graduate student at California State University-East Bay, look forward to contributing to China's economy.

"If I could get a good offer, I'd like to go back," Yuan said. "Family is there, many friends are there. It's our home country."

It wasn't difficult for Radu Zlatanovici to choose between Bucharest and Berkeley for his doctorate work. After all, he's an electrical engineer.

"In my profession, (UC Berkeley) is really the place to be," said the 29-year-old Romanian. "It would have made God angry if I had an offer like that in my hand and turned it down."

Frances Kernodle Associates International Consulting Services

[Home](#) [About FKA](#) [Our Services](#) [FKA Quarterly](#) [Meet Frances Kernodle](#) [Contact Us](#)

Combating Continued Drops in Foreign Student Enrollment — U.S. Driven to Increase Appeal of Colleges and Universities

By Katrina Kernodle

Declining foreign student enrollment in U.S. colleges and universities represents a worrisome trend for universities, employers, and policymakers. In the highly competitive international education market aimed at attracting foreign student enrollment, the U.S. gradually has been falling behind.

Nearly 2 million post-secondary students study outside of their respective native countries on an annual basis. Although the U.S. has long attracted more international students than the rest of the world, recently other countries (including the United Kingdom and Australia) have become increasingly popular destinations for higher education.¹ International student tuition, fees and related costs represent nearly \$13 billion in yearly revenue in the U.S., not to mention spending on textbooks, computer products, supplies and daily living expenses. The competition for attracting the international student market segment is growing.² However, only about 3% of all students enrolled in U.S. higher education programs are foreign, while nearly 10% of Britain's post-secondary students are from other countries.³

According to a 2004 study conducted by the Council of Graduate Schools — engineering, the leading field for international students in the U.S. — faced the steepest decline in applications and admissions during 2004.⁴ The study also demonstrated a significantly diminished level of applications and admissions to U.S. post-secondary institutions from China, India and Korea during 2003-2004.⁵ In 2003, the U.S. share of Chinese students dropped from 81% in 2000 to 46% compared to the U.K. and Australia (the other leading Anglophone host countries). During that time, Chinese students choosing to go to the U.K. increased by more than 37,000 and more than 20,000 in Australia, while the U.S. saw an increase of fewer than 2,000.⁶

A year ago, California, the leading U.S. host state for international students, witnessed a 4% decrease in the number of international students while the nationwide drop was approximately 2.5%.⁷ The University of California at Berkeley saw the number of international graduate students slip to 425 in 2004-2005 compared to 469 in fall 2003.⁸ Pete Johnson, Director of International Admissions for the full-time MBA program at Berkeley's Haas School, reported to *BusinessWeek* that he intends to spend more time explaining that international viewpoints are respected in Haas classrooms.⁹ Johnson observed that "...in many countries, U.S. actions in Iraq have been very unpopular, and the information that has been in the media abroad about the issue has created the impression for some international students that the U.S. may not be a welcoming place to study, which is far from the truth."¹⁰

Although international public opinion about the U.S. and President Bush hit a highpoint in the immediate aftermath of 9-11, the pendulum has swung further and further in the opposite direction ever since the U.S. launched attacks on Afghanistan and Iraq. Shortly after the U.S.

began fighting in Iraq, the BBC hosted a poll of 11,000 people in 10 countries as well as in the U.S. to determine "What the World Thinks of America."¹¹ Noticeable contrasts in the poll results included the U.S. concept of world perspectives versus the actual perspectives of those polled from other countries. For example, while 88% of U.S. respondents observed favorable attitudes about Americans, the international opinion was far bleaker with approximately 10% of French respondents, 30% of Indonesian respondents, 45% of Brazilian respondents, and 60% of Jordanian respondents reporting negative feelings towards Americans. Even more international respondents reported unfavorable opinions about President Bush. Certainly, negative global perspectives about the U.S. — such as those broadcast by BBC news — are not positive indicators for international outreach officials in U.S. universities.¹²

Universities have been pointing to post-September 11 visa restrictions placed on student visas as a key factor that discourages international students from applying and/or being accepted to U.S. programs. In April 2005, Senator Richard Lugar (R-Indiana), Chairman of the Senate Foreign Relations Committee, observed that many foreign students still view the U.S. to be an inhospitable place to study, despite recent improvements in the visa application process.¹³

Lost talent at the nation's academic institutions is not just a concern for colleges and universities. U.S. employers that rely on top tier foreign graduates of U.S. universities as a source of talent, ingenuity and diversity have expressed concerns including Bill Gates who, at an April 2005 forum at the Library of Congress, observed that Microsoft may be shifting more work overseas as a result of fewer foreigners studying and staying in the U.S.¹⁴

The declining international student market segment and related impacts on higher education, industry and the economy have not gone unnoticed in Washington. Senator Lugar, has championed an effort to increase awareness of problems posed by the continually decreasing number of foreign students in U.S. universities.

It is critical that the U.S. reexamine factors that attract international students. A 2004 study of international students by the British Council ranked deciding factors in the following order: quality of courses, employability prospects, affordability, personal security issues, lifestyle and accessibility.¹⁵ As other nations aggressively market and promote innovative measures such as foreign offices and partnerships with universities and companies abroad, more U.S. universities need to follow suit.

There are U.S. universities at the forefront of the marketing and collaborative arena — for example, the University of Chicago's Graduate School of business that offers an Executive MBA in Barcelona and Singapore. University of Pennsylvania's Wharton School has worked with Kellogg at Northwestern to develop business schools in Bangkok and India, and MIT boasts global accessibility through its free online publication of MIT course materials (<http://ocw.mit.edu>).¹⁶ This global thinking represents only a fraction of efforts by these schools and many other U.S. institutions.

Still, despite countless global initiatives on the part of American academic institutions, the percentage of international students in the U.S. remains small compared to several other nations and declining numbers of applicants and admitted students suggests greater problems to come. For universities to stay competitive, strategic plans with specific global goals need to be established. Creating the image and reality of a "foreign friendly" U.S. is vital not only to U.S. colleges and universities but also to the country as a whole in order to grow and prosper in today's international environment.

- 1 "New Online Resource Tracks Trends in Global Student Mobility." Institute of International Education Internet Website. May 10, 2005.
- 2 Carolyn Lochhead. "Drop in U.S. Student Visas by Foreigners Decline after 9/11 Curbs Called Threat to Education, Economy and Security." *The Chronicle* (Washington Bureau). April 5, 2005.
- 3 "Education at a Glance: OECD Indicators." Organization for Economic Cooperation and Development. 2003.
- 4 "International Graduate Student Admissions Survey." Council of Graduate Schools. 2004.
- 5 "International Graduate Student Admissions Survey." Council of Graduate Schools. 2004.
- 6 "New Online Resource Tracks Trends in Global Student Mobility." Institute of International Education Internet Website. May 10, 2005.
- 7 Carolyn Lochhead. "Drop in U.S. Student Visas by Foreigners Decline after 9/11 Curbs Called Threat to Education, Economy and Security." *The Chronicle* (Washington Bureau). April 5, 2005.
- 8 "Fall Semester Set to begin at UC Berkeley, Where Classes for Most Students Start August 30." UCB Internet Website. August 2004.
- 9 "America's Scramble for Global Applicants." *BusinessWeek*. July 2004.
- 10 "America's Scramble for Global Applicants." *BusinessWeek*. July 2004.
- 11 "Poll Results—What the World Thinks of America." *BBC News* Internet Website. 2004.
- 12 "Poll Results—What the World Thinks of America." *BBC News* Internet Website. 2004.
- 13 Carolyn Lochhead. "Drop in U.S. Student Visas by Foreigners Decline after 9/11 Curbs Called Threat to Education, Economy and Security." *The Chronicle* (Washington Bureau). April 5, 2005.
- 14 "Foreign Talent, Security's Sacrifice." *The Washington Post*. May 13, 2005. p. E1.
- 15 Mike Baker. "The University 'Market' Is Here." *BBC News* Internet Website. 2004.
- 16 FKA Interviews with Wharton and Kellogg Faculty In April 2005.

