Driver License Fraud: A Strategy for Reducing the Impact on Florida

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Abstract

Driver license fraud is not new to Florida. Criminals create new identities to commit criminal activities. The document most used to create this new identity is the driver license.

It is estimated that driver license fraud costs Florida millions of dollars annually. This study was done to determine how much of a problem driver license fraud is for Florida. Additionally, this study hopes to uncover the technological resources available to aid in combating driver license fraud.

A survey of Division of Driver License regional administrators and Florida Highway Patrol investigators was conducted. It was found that detecting and deterring crimes of fraud is difficult due to false identification. Other criminal activities are a spin-off of driver license fraud. These issues make driver license fraud a major problem for Florida.

The study concludes that advanced technology is available to combat driver license fraud. However, the system is still dependent upon the skill of the examiner in identifying fraudulent documents.

Introduction

In Florida, the driver license was originally instituted as a mechanism for revenue generation. Later, because of public safety concerns, it evolved into a certificate of driver qualification with emphasis on the ability to operate a motor vehicle safely. Through the years, the driver license has also evolved into being used as a personal identification document along with its original concept. Because of these multiple uses, driver license fraud has seen evolution and growth.

Criminals can create completely new identities with the use of false identification. With this new identity, they commit a multitude of crimes without being detected. The most commonly used document for creating a false identity is the driver license.

The criminal use of false identification is a multimillion-dollar problem experienced at federal, state and local levels. Criminals use false identification in welfare fraud, illegal immigration, drug trafficking, passing bad checks, credit card fraud and a multitude of other crimes. With this fraudulent identity, criminals can appear and disappear at will by creating fictitious "paper people." The key to succeeding in illegal activity is the establishment of an apparently legitimate identity. This identity can be created through counterfeit alien documentation, birth certificates, driver licenses and social security cards. This fraudulent documentation can enable the possessor to obtain many of the rights and privileges reserved for those observing the appropriate laws (Morton, 1995).

In 1976, under the sponsorship of the U. S. Department of Justice, the Attorney General of the United States established a Federal Advisory Committee on false identification. This committee was created to study the nature and scope of the criminal use of false identification. The committee, which represented all levels of governmental agencies and the commercial sector, reported that false identification impacts nationally. The committee determined that the most frequently used documents for establishing

false identities are the birth certificate and the driver license (Division of Driver License, 1991).

There is no known identification card or driver license that is totally fraud or counterfeit proof. The relatively easy acquisition of fraudulent and original birth certificates and driver licenses greatly complicates the idea of a "secure" identification card (False Identification, 1988). Fraudulent identification documents and cards can be bought in virtually any city in the country (False Identification, 1988). Mail order businesses supply blank birth certificates and baptismal certificate forms to anyone who orders them (False Identification, 1988).

For U.S. natives, most items of personal identification are applied for through the submission of a certified copy of one's birth certificate. Since they are a virtually indispensable prerequisite for accumulating additional pieces of official identification, birth certificates are often referred to as "breeder" documents. A driver license, state identification card, and social security card are all generated using one's birth record (Stader, 1995). By using counterfeit or altered breeder documents, a person can obtain almost any other kind of valid identification document and participate in a broad range of criminal activity. A picture of an individual, while clearly the most widely accepted personal identifier, is no guarantee of the identity of the identification holder.

The ability to judge, by sight, the authenticity of common forms of identification is a valuable skill to cultivate (Stader, 1995). This means learning and applying the skills to recognize details that are characteristic of bogus documents. The method used in issuing an identification card and the screening of an applicant both have a very strong influence on the security of any identification card. This makes the learning of these recognition skills valuable and extremely important.

Using impostor documents is another way of creating a false identity. Impostor documents are genuine, unaltered documents that are used by someone other than the person to whom they were issued. This is the fastest growing and most difficult type of fraud to detect (Riley, 1995). Fraudulent documents are not presented for any legitimate purpose (Riley, 1995).

While banks lost nearly $90 million in 1993 through robberies, a recent American Bankers Association survey showed that banks lost a staggering $815 million the same year through check fraud (Gresock, 1995). State issued identification cards and phony company identification cards are used to accomplish the fraud. Credit card fraud is horribly expensive and the victims are not so much the issuing banks as their customers.