[Home](#) | [About FKA](#) | [Our Services](#) | [FKA Quarterly](#) | [Meet Frances Kernodle](#) | [Contact Us](#)

Copyright © 2002 Frances Kernodle Associates
113 N. Alfred Street, Alexandria, VA 22314 USA
Email: fka@fkassociates.com



**Federation for
American
Immigration
Reform**

Member Login:

Username

Password

GO

[Forgot Your Username or Password?](#)

| [Not a registered user? Join Today](#)

[What You Can Do](#)

[Get Legislative Updates](#)

[Search](#)

[Join & Contribute](#)



Immigration Issue Centers

Select an Immigration Issue

[Doing Research?](#)

[About FAIR](#)

[Policy and Legislation](#)

[Media](#)

[What's New](#)

Current U.S. Population
297 Million

Number of Immigrants
entering the U.S. this year
1.1 million

Census Bureau's Projection
of U.S. population in 2050
because of today's mass
immigration
420 million

*Contact Your Lawmakers in
Support of Immigration Reform*

(Enter ZIP Code)

Enter ZIP

GO

Immigration Issue Centers : National Security

Identity and Immigration Status of 9/11 Terrorists



Print this!



E-mail this!

According to authorities, all of the hijackers who committed the September 11, 2001 terrorist attacks were foreigners. All of them entered the country legally on a temporary visa, mostly tourist visas with entry permits for six months. Although four of them attended flight school in the United States, only one is known to have entered on an appropriate visa for such study, and one entered on an F-1 student visa. Besides the four pilots, all but one of the terrorists entered the United States only once and had been in the country for only three to five months before the attacks.

The four pilots had been in the United States for extended periods, although none was a legal permanent resident. Some had received more than one temporary visa, most of which were currently valid on September 11, but at least three of them had fallen out of status and were, therefore, in the United States illegally.

The terrorists had obtained U.S. identification that was used for boarding flights in the form of Florida, Virginia, California and New Jersey driver's licenses/ID cards. One of the terrorists, Mohamed Atta, was detained in Florida for driving without a license, but subsequently obtained one. Thirteen of the terrorists had Florida driver's licenses or ID cards, seven had Virginia driver's licenses, at least two had California licenses and two had New Jersey driver's licenses. According to the March 28, 2002 Pittsburgh *Post-Gazette*, Robert Thibadeau, director of Carnegie Mellon's Internet Security

laboratory, says that "the 19 terrorists on Sept. 11 were holding 63 state driver's licenses for identification."

In the probe of the attack, numerous other people with potential connections to the hijackings have been detained for immigration violations.

[Note: In the conversion of names from the Arabic alphabet into ours, there is no single correct spelling. This is why the names of the terrorists vary in their spelling in different news accounts, and why computerized databases will not recognize the name when it is spelled differently from how it was entered into the database. For example, Mohamed could be spelled Muhamed or Mohammed, and al-Suami could be spelled Alsuami or al Swami, etc.]

The Pentagon Plane (AA Flight 77, Dulles to Los Angeles)

1. Hani Hasan Hanjour (26) - Saudi Arabian - pilot

- First came to U.S. in Oct. 1991 to study English in Tucson, Arizona.
- Had been in U.S. in April 1996, when he lived in Oakland, Cal. where he studied English, and later received flight training in Scottsdale, Arizona. He left in Nov. 1996 and returned again in Nov. 1997 while he obtained a FAA commercial pilot certificate. He left again in April 1999.
- Obtained student visa (F-1) in Jeddah, Saudi Arabia in Sept. 2000 after an initial refusal. According to the 2/04 Staff Report of the National Commission on Terrorist Attacks, Hanjour failed to reveal in his visa application that he had previously traveled to the United States.
- Returned Dec. 2000 to study English at Holy Names College (Oakland CA) but never showed up at the school. In illegal status because he did not enroll, and his entry permit had expired at the time of the attack.
- Lived in San Diego, Phoenix and Mesa, Ariz. (with Nawaf al-Hamzi), and later in Northern Virginia.
- Had a Virginia driver's license.

2. Khalid al-Mihdhar (or Almidhar) - Saudi Arabian

- Obtained U.S. tourist visa in Jeddah, Saudi Arabia in April 1999.
- In Malaysia in Jan. 2000. Followed by Malaysian agents tipped off by CIA (see Wash. Post 2/3/02).
- Arrived at Los Angeles Jan. 15, 2000 with Nawaf al-Hamzi on B-2 tourist visa from Malaysia.
- Lived in San Diego, where he took flight training in May 2000 with Nawaf al-Hamzi.
- Left U.S. in June 2000 and obtained new B-1 visa in Saudi Arabia. According to the 2/04 Staff Report of the

- National Commission on Terrorist Attacks, his application falsely indicated he had not previously traveled to the United States and contained "suspicious indicators." It also revealed that he had more than one passport.
- Returned July 4, 2001, lived in New York.
 - Put on the Watch List for terrorists in August 2001 after entering U.S. last time.
 - In legal nonimmigrant status at the time of the attack.
 - Had a Virginia driver's license.
3. Nawaf al-Hamzi (or Alhamzi) - Saudi Arabian (brother of Salem)
- Obtained U.S. tourist visa in Jeddah, Saudi Arabia in April 1999. According to the 2/04 Staff Report of the National Commission on Terrorist Attacks, his application contained "suspicious indicators."
 - In Malaysia in Jan. 2000. Followed by Malaysian agents tipped off by CIA (see Wash. Post 2/3/02).
 - Arrived at Los Angeles Jan. 15, 2000 with al-Midhar from Malaysia.
 - Lived in San Diego, where he took flight training in May 2000 with al-Midhar, in Dec. 2000 moved to Mesa Arizona (with Hani Hanjour), and later to Fort Lee, N.J., Wayne, N.J. and Northern Virginia.
 - Applied to INS July 12, 2000 for extension of permitted stay in U.S. (apparently granted for additional six months).
 - Put on the Watch List for terrorists in August 2001. (with al-Midhar)
 - Had been in illegal visa overstay status for nine months at the time of the attack.
 - Had California, Florida and Virginia driver's licenses .
4. Salem al-Hamzi (or Alhamzi)- Saudi Arabian (brother of Nawaf)
- Obtained U.S. tourist visa in Jeddah, Saudi Arabia in April 1999.
 - Arrived U.S. June 2001.
 - Lived in Fort Lee, N.J., Wayne, N.J.
 - In legal nonimmigrant status at the time of the attack.
 - Had a Virginia driver's license.
5. Majed Moqed - Saudi Arabian
- Identity in doubt.
 - Entered on tourist visa obtained in Saudi Arabia after May 2001.
 - In legal nonimmigrant status at the time of the attack.
 - Had a Virginia driver's license.

1. Mohamed Atta - Egyptian (43) - pilot

- Born in Egypt in 1968.
- Graduated from Cairo Univ. with degree in Architectural Engineering in 1990.
- Obtained visitor visa in Berlin Germany, May 2000.
- Entered U.S. at Newark on June 3, 2000 on tourist visa and given entry permit until December 2, 2000.
- Applied in Sept. 2000 to INS for change in status to trainee.
- Attended Huffman Aviation school in Venice Florida with al-Shehhi.
- Arrested in Florida for driving without license, and failed to show up for court date --bench warrant issued.
- Subsequently obtained Florida driver's license.
- Obtained FAA pilot's certificate.
- According to the 2/04 Staff Report of the National Commission on Terrorist Attacks, had overstayed his entry permit as of Dec. 4, 2000.
- Flew to Madrid Jan. 2001.
- United Arab Emirate (UAE) authorities state Atta detained in January 2001 on basis of his name appearing on terrorist alert list, but was not held in absence of U.S. charges. UAE states that U.S. authorities were warned Atta intended to return to U.S.
- Returned to U.S. on January 10, 2001 at Miami and was sent to secondary inspection because he acknowledged being in flight training but did not have required trainee visa. Interagency Border Information System (IBIS) database checked. Admitted by INS based on pending application for change to trainee status.
- Moved to Georgia in Jan. 2001 for additional flight training with al-Shehhi.
- Left U.S. and returned from Madrid on July 19, 2001 and given permission to stay until November 2, 2001.
- Also lived in Hollywood and Coral Springs, Fla.
- Received change of status approval by INS in September a year after the attacks.

2. Salam al-Suqami (25) - Saudi Arabian

- Obtained business visa in Saudi Arabia (but was residing in United Arab Emirates).
- Entered U.S. in May 2001. According to the 2/04 Staff Report of the National Commission on Terrorist Attacks, asked for and was admitted for 20 days and was in overstay status at the time of the attacks. The Commission staff also said his passport was doctored (presumably with pages removed to hide his travel to countries where he obtained terrorist training).

- Was in overstay status at the time of the attack.
- 3. **Waleed al-Shehri (or Alshehri) (21) - Saudi Arabian (brother of Wail)**
 - Obtained tourist visa in Saudi Arabia.
 - Entered U.S. in May 2000.
 - Licensed pilot.
 - Lived in Hollywood, Orlando and Daytona Beach (all in Florida).
 - In illegal nonimmigrant status (visa overstay) at time of the attack.
 - Had a Florida driver's license.
- 4. **Wail (or Wael) al-Shehri (or Alshehri) (25) - Saudi Arabian (brother of Waleed)**
 - Obtained tourist visa in Saudi Arabia.
 - Lived in Hollywood, Fla. and Newton, Mass.
 - Had a Florida ID card.
- 5. **Abdulaziz al-Omari (or Alomari) - Saudi Arabian**
 - Obtained tourist visa in Saudi Arabia in June 2001.
 - According to the 2/04 Staff Report of the National Commission on Terrorist Attacks, his passport was doctored (presumably with pages removed to hide his travel to countries where he obtained terrorist training).
 - In legal nonimmigrant status at the time of the attack.
 - Lived in Hollywood, Fla.
 - Had Florida and Virginia driver's licenses.

The WTC South Tower Plane (UA Flight 175, Boston to Los Angeles)

1. **Marwan al-Shehhi (or Alshehhi) - United Arab Emirates - pilot**
 - Studied electrical engineering at Tech. Univ. in Hamburg.
 - In January 2000, obtained 10-year, multiple entry tourist visa in Dubai, United Arab Emirates.
 - Entered the U.S. in May 2000, applied September for change of status to student.
 - Attended flight school in Florida, obtained FAA pilot's certificate.
 - Took at least 3 trips out of U.S. and back. (Overstayed entry permit as of Nov. 2000, left U.S. in Dec. 2000, returned Jan. 2001.)
 - Attended flight school in Georgia with Atta in Jan. 2001. According to the 2/04 Staff Report of the National Commission on Terrorist Attacks, was sent to secondary inspection, but was admitted.)
 - Flew to Egypt April 8, 2001, returned from Morocco May 2, 2001.
 - In legal nonimmigrant status at the time of the attack.

- Lived in New York City area, Georgia and moved to Hollywood, Fla. in July with Atta and trained at Huffman Aviation in Venice.
 - Had a Florida driver's license.
2. Fayeز Ahmed Rashid Ahmed al-Qadi Banihammad (aka Fayeز Ahmed) - United Arab Emirates
- Obtained tourist visa in United Arab Emirates.
 - Entered U.S. in June.
 - Lived in Delray Beach, Fla.
3. Ahmed al-Ghamdi (or Alghamdi) - Saudi Arabian
- Obtained tourist visa in Saudi Arabia.
 - Entered U.S. in May.
 - In illegal visa overstay status at the time of the attack.
 - Lived in Delray Beach, Fla.
 - Had a Florida ID card.
 - Had a Virginia driver's license
4. Hamza Saleh al-Ghamdi (or Alghamdi) (20) - Saudi Arabian
- Obtained visa in Saudi Arabia.
 - Lived in Delray Beach, Fla.
 - Had a Florida driver's license.
5. Mohand al-Shehri (or Alshehri) - Saudi Arabian
- Identity in doubt.
 - Obtained tourist visa in Saudi Arabia.
 - Admitted to U.S. in May.
 - Lived in Delray Beach, Fla.

The Pennsylvania Plane (UA Flight 93, Newark to San Francisco)

1. Ziad Samir Jarrah - Lebanese - pilot
- Born in Lebanon in 1975.
 - Studied aircraft construction and maintenance at Hamburg tech. univ. 1996-00.
 - Obtained five-year, multiple-entry tourist visa in Germany.
 - Entered U.S. in June 27, 2000 at Atlanta.
 - Trained as a pilot in Venice, Florida and Virginia Gardens, Florida but never obtained student trainee visa. Received FAA pilot's certificate.
 - Took at least 5 trips out of U.S. and back (flew to Germany July 25 and returned August 5, 2001).
 - Lived in Delray Beach, Fla.
 - In legal nonimmigrant status at the time of the attack.
 - Had a Florida driver's license.
2. Saeed al-Ghamdi (or Alghamdi) - Saudi Arabian
- Identity in doubt.
 - Obtained tourist visa in Saudi Arabia. According to the 2/04 Staff Report of the National Commission on Terrorist Attacks, application falsely stated he had not

- previously applied for a U.S. visa.
 - Entered U.S. in June 2001. According to the 2/04 Staff Report of the National Commission on Terrorist Attacks, he was sent to secondary inspection, because he had a one-way ticket and \$500, but was admitted.
 - Lived in Delray Beach, Fla.
 - Had a Florida ID card.
3. Ahmed Ibrahim A. al-Haznawi (or Alhaznawi) (21) - Saudi Arabian
- Obtained tourist visa in Saudi Arabia.
 - Entered the U.S. in June 2001. According to the 2/04 Staff Report of the National Commission on Terrorist Attacks, his passport may have had "suspicious indicators."
 - In legal nonimmigrant status at the time of the attack.
 - Lived in Delray Beach, Fla.
 - Had a Florida driver's license.
4. Ahmed Abdullah al-Nami (or Alnami) (23) - Saudi Arabian
- Obtained tourist visa in Saudi Arabia.
 - Entered the U.S. in May 2001. According to the 2/04 Staff Report of the National Commission on Terrorist Attacks, his passport may have had "suspicious indicators."
 - In legal nonimmigrant status at the time of the attack.
 - Lived in Delray Beach, Fla.
 - Had a Florida ID card.