Credit card interest rates generally run from around 12 percent to as high as 23 percent on unpaid balances. Some industry representatives say that as much as 10 points of that interest are the direct result of having to cover the losses of credit card fraud in its various forms (Dees, 1995). Counterfeiting credit cards is a popular method. Counterfeit driver licenses are made to match the names embossed on the credit card, and the cards are then used for regular purchases (Dees, 1995). Advances in computer software graphics, printers and desktop publishing equipment are bound to increase the counterfeiter's skill in producing higher quality bogus documents (Stader, 1995). In the words of former Notre Dame President Theodore Hesburgh, the nations complacent management of its vital statistics records helps make America a "document forger's paradise." (Simcox, 1991). Technological advances are making low-cost, tamper-proof

identification possible. Ultimately, though, these documents are only as reliable as the records from which they were generated. The 1976 Federal Advisory Commission on False Identification found that easy access to breeder documentation aided broad patterns of crime and abuse, from drug smuggling and money laundering to fraudulent veterans claims (Simcox, 1991).

Society's vulnerability to fraud increases with its complexity. Gaps in identification security cannot be bridged by technology alone -- it will take political will as well (Simcox, 1991). Politicians depend on the vote of the citizens he or she represent to remain in office. Political will is the courage to support an identification system that the people may believe to be intrusive.

Civil libertarians continue to argue that any kind of secure identification document necessarily and inevitably will put the U.S. on the road to totalitarianism, and that all information systems ultimately will be abused (Simcox, 1991). As a consequence, Congress has stalled on the issue of secure identification. If the federal government chooses not to take a more concrete stand on the issue of fraudulent identification, then possibly each state should decide the issue for itself.

The Florida Highway Patrol (FHP) is required by Florida statutes to enforce laws governing the licensing of drivers. The FHP Bureau of Investigations has the primary responsibility to investigate driver license fraud. Other police agency investigators, investigating credit card fraud or other crimes using fraudulently obtained identification, often ask FHP investigators how or why false identification could be issued.

This project attempts to determine the significance of driver license fraud in Florida and the technological resources available to aid in the prevention of driver license fraud by answering the following questions:

- How significant is driver license fraud in Florida?

- How can driver license fraud be reduced and/or prevented?

Methods

A method to determine the significance of driver license fraud in Florida was needed. A driver license fraud survey was developed after research had been initiated and research questions were formulated. The survey consisted of nine questions dealing with several topics associated with driver license fraud. Two of the questions were formulated to address the topic, "How significant is driver license fraud in Florida?" Also, sufficient space was provided for ideas of why driver license fraud is a significant problem and to identify how driver license fraud has an impact on Florida citizens. The survey also provided space to identify what technology, methods, or systems could be used to combat driver license fraud. The survey was designed to provide anonymity to the employees being surveyed so they could provide their opinions and feelings without fear of being identified.

The survey was mailed to 14 Division of Driver Licenses regional administrators and 33 investigators of the Florida Highway Patrol, Bureau of Investigations. The intent of mailing the survey to Driver Licenses regional administrators and to sworn law enforcement investigators was to compare and contrast the opinions of sworn versus non-sworn personnel.

In 1983, the Division of Driver License began a program to detect driver license fraud. Driver license examiners were trained to recognize altered or counterfeit documents and to verify the information provided by the driver applicant. A Review of the Division of Driver Licenses fraud detection program statistics for 1993, 1994, and 1995, was conducted to determine if there has been a significant increase in the number of fraudulent Florida driver license applications detected by driver license examiners (Division of Driver License, 1993, 1994, 1995).

A review of the FHP case management system was conducted for the years 1993, 1994, and 1995, to determine the extent of investigative resources directed toward driver license fraud by FHP investigators. This review was to determine if there has been a significant increase in the number of driver license fraud investigations (Division of Florida Highway Patrol, 1993, 1994, and 1995).

Data Analysis

Of the 14 surveys mailed to Division of Driver Licenses regional administrators, 12 were returned or 86 percent. Of the 33 surveys mailed to investigators of the Florida Highway Patrol, Bureau of Investigations, 27 were returned or 82 percent. The survey results reveal that 90 percent of all respondents agree that driver license fraud is a significant problem for law enforcement in Florida. The driver license fraud survey is summarized in Table 1, which shows responses to all survey questions from both FHP and DDL respondents.

The following is a synopsis of the written responses requested to questions number 1 and 3, and to the "final remarks" section.