Other Conspirators:

- Khalid Sheikh Mohamed (Coordinator) - Indicted in 1996 in N.Y. for his role in an earlier terrorist plot. Had a Saudi Arabian passport (although not a Saudi national) - obtained a U.S. visa in July 2001.
- Ramzi Bin-al-shibh - Yemeni (potential pilot) - denied visa four times.
- Zakariya Essabar - Moroccan - potential pilot/hijacker - denied visa.
- Saeed "Jihad" al Gamdi - Potential hijacker - denied visa.
- Ali Abdul Aziz Ali - Pakistani - financial facilitator - denied visa.
- Mohamed al Kahtani - potential hijacker - denied visa.

Data compiled from various news sources and checked where possible against official sources including the Dec. 2002 Senate report "Joint inquiry into Intelligence Community Activities Before and After the Terrorist Attacks of September 11, 2001" (Released in July 2003) and the Feb. 2004 Staff Report of the National Commission on Terrorist Attacks.

Updated 2/04

[Contact Us](#)

[FAQs](#)

[Privacy Policy](#)

[Links](#)

Federation for American Immigration Reform
1666 Connecticut Avenue, NW, Suite 400
Washington, DC 20009
Tel: (202) 328-7004 Fax: (202) 387-3447

[Site Map](#)





Alaska State Legislature

Please enter into the record my testimony to the

HSTA

committee name

Committee on

HB 290

bill # / subject

dated

April 04 06

public hearing date

CDL Licenses Holder's
with US gov Attorney General
Background Check's

(Public Law 107-56 5103+ ICIB)

STILL Need Pass Port or

Birth Document to Reenter
the U.S.

Signed:

James F McCurdy

Testifier

Representing (optional)

36905 Short LN Kenai AK 99611

Address

907 252 4000

Phone number

Louie Flora

From: POMS@legis.state.ak.us
Sent: Monday, April 10, 2006 11:04 AM
To: Louie Flora
Subject: New Pom:Licensing

Charlene Jaeger
10227 Eagle River ln

Eagle River 99577,

Dear Legislators,

Please kill HB 290 and SB 189.


This bill does not prevent illegal immigration.

It punishes the responsible, not the criminal! I would prefer to have drivers tested, DMV records, and insured if they're going to drive anyway, and people will.

Thanks, Charlene Jaeger

The New York Times

nytimes.com

PRINTER-FRIENDLY FORMAT
SPONSORED BY 

July 19, 2005

Governors Warn of High Costs Arising From New ID Law

By MICHAEL JANOFFSKY

DES MOINES, July 18 - The nation's governors told Michael Chertoff, the secretary of homeland security, on Monday that the ~~new law~~ **new law** expanding the role of state motor vehicle departments to include national security responsibilities ~~was presenting enormous financial and logistical challenges that could take many years to meet.~~

Some governors suggested that the problems might prove so onerous that Congress might need another approach. The law, known as the Real ID Act, gives states three years to begin verifying whether someone seeking or renewing a driver's license is in the country legally.

"~~Real ID~~ **Real ID** has raised a lot of concerns," said Gov. Phil Bredesen of Tennessee, a Democrat who was part of a bipartisan chorus of criticism, made by the governors to reporters after the meeting. "People who pass these laws don't necessarily take into account what it takes to implement them in the states. Some people expressed the opinion that if you want to have a national I.D. card, fine. You need to issue it, not try to get it done in 50 states."

The governors met privately with Mr. Chertoff on the final day of the National Governors Association's summer meetings.

Mr. Chertoff, speaking to reporters after his 40-minute meeting, described it as part of "an ongoing discussion" with the governors about how to put new programs into practice and to improve existing ones. "Everybody's opinion is different," he said. "We'll find a common plan to work for everybody."

While the governors said they appreciated Mr. Chertoff's words, many seemed nonetheless daunted by the need to restructure motor vehicle agencies. Under the new law, workers would need to be trained for added responsibilities that involved document verification and use of sensitive federal data bases.

Many governors were critical of how the law was forced on them with no consultation. Congress approved the measure in May as part of a bill providing \$82 billion more for the fighting in Iraq and Afghanistan.

"It was attached at the last minute, and it was poorly thought through," said Gov. Mike Huckabee of Arkansas, a Republican who became the new chairman of the governors association.

Part of the governors' objection was based on costs. Congress appropriated \$100 million for the effort, but Gov. Mark Warner of Virginia, a Democrat and the outgoing chairman, said upgrading the motor vehicle department in his state alone could cost that much.

Copyright 2005 The New York Times Company | [Home](#) | [Privacy Policy](#) | [Search](#) | [Corrections](#) | [XML](#) | [Help](#) | [Con](#)

Good morning once again, Mr. Chairman and Committee Members!

Thank you for having me here. This process has all been very educational. I've been thinking that maybe I should quit my day job!

I'm sure all of you are aware of my opposition to this bill. I've done a lot of research in the past few weeks, and so I'm not here just to repeat my previous testimony. I hope it will be as interesting to you as it was for me to write it.

Before I start, I want to give a fuller disclosure about why I've chosen to oppose this bill. I am not for illegal immigration, and I do in fact support criminally charging employers who hire illegal labor, and removing illegal immigrants in most situations when they are discovered. I am friends with some legally-present foreign students, but that has given me far more insight than bias. The reasons I oppose this bill are actually much more selfish.

This bill does not discourage illegal immigration or terrorism. It targets the wrong people, and it is not enforceable. In reality, passing this bill would actually decrease our public safety. I will explain these reasons to you.

This bill does not discourage illegal immigration. I cannot imagine that people intending to stay here illegally would present themselves to the DMV for a license in the first place. Even if they did, early expiration of their driver's license would not realistically cause them to leave. California's current illegal population is *prima facie* proof of this. They are not starved for identification, as passports and foreign licenses are completely valid documents used for driving, flying, buying a beer, and opening a bank account.

This bill does not discourage terrorism. Fifteen of the nineteen hijackers were legally present on Sept 11. If those last four hadn't had their driver's licenses, they would have used their passports to board their flights. Also, more acts of terrorism have been committed in this country by American citizens than by foreigners. Remember Ted Kaczynski (the Unabomber), David Koresh, Timothy McVeigh, some members of PETA, the Animal Liberation Front, the Earth Liberation Front, etc.

In the Senate Finance Committee, Senator Huggins recalled the recent sad events involving Mohammed Reza Taheri-Azar, the UNC graduate who drove his rental car into a group of students "to avenge Muslims," as an example of terrorism that this bill could have prevented. This man immigrated to the US in 1985 as was either a permanent resident or a U.S. citizen. He was kicked out of his fraternity due to excessive drug and alcohol use. His problems are related to mental illness; not his nationality or immigration status. He would not have been affected by this legislation in any way.

This brings us to my next point. This bill targets the wrong people. By far, our largest group of long-

term non-immigrant visitors is foreign students. They are the ones that will be subject to repeated, annual license renewals. Foreign students are a major presence in the US at the graduate level in the fields of math, engineering, and science. They are typically the cream of the crop from their home countries, and it gets even better. They're paying full price – subsidizing tuition rates for our students! – because they are not usually eligible for scholarships, financial aid, or resident tuition pricing. Foreign students generate \$13 billion in yearly revenue in the US. They are the model of the kind of person we want immigrating to our country (legally, of course).

Unfortunately, the extra paperwork and processing at the national level has already caused these students to study elsewhere. Berkeley had 950 international graduate students in 1999, and 425 – less than half! -- by 2005. Last April, Bill Gates announced during a Library of Congress forum that Microsoft is shifting more work overseas as a direct result of fewer foreigners studying and staying in the US. I agree with valid security measures to keep out terrorists during the visa process, but this bill doesn't prevent terrorism. There is already a federal computer system named "SEVIS" to monitor the status of foreign students in the US. It would certainly turn me off of a new country if I got to spend the night in jail because I overlooked my annual license renewal during finals week. Forcing foreign students to renew their driver's license annually does not make me any safer, but it does add another bureaucratic hoop that might make a student decide to go somewhere more tolerant.

This bill is not enforceable. I am holding a passport of a legally-present foreign student. Inside, there is no US visa. This country, like many others, only issues passports for five years, so it had to be renewed while the student was already here. The US does not issue visas domestically. This piece of paper is the form that makes the student legally present in the US. It is hardly a tamper-proof document. It's no surprise that our immigration law is very complex, and many, many different types of documents and combinations thereof can prove legal status. When this student recently re-entered the US, the federal immigration officer had to scratch her head for a few minutes to recall the rules before approving the entry. I don't believe that the DMV will be as well equipped to make that determination. Imagine that scenario at the DMV in your mind.

So far, I've told you about what this bill won't do. What this bill will do is reduce public safety on our roads. This reasoning applies to all long-term foreigners and not just students. How many people in the US have been killed or injured by illegal immigrants or acts of terrorism? How many people are killed or injured on our roads each day due to unsafe driving and uninsured drivers? The primary fallacy of this bill is that it assumes that people can only drive here legally with a domestic driver's license. The standard operating procedure to get licensed in Moscow involves handing a nice, crisp \$50 bill to the test examiner. You can see this in their traffic fatality rates. We would all love for illegal immigration to disappear overnight. But realistically speaking, would you rather be driving on the road next to an illegal immigrant with an Alaska driver's license and driving record, or an illegal immigrant without either?

I have one last piece of research on that topic. The DMV official who testified in this committee last

time said that it was possible for foreign-licensed or unlicensed drivers to obtain liability insurance. I called Geico, State Farm, Allstate, and AIG. I had one "No," two "I don't think so; call later," and one "Only for 30 days." For all intents and purposes, that effectively means that an illegal immigrant with an expired license would not be able to obtain liability insurance. For those reasons, this bill would decrease public safety.

Currently, our DMV checks for legal entry to the US when a foreigner applies for a license, and they are treated the same way as everyone else thereafter. This system works fine. It's a good balance and it doesn't need to be changed.

This legislation adds some bureaucracy at the DMV with the laudable goal of preventing illegal immigration and/or terrorism. Unfortunately, it effectively trades away a small piece of our safety without preventing either. It is not enforceable. It makes it more difficult for people that are legitimately here, without adding any actual deterrent to someone who isn't. I won't even bring up again the data security issues indirectly caused by this bill.

Thank you again, Mr. Chairman and committee members, for your consideration of my testimony. I provided some of your offices with supporting documentation for my earlier testimony, and I have some spare copies with me today if any of you are interested.

One last item: The New Hampshire bill against the Real ID Act has passed their House with a vote of 270-84 and is now going through their Senate committees.

I ask all of you again to vote against this bill. I would be happy to answer any questions.

HB 1582 - AS INTRODUCED

2006 SESSION

06-2986

05/03

HOUSE BILL 1582

AN ACT prohibiting New Hampshire from participating in a national identification card system.

SPONSORS: Rep. Marple, Merr 9; Rep. Souza, Hills 11; Rep. Phinizy, Sull 5; Rep. L. Christiansen, Hills 27;
Rep. Kurk, Hills 7

COMMITTEE: Transportation

ANALYSIS

This bill prohibits New Hampshire from participating in a national identification card system.

Explanation: Matter added to current law appears in *bold italics*.Matter removed from current law appears ~~(in brackets and struckthrough.)~~

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

06-2986

05/03

STATE OF NEW HAMPSHIRE*In the Year of Our Lord Two Thousand Six*

AN ACT prohibiting New Hampshire from participating in a national identification card system.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Prohibition Against Participation in National Identification System. The general court finds that the public policy established by Congress in the Real ID Act of 2005, Public Law 109-13, is contrary and repugnant to Articles 1 through 10 of the New Hampshire constitution as well as Amendments 4 through 10 of the Constitution for the United States of America. Therefore, the state of New Hampshire shall not participate in a national identification card system; nor shall the department of safety amend the procedures for applying for a driver's license under RSA 263 or an identification card under RSA 260:21.

2 Effective Date. This act shall take effect 60 days after its passage.

Matthew Kerr
6520 Crooked Tree Dr
Anchorage AK 99507
matt8192@yahoo.com
(907) 346-6288

Rep. Paul Seator,
Alaska State Capitol
Room 102

4/4/06

Re: HB 290 – Real ID

Dear Rep. Seaton,

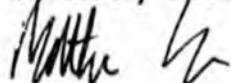
Thank you for listening to my testimony again today. The debate certainly seemed lively!

If you're interested, I would be happy to stop by and meet with you and/or your staff for a few minutes to show you the immigration documents that could cause potential trouble at the DMV for legally-present aliens. I would also be happy to know what your thoughts are on this bill.

I reviewed the memo from Legislative Research Services and I found it very informative. I had not researched the "driving certificate" provisions in detail before. I analyzed the arguments for and against the three possible scenarios (as I understand it) and attached them to this letter.

Please let me know if you would be interested in meeting sometime soon. I have no time constraints except to return the passport to its owner at some point. You can reach me at the telephone number or email address above. Thanks!

Sincerely Yours,



Matthew Kerr

Three Options:

- Status Quo
(Verify immigration status on initial application – not thereafter)
 - Pros:
 - Most licensed and insured drivers on roads
 - Initial legal presence is usually easier to determine vs. after several years (expired passports, visa no longer in possession, adjustment of status papers, etc.)
 - Cons:
 - Risks chance that ID might not be accepted to fly airplanes
(I believe the federal government would be constitutionally prevented from placing Alaskans in a situation where we would need passports to travel to other states. Also, the Real ID Act may be modified after enough states reject it)

- HB 290
(Verify immigration status every time; limit expiration dates)
 - Pros:
 - ???
 - ID would continue to be acceptable to fly
 - Cons:
 - Fewer licensed and insured drivers on roads
 - Difficulty determining correct immigration status
 - Legal aliens may be denied licenses in addition to illegal

- New “Driver’s Certificate”
(Issue non-ID “driver’s certificate” for people without immigration documentation)
 - Pros:
 - ID would continue to be acceptable to fly
 - Possible for drivers to remain licensed and insured
 - Cons:
 - “Driver’s Certificate” would single out illegal immigrants (“scarlet letter”), and would thus make them wary of obtaining them
 - Difficulty determining correct immigration status
 - Legal foreigners mistakenly given certificates (Tennessee example)
 - Need to define different set of acceptable documentation
 - Reported problems fake documents being accepted (Tennessee example)
 - Insurance harder to obtain for certificate holders (Tennessee example)
 - Potential issues with interstate usage (Tennessee example)

Matthew Kerr
6520 Crooked Tree Dr
Anchorage AK 99507
(907) 346-6288
Matt8192@yahoo.com

Rep. Paul Seaton
Chair, House State Affairs Committee

3/29/2006

Dear Rep. Seaton,

Thank you for listening to my testimony at the House State Affairs committee on HB 290 (the "Real ID Act" implementation). That was my first public testimony, and I appreciated the consideration that you and the committee members gave to it.