#1 Driver license fraud **is** a significant problem for Law Enforcement in Florida because:

- It's harder for law enforcement officer to detect/deter crimes
- False identification provides opportunity for other criminal activity such as:
  - bank/credit card fraud
  - title fraud
  - scams
  - welfare fraud
- Innocent victims can be arrested whose identity has been "borrowed"
- Aids criminals in concealment of their identity
- The judicial system doesn't consider DL fraud as "real" crime

#3 Driver license fraud **has** a significant impact on the citizens of Florida because:

- It increases the cost of consumer products and services
- Can ruin an innocent victim's credit

	#	Strongly Agree	#	Agree	#	Neutral	#	Disagree	#	Strongly Disagree	#	No Response
Driver license fraud is a significant problem for Law Enforcement in Florida.												
DDL	2	17%	6	**50%**	3	25%	1	8%	0	0%		
FHP	24	**89%**	3	11%	0	0%	0	0%	0	0%		
Driver license fraud is on the increase.												
DDL	4	33%	5	**42%**	2	17%	1	8%		0%		
FHP	10	37%	17	**63%**	0	0%	0	0%	0	0%		
Driver license fraud has a significant impact on the citizens of Florida.												
DDL	7	**58%**	4	33%	1	8%	0	0%	0	0%		
FHP	16	**59%**	11	41%	0	0%	0	0%	0	0%		
Florida Driver Licenses are intended to be used as a personal identification document.												
DDL	0	0%	3	25%	3	25%	5	**42%**	0	0%	1	8%
FHP	11	**41%**	8	30%	2	7%	4	15%	2	7%		
Today's method of issuing a Florida Driver License is adequate to prevent driver fraud.												
DDL	1	8%	1	8%	2	17%	7	**58%**	1	8%		
FHP	1	4%	0	0%	0	0%	14	**52%**	12	44%		
Florida Law Enforcement/Criminal Justice Justice Systems are doing an adequate job in combating driver license fraud.												
DDL	0	0%	0	0%	4	33%	6	**50%**	2	17%		
FHP	0	0%	1	4%	1	4%	19	**70%**	6	22%		
A national identification card with genetic marks (DNA) or fingerprints(s) is needed as a personal identification document.												
DDL	5	**42%**	1	8%	5	**42%**	1	8%	0	0%		
FHP	9	33%	10	**37%**	4	15%	2	7%	2	7%		
A national identification card with genetic marks (DNA) or fingerprints(s) would assist in the prevention of driver license fraud.												
DDL	5	**42%**	3	25%	3	25%	1	8%		0%		
FHP	9	33%	15	**56%**	1	4%	1	4%	1	4%		
There is appropriate technology available to prevent driver license fraud.												
DDL	2	17%	5	**42%**	3	25%	1	8%	1	8%		
FHP	6	22%	19	**70%**	1	4%	0	0%	1	4%		

Table 1: Summary of all responses to the driver license fraud survey

- Illegal aliens go undetected
- Puts more dangerous drivers on the road
- Raises insurance rates
- Aids in drug smuggling
- Underage drinking increases

Survey Final Remarks:

Respondents were asked for any final comments or suggestions; the responses follow:

- Add additional personal information or code onto magnetic strip.
- Fingerprint.
- Retinal Scanning.
- Stronger prosecution of DL fraud.
- Tamper proof document paper with better laminates.
- Greater cooperation with Social Security Administration to provide immediate verification of SSN used.
- Photo comparison check all applicants requesting two or more duplicates or replacements in a 12 month period.
- DHSMV database programmed to detect when "x" number of items on a DL application are identical and require further investigation to determine if actually two separate persons or not.
- Use only legal documents as proof of identity and copy/keep those docs in permanent record.
- Require polygraph examination of all DL Examiners periodically.
- Disallow DL renewal by mail.

The Division of Driver License fraud detection program statistics determined that there has been a significant increase in the number of fraudulent driver license applications detected by driver license examiners. In 1993, DL examiners detected 24,804 incidents of driver applicants attempting to complete an application for a fraudulent driver license. Driver License examiners detected 1,999 incidents of completed driver license fraud applications. In 1994, 28,078 attempts to complete an application and 2,588 completed fraud applications were detected by the examiners. These figures indicate an eight percent increase in completed fraud applications and a nine percent increase in attempted driver license fraud. In 1995, examiners detected 2,679 incidents of completed driver license fraud applications and 26,039 attempts at driver license fraud. These figures represent a ten percent increase in completed fraud applications over the 1994 figures and a nine percent decrease in attempted fraudulent applications (Division of Driver License, 1993; 1994; 1995).