I've written a summary and provided some background information to help understand my objections to this bill. They are separated into four main categories:

1) **Difficulty of implementation:** This bill asks the DMV to verify immigration status, which is not always a simple process. There are many possible scenarios where the DMV would not likely be inclined to give someone a license, even if he or she was legally present. Likewise, because **someone could potentially be legal even without having a visa** in their possession, it nearly negates the whole point of the legislation. (I have attached details of these possible scenarios.)

2) **Public Safety:** I prefer allowing as many people as possible to fulfill our state's testing requirements to become licensed drivers. One major fallacy of this legislation is that it pretends that foreigners can only drive (or fly, or open a bank account, etc.) with a domestic license. If you ratchet up the bureaucracy at the DMV too far, you will discourage people from doing it "the right way" and cause people to rely on their foreign licenses instead. Other countries have wide variance in licensing standards. Legally present or not, the public safety is served very much more by having locally licensed and insured drivers on our roads.

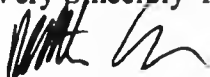
3) **Data Security:** My job is in the field of database administration and data security. The DMV has apparently started capturing images of source documents through administrative rulemaking because of the Real ID Act. Capturing and retaining long-term copies of identity documents such as birth certificates and social security cards, and allowing electronic access to all other states and territories is an extremely dangerous proposition. Collecting that much sensitive data in one place (with 50+ electronic access points) is an open invitation for identity theft of an unimaginable scale. Banks spend much more money on security than the State could afford, yet they have recently had to reissue over 200,000 compromised debit cards due to a security breach they still have not found and fixed. Imagine the danger if the lost data included actual images of birth certificates and social security cards. Beyond just petty theft, this kind of data retention could conceivably aid illegal immigration and terrorism.

4) Utility and Civil Liberties: On a basic level, a driver's license is not supposed to be an immigration document. I see this bill as actually counterproductive to its goals. I also value my privacy enough that I don't want the government to verify my citizenship, look up my name in the always-effective "government watch lists," or keep even more copies of my personal documents only to issue a driver's license. I understand that there is a grandfather clause for existing drivers, but it's not okay just because it would only affect future generations of residents instead of me. There will always be ways to fake your identity. The solution is to implement actual security measures in places they are needed, instead of continuously adding verification, documentation, surveillance, and tracking measures to the life of the average citizen. Part of the federal Real ID Act also requires "biometric identifiers" for driver's licenses, which is a euphemism for fingerprinting or iris scans. That idea gives me the willies; it does not make me any safer.

I have attached a copy of my testimony to the House State Affairs committee; the Senate Finance committee; a list of several difficult documentation scenarios at the DMV; and recent press articles about the issues of data security.

This bill is opposed by many organizations, ranging from the Gun Owners of America to the ACLU. I would ask you to oppose it too.

Very Sincerely Yours,



Matthew Kerr

Attachments:

- Immigration Documentation Scenarios
- My Testimony at the Senate Finance Committee
- My Testimony at the House State Affairs Committee
- InformationWeek Article
- New Hampshire HB 1582 forbidding participation in Real ID

SB 189 - "Real ID" Difficult Documentation Scenarios

US visas are only required to be valid on the date of entry. For example, a visa can expire while in the country, but the individual is still legally present until the expiration date on the I-94 entry form and/or the often-renewed I-20 school enrollment form. I will use students for most of my examples, since they are the most likely long-term non-immigrant visitors to our state. However, many of the cases can also be applied to other classifications of foreign citizens.

In each of the following scenarios, the person is legally present in the country.

Scenario 1: Expired Visa

A student has a passport, an expired student visa (F-1 or J-1), an I-94 entry form marked valid for "Duration of Status" (instead of a defined end date), and an I-20 form showing current enrollment at a university.

The student is legally in the country, although the expired visa and lack of a defined end date on the I-94 may cause the DMV agent to believe the person is not legally in the country.

Scenario 2: Expired Passport

A student has an expired student visa in an expired passport. The current passport does not have any visa in it at all, since the US does not issue visas domestically. The student has the same I-94 and I-20 forms described above.

The student is legally in the country, even though his/her current passport has no stamps or visas whatsoever, and the previous passport and visa are expired.

Scenario 3: No Visa

The student renews their passport while in the US, and his/her country does not return previous passports after renewal. The student has a current, empty passport, an I-94 and I-20, and no visa whatsoever since it was affixed inside the old passport.

Many countries, perhaps most countries, do not return the previous passport to the holder after issuing a new one. The student is still legally in his/her student status. However, a DMV agent would likely be extremely unwilling to issue a license to someone who can't even present a visa. The proposed documentation law almost appears moot, if someone can be legal without even having a visa in their possession!

Scenario 4: Other Documentation

A visitor of any kind applies for an "adjustment of status" while in the US, which can take over a year. Or, they may be waiting for a replacement I-94 form. The person may (or may not) have any number of passport stamps, documents, or court orders, other than a standard visa. (For one large but non-comprehensive list, see the bottom half of California's DMV list at http://www.dmv.ca.gov/dl/dl_info.htm#BDLP)

A DMV agent may not have seen a particular document type before (e.g., "Refugee Travel Document" or I-797 "Notice of Action"), and may demand other documents or visas which the person doesn't have. It could very likely require supervisors, phone calls to other agencies, and even lawyers to "convince" the DMV about someone's legal status.

Consider what you would do if you experienced or expected significant trouble at the DMV in any of the scenarios envisaged here. If I was in the immigrant or visitor's shoes, my response would be "Forget it!" and I would just continue to use my foreign license. The proponents of this bill seem to forget that someone does not need a US license to legally drive here.

As an Alaskan, I am much safer having long-term drivers on the road that have passed the requirements for a US license, regardless of immigration status. I support removing most illegal immigrants and prosecuting employers that use illegal labor. However, I even more strongly support having locally-licensed and insured drivers on the road that have passed the required tests and have a full driving record accessible to law enforcement. I still have yet to hear a single convincing argument about how these requirements will discourage terrorism or illegal immigration.

Testimony at Senate Finance Committee

Good Morning, Madam Chair and Committee Members,

My name is Matthew Kerr and I am a small business owner in South Anchorage. Before I start, I would like to thank Senator Greene's office for facilitating my remote testimony today – I decided to take advantage of the long weekend from Juneau. Today, I am representing my own views. This is only the second time I have ever testified, so please forgive me if I sound nervous.

I am here to state my opposition to SB 189. I believe this bill, as well as the rest of the federal "Real ID Act" requirements, are all a very bad idea. Since this is the Finance Committee, I will frame my opposition in financial terms.

First, it will cost money to train DMV employees as immigration agents and to deal with the increased paperwork. Immigration law is not always as simple as "visa and passport, please." In one case I'm aware of, a foreign student would have needed to return to the DMV four times in the past five years to renew their license under the proposed law. This costs everyone money and time. Would you be able to determine the legal status of someone with an expired F-1 student visa in an expired passport, an I-94 entry form marked valid for "Duration of Status" (instead of a particular date), and a valid I-20 form showing current enrollment at the University of Alaska? Can you imagine trying to convince doubtful DMV employees four times over five years? Personally, if I found myself in that situation, I would ignore the 90 day limit and continue to use my foreign license indefinitely. It is not cost effective to train DMV employees as immigration agents versed in the finer points of immigration law, nor to require people to return sometimes annually to renew their ability to drive.

Second, there are costs to public safety. If someone was to decide to stay illegally, would you rather be on the road with an illegal alien that has passed the tests to obtain a valid Alaska license, or an illegal alien, probably not insured, with a Russian license and no accessible driving record to law enforcement? I have personally driven the roads in Ukraine. That is an actual, real risk to the general public, unlike some vague, convoluted "terrorist threat" that this is supposed to correct. In addition to public safety, there will be more law enforcement and court costs dealing with more suspended licenses for people that haven't actually committed any moving violations.

Third, there is a huge potential data liability for the State. This is a field I am intimately familiar with. Part of my job is database administration and data security, and I work with sets of sensitive personal information for many of my clients, including my current contract with the State of Alaska. While not explicitly covered by SB 189, part of the federal "Real ID Act" mandates that states retain electronic copies of the documents used to obtain a driver's license, and opens up direct electronic access to DMV records from other states. This concept absolutely horrifies me.

The DMV here does have good security, but nothing is impenetrable. You don't necessarily need to be 'hacked.' All it takes is a single disgruntled employee (or contractor!) walking out of the building with a nightly backup tape in his back pocket and posting a copy on the Internet. Or, someone at the Puerto Rico DMV might decide he could make some better money selling copies of legitimate birth certificates and social security cards, courtesy of our DMV records. After that happens, you can find and prosecute the person responsible, but you can't put the genie back in the bottle. When it happens, it will be bad enough. I definitely don't want images of my 'documentation of legal presence' being sold in Tijuana for \$5,000 a pop. The more sensitive electronic data you collect in one place, the worse the fallout will be from the inevitable security breach.

There is one very good example in current news. Last Friday, the Daily News had an article titled, "Financial institutions issue check-card warnings" showing that debit cards of thousands of Alaskans were compromised due to a security breach at Visa, thousands of miles away. Nationally, Wells Fargo and Washington Mutual bank had to reissue over 200,000 ATM cards due to a software flaw that went unnoticed for years. The flawed software was written for financial institutions that paid for the most extensive security audits that money can buy.

Finally, I just don't see any point in doing all of this. A driver's license is not an immigration document. I could use a foreign passport, regardless of visa expiration, to board a domestic flight (just like the terrorists did) or to open a bank account. I could legally use a foreign driver's license, even with an expired visa, as long as I leave and return to Alaska once every three months. Personally, I would rather have my law enforcement and courts dealing with actual crime and not with foreign students who drowned in bureaucracy at the DMV. I don't want to "prove" that I'm a legal American and give a "biometric identifier" like my thumbprint or iris scan to have a driver's license. I don't want to "show my papers" to have them scanned and retained forever in yet another government database, with no tangible benefit. The current system strikes a reasonable balance between public safety and privacy, and it's not broken. I value my privacy!

I will be returning to Juneau tonight. I would be happy to provide any of your offices with copies of my testimony or to meet and discuss them with you.

Thank you for considering my testimony today. Please vote against this bill. Thank you!

Testimony at House State Affairs Committee

Good morning, Mr. Chairman and Committee Members,

My name is Matthew Kerr and I am a small business owner from Anchorage here representing myself. With all due respect to Representative Lynn, I am here to state my strong opposition to HB 290, which would require more paperwork and bureaucracy to issue driver's licenses in Alaska.

This bill has no benefit to our Great State or its residents. It's the worst of government for its own sake. This adds a useless paperwork burden to our residents, our foreign guests, and our DMV. I shouldn't need to remind you that the terrorists had perfectly valid foreign passports and US visas when they boarded the airplanes. This bill does not provide one single benefit to the residents of this state for all the money it would cost.

The first obvious problem with this bill is the cost and difficulty involved in training our DMV agents to be immigration officers. If someone has an expired F-1 student visa, an I-94 entry form marked valid for "Duration of Status" instead of a particular end date, and an I-20 form indicating current enrollment at UAA, could you tell me if they are legally entitled to be here, and for how long? What about someone who renewed their passport while in the US, and no longer has their original visa? Under the proposed rules, a friend of mine would have needed to return to the DMV four times in the past five years to renew their license each time. Immigration paperwork can be extremely complex, and we shouldn't be wasting money to train our DMV agents on the finer points of immigration law.

Second, a driver's license or identification card should be exactly that. A person's ability to drive legally has no logical connection to their immigration status. If I was a foreign visitor, I would skip the trouble, ignore the law, and just continue to use my foreign license for the full length of my stay, instead of obtaining an Alaska license after 90 days. This means that we actually lose the ability to fully maintain that person's driving record. In terms of identification, foreign passports are accepted just as widely as a state ID card.

The only argument I have heard in favor of this bill is that our Alaska ID cards would possibly not be enough to board an airplane. I don't believe that aviation in Alaska would suddenly cease to function because of our driver's licenses. We should be fighting this kind of federal mandate; not giving in to it. Last Tuesday, New Hampshire passed NH House Bill 1582 specifically prohibiting their DMV from implementing these rules, calling them "repugnant to Amendments 4 through 10 of the United States Constitution." I agree with that assertion.

However, the strongest argument against this bill cannot be quantified in financial figures and statistics. People that live here strongly value their privacy and no Alaskan residents I know are in favor of this bill or increasing the level of bureaucracy at our DMV. This is a slight but unnecessary encroachment on my privacy and yours. I don't want to be asked for more papers when I go to renew my license. The current system isn't broken. Nobody wants this bill, and it has no benefits for us. It honestly disappoints me that a state that rightly prides itself so highly on personal rights could attempt to pass this legislation.

Thank you for listening to my testimony. Please vote against this legislation.

TOSHIBA
Don't copy. Lead.®



InformationWeek
BUSINESS INNOVATION POWERED BY TECHNOLOGY

Companies Can't Put A Stop To Data Thefts

Another threat to sensitive personal financial data has surfaced, while companies involved in an earlier data theft still can't explain how the information was stolen.

By Larry Greenemeier and Gregg Keizer, InformationWeek
March 27, 2006

URL: <http://www.informationweek.com/story/showArticle.jhtml?articleID=184400076>

Here's the next chapter in the never-ending saga of data losses. Another threat to sensitive personal financial data surfaced last week, while companies involved in an earlier data theft still can't explain how the information was stolen.

Visa last week tried to throw Fujitsu Transaction Solutions under the bus by naming the company as the developer of the point-of-sale software that hackers broke into to steal the PIN data that has led to more than \$3 million in fraudulent purchases. Fujitsu denied that its software was storing customer data. But that does little to resolve the situation, which has forced Bank of America, Citibank, Washington Mutual, and Wells Fargo to re-issue about 200,000 debit cards in the past few months. New York and New Jersey police have arrested 14 men in connection with the scam, which Hudson County, N.J., prosecutor Edward De Fazio says originated in Eastern Europe.

Last week also saw the rise of a new kind of bot Trojan software called MetaFisher, or SpyAgent, which uses HTML injection techniques to steal data from victims after they've logged into their bank accounts.

MetaFisher has compromised hundreds of thousands if not millions of accounts, says Ken Dunham, director of rapid response for iDefense, VeriSign's security research arm. The malware targets Spanish, U.K., and German banks and their customers. That spot under your mattress where you stash your cash is looking pretty attractive right about now.