Once it is determined that an applicant has used a false or fictitious name in an application, the Driver License examiner will immediately contact the Florida Highway Patrol or a local law enforcement agency. The examiners will delay the issuance of a

driver license to give law enforcement time to respond. Upon arrival of law enforcement, the impostor is usually arrested for driver license fraud, a third degree felony.

The Division of Driver License has the authority to cancel any driver license upon determining that the licensee is not entitled to the issuance or that the impostor has committed fraud. The Division has the authority by Florida Statutes to suspend the license or driving privilege, for 12 months, of any person committing driver license fraud or knowingly been a party to the obtaining of a license by fraud.

The FHP case management system revealed that in 1993 FHP initiated 196 driver license fraud investigations, spending 8,568 hours or 43.7 hours per investigation, making 224 arrests. In 1994, FHP investigated 195 incidents of driver license fraud, spending 11,238 hours or 57.6 hours per investigation, making 173 arrests. There were 250 driver license fraud investigations conducted during 1995. Investigators spent 11,745 hours investigating these cases and making 236 arrests (Division of Florida Highway Patrol, 1993; 1994; 1995). These figures reflect an eight percent increase in number of driver license fraud investigations since 1993.

The Florida Highway Patrol, Bureau of Investigations, becomes involved in driver license fraud cases requiring investigative effort or criminal prosecution. Local police, sheriffs' offices and state attorneys refer the cases to the Bureau. The Division of Driver License's fraud section also will refer cases and request they be investigated. Usually driver license fraud involves a known subject and an unknown impostor. Investigators use various techniques to determine the true identity of the impostor. Upon completing any driver license fraud investigation, a complete report is compiled. If the evidence supports such, the impostor is arrested, a report is forwarded to the State Attorney's Office for prosecution, and to the driver license fraud section for administrative action. The driver license fraud section will then correct the involved record(s).

These statistics indicate that DHSMV employees are spending a great deal of time and effort in combating driver license fraud. The time and effort expended by these employees translates into taxpayer dollars spent in combating driver license fraud. This cost is another example of the impact driver license fraud has on the citizens of Florida.

Discussion

The charted data suggest that today's method of issuing a Florida Driver License is inadequate to prevent driver license fraud. Eighty-seven percent of the respondents agree that the present system is inadequate. Respondents also agree that the Florida law enforcement/criminal justice systems are not doing an adequate job in combating driver license fraud in Florida.

The judicial system's failure to consider driver license fraud a significant crime has contributed to the overall problem. Support from community leaders is needed to change the perception that the judicial system is inadequate. Education and public awareness campaigns, similar to the campaign of Mothers Against Drunk Driving (M.A.D.D.) combating driving under the influence, may convince law makers that driver license fraud is the first step criminals use to go undetected. Once community leaders agree that combating driver license fraud would help in the overall crime fighting efforts, they could then make it a political issue. This may give lawmakers that "political will" to encourage the judicial system to utilize the current penalties and prosecute the criminal.

This political will could then also push the use of advanced technology in combating this particular fraud.

The survey results revealed that 90 percent of all respondents agree that driver license fraud is a significant problem for law enforcement in Florida. Of the FHP respondents, 100 percent agree that driver license fraud is a significant problem in Florida, while 67 percent of the DL Regional Administrators agreed.

The survey revealed that 90 percent of all respondents agree that driver license fraud has a major impact on the citizens of Florida. Of the FHP respondents, 100 percent agree that driver license fraud has a major impact on the citizens of Florida, while 91 percent of the Driver License Regional Administrators agreed. Ninety two percent of the FHP respondents felt that the law enforcement system is not doing an adequate job. Sixty seven percent of the Driver License respondents agreed with that assessment.

There was an obvious contradictory response to the survey question which asked if the respondent felt that there is appropriate technology available to prevent driver license fraud. Ninety two percent of the FHP respondents felt there was appropriate technology available, while 59 percent of the driver license respondents felt there was not.

The respondents provided several ideas why they believe driver license fraud is a significant problem in Florida. Most agree that law enforcement has a difficult time detecting and deterring crimes by fraud. False identification provides opportunities for other criminal activity such as bank/credit card fraud, welfare fraud, title fraud and other scams. Driver license fraud has an impact on all the citizens of Florida. The most noted impact was the increased cost in consumer products and services. Also noted were the problems innocent victims met through their ruined credit. Additionally, respondents mentioned problems created for law enforcement, in the war on drug smuggling and putting more dangerous drivers on the road.