TOSHIBA
COPY • FAX • PRINT

TOSHIBA
Don't copy. Lead.®



InformationWeek
BUSINESS INNOVATION POWERED BY TECHNOLOGY

GAO: Sensitive Taxpayer Data At Risk

Despite some improvements, the IRS needs to do much more to secure its IT systems, congressional auditors say.

By Eric Chabrow, InformationWeek
March 24, 2008

URL: <http://www.informationweek.com/story/showArticle.jhtml?articleID=183702662>

Taxpayer information housed on Internal Revenue Service computers remains at risk of being exposed because of information security control weaknesses, according to a Government Accountability Office report issued Friday.

"These weaknesses increase the risk that sensitive financial and taxpayer data will be inadequately protected against disclosure, modification, or loss, possibly without detection, and place IRS operations at risk of disruption," wrote GAO information security issues director Gregory Wilshusen and chief technologist Keith A. Rhodes in a 33-page report to IRS Commissioner Mark Everson, who didn't challenge the findings.

GAO, the auditing arm of Congress, examined IRS's fiscal 2005 financial statements, assessing the agency's progress in correcting previously reported information security weaknesses at two sites and determining if controls over key financial and tax processing systems at those facilities effectively ensures the confidentiality, integrity, and availability of sensitive taxpayer data.

The GAO noted some progress, but the IRS has failed to fix 40 previously reported flaws discovered in its IT security. Plus, the GAO identified new information security control weaknesses.

For example, the IRS hasn't instituted effective electronic access controls related to network management, user accounts and passwords, user rights and file permissions, and logging and monitoring of security-related events, the Congressional auditors said. Also, the tax agency hasn't effectively implemented other information security controls to physically secure computer resources and to prevent exploitation of vulnerabilities and unauthorized changes to system software.

"Until [the] IRS fully implements a comprehensive agencywide information security program," the GAO report states, "its facilities and computing resources and the information that is processed, stored, and transmitted on its systems will remain vulnerable."

Everson assured the GAO that the IRS is pursuing an agencywide approach to address the root cause of

the weaknesses, adding that many weaknesses have been corrected and additional controls have been implemented. He characterized the IRS efforts to fix security flaws as aggressive, noting that agency is developing security plans, security documentation, and security testing.

TOSHIBA
COPY ■ FAX ■ PRINT

Copyright © 2005 CMP Media LLC

<http://www.gencourt.state.nh.us/legislation/2006/hb1582.html>
Passed by New Hampshire House, March 6, 2006

HB 1582 – AS INTRODUCED

2006 SESSION

06-2986

05/03

HOUSE BILL 1582

AN ACT prohibiting New Hampshire from participating in a national identification card system.

SPONSORS: Rep. Marple, Merr 9; Rep. Souza, Hills 11; Rep. Phinizy, Sull 5;
Rep. L. Christiansen, Hills 27; Rep. Kurk, Hills 7

COMMITTEE: Transportation

ANALYSIS

This bill prohibits New Hampshire from participating in a national identification card system.

Explanation: Matter added to current law appears in *bold italics*.

Matter removed from current law appears [~~in brackets and struck through~~].

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

06-2986

05/03

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Six

AN ACT prohibiting New Hampshire from participating in a national identification card system.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Prohibition Against Participation in National Identification System. The general court finds that the public policy established by Congress in the Real ID Act of 2005, Public Law 109-13, is contrary and repugnant to Articles 1 through 10 of the New Hampshire constitution as well as Amendments 4 through 10 of the Constitution for the United States of America. Therefore, the state of New Hampshire shall not participate in a national identification card system; nor shall the department of safety amend the procedures for applying for a driver's license under RSA 263 or an identification card under RSA 260:21.

2 Effective Date. This act shall take effect 60 days after its passage.

Questions from (H) State Affairs committee 4/4/2006

Where does DMV receive authority to refuse to issue a Driver's License to an illegal alien?

Beginning in AS 28.15.011, for a person to drive they must have "...a valid Alaska driver's license issued under the provisions of this chapter..."

Next, application must be made as required in AS 28.15.061 (a) and that application must include: name, date and place of birth, sex, address (mailing and residence), social security number as well as "...other information that the department may reasonably require to determine the applicants identity..."

The authority for this "other information" is found in 13 AAC 08.310 Application of regulations. "Under the authority granted the department by AS 28, 13 AAC 08310 – 13 AAC 08.400 provide standards for issuance of original driver's license..."

To reasonably determine that identity, the DMV refers to 13 AAC 08.330; Requirements of applicant. The applicant "...must furnish documentary proof of the person's date of birth, and one form of identification to verify the person's name." Section (b)(1 – 4) call for a birth certificate, an out-of-state-DL and passport. Section (b) (4) allows "other evidence of comparable validity" These items are developed by the DMV and will be found in our Standard Operating Procedures. (see below written policy)

AS 28.15.11 states "Upon successful completion of the application and all required examinations and upon payment of the required fee, the department shall issue to every qualified applicant a driver's license..."

It is presumed that an applicant who does not meet the identity standard by failing to provide two of these acceptable documents has not successfully completed the application process.

In summary: The Alaska Statutes and the Alaska Administrative Code give the DMV the authority to determine exactly what documents may be used to verify the applicants identity. In the past recent history, the DMV has relied on and has accepted only documents held by a person who is either a US Citizen or has established presence in America legally. This history includes not only this current administration, but others as well.

After carefully reviewing the comments and questions from the (H) State Affairs meeting of April 4th, 2005 I would surmise that if the Committee concurs with Rep. Gruenberg's opinion that DMV today does not have the authority to deny an application for a driver's license to an illegal alien, then I believe that underscores the point and purpose of HB 290 and it's importance to Alaska.

What are the new Regulations on this subject?

Please see attached

What is the written policy on accepting documents to prove identity?

Please see attached

Respectfully Submitted,

Duane Bannock
Director
Alaska Division of Motor Vehicles

What are the new Regulations on this subject?

Please see attached *3 pages*

What is the written policy on accepting documents to prove identity?

Please see attached *3 pages*

Respectfully Submitted,

Duane Bannock
Director
Alaska Division of Motor Vehicles

Attn: Louie

*TWX
DAS
2695008*

Register _____, _____ 2006 ADMINISTRATION

(b) If the department refuses to issue a driver's license, the department will inform the applicant at the time of application of the decision, the reason for the decision, and, if applicable, what the applicant must do in order to obtain a driver's license. (Eff. 7/1/2006, Register 178)

Authority: AS 28.05.011 AS 28.15.031

2 AAC 90.420. Application for driver's license. (a) An application for a driver's license must be made on the form prescribed and provided by the department. The application will include questions concerning a person's eligibility for a license, including the existence of physical or mental conditions that may impair the ability of the applicant to operate a motor vehicle safely. If the applicant's answers to these questions indicate the existence of a physical or mental disability that may affect the safe operation of a motor vehicle by the applicant, the department may require an examination of the applicant by a licensed physician, psychiatrist, optometrist, or other competent medical authority before issuance of a driver's license. The expense of the examination must be paid by the applicant. The results of an examination within the previous six months will meet the requirement of this subsection, unless the condition has commenced or changed since that examination was conducted.

(b) An applicant for an original driver's license must furnish documentary proof of the applicant's date of birth, and one form of identification to verify the applicant's full legal name. The proof of date of birth and full legal name must consist of one of the following:

- (1) a certified original or certified copy of the person's United States birth certificate;
- (2) a United States or Canadian passport;
- (3) a foreign passport with the appropriate Immigration Status forms;