The original intent of the driver license was simply to generate revenue and later, to certify the privilege to drive. However, the driver license has also become a widely accepted form of personal identification. When cashing a check or verifying credit card ownership, a driver license often serves as a primary proof of identity. When a law enforcement officer asks for identification, a driver license is usually the document provided. However, based on the data collected, driver license examiners still believe that the driver license is only a certificate to indicate the ability to operate a motor vehicle safely. Society's lack of establishing a national identification card created the use of the next best document to establish one's identity -- the driver license. It has all the necessary information required to identify an unknown subject. It includes their name, date of birth, address, and sex. In the state of Florida it also includes the most important item of identification -- a photo. It is accepted that the driver license was not originally intended to be a personal identification document. However, it has now evolved into a mechanism for revenue generation, a certificate of driver qualification, and a personal identification document. This modern multiple use of the driver license has affected the current day driver license fraud.

Conclusion

Attempts to produce fraudulent driver licenses, and alter legitimate ones, were once thought of as teenagers changing dates of birth to indicate a false age so that establishments selling alcohol could be entered. Today, driver license fraud is a multimillion-dollar problem at the federal, state and local levels. The judicial system's failure to consider driver license fraud a significant crime, and not just an act to indicate a false age, has expanded the problem. Obtaining false identification is the first step for criminals. A 20-dollar investment that involves almost no risk could guarantee a return of thousands of dollars. The impact that driver license fraud has on Florida would be hard to measure in dollars. However, survey respondents believe that driver license fraud does affect the citizens of Florida.

Each Floridian is personally affected due to the increases in the cost of consumer products and services caused by driver license fraud. Banks and retail outlets are usually the hardest hit by fraudulent activity. Using false identification, a person or persons can usually go about their illegal gaining of products or moneys undetected. The use of false identification makes the detection and deterrence of crimes difficult for law enforcement.

The survey results suggest that there is appropriate technology available to curtail driver license fraud. Many respondents remarked that Florida's new digitized driver license is part of the technological answer to help combat driver license fraud.

On November 30, 1995, the Division of Driver License began issuing digitized driver license and identification cards. A computerized system creates a driver license with a digitized photo and signature. The license will be issued over the counter as before. There is a central image repository for demographic information and image data. Driver License employees can retrieve an applicant's on-line record to verify identity and license status with documentation received from the applicant. Inquiries of other states' databases can be made to prevent the issuance of multiple licenses to the same person. Currently, at three Driver License offices test sites, the applicant will also have the option to provide a scan of their thumbprint. The system will assign a numeric value to the print, which is stored. The actual print is not stored, just the numeric value, which insures that it cannot be used for any other purpose. An applicant's print numeric value is automatically compared against a database of previously scanned print values. This print scan recognition system can be a major tool in combating driver license fraud if expanded to all Driver License issuing sites. The new digital imaging system will be one step toward averting impostors from securing a driver license or identification card. If this system proves successful, it could result in lessening the damage to an innocent party's credit history and help combat underage identification fraud. The new system may go a long way to deter and minimize driver license fraud.

However, even with this advanced digital technology, the system is still dependent upon the knowledge, skill, and ability of each driver license examiner. The examiner must be able to identify someone attempting to secure a driver license fraudulently. Therefore, as numerous respondents suggested, those individuals responsible for front-line issuance of a driver license, must be fully trained to be capable of distinguishing fraudulent documents from legitimate ones. Currently, the Division of Driver License has one full-time instructor whose primary responsibility is driver license fraud training. Each driver license Regional Office has an employee who, in addition to

their normal job responsibilities, trains local driver license employees. New driver license examiners receive 80 hours of initial training that includes how to identify fraudulent documents. All examiners receive driver license fraud refresher training on an annual basis.

This study, along with suggestions from the survey respondents, concludes that there are additional advanced technological devices, methods, and procedures that could be used in the future as strategies in combating driver license fraud. Technology and methods include automated palm print recognition, optical scanning and digital encoding of palm prints for automated comparison. Retinal blood vessel pattern matching is an automated optical scanning system whereby a fundus camera is used to obtain and match unique retinal patterns. One or more of these unique, innovative systems could be the future of driver license fraud prevention. Of course, objections from civil libertarians could arise claiming that government is overstepping the boundaries of civil and human rights. Currently there are no plans to use this type of advanced technology in the Florida driver license issuing system.

Areas that would not necessarily infringe on an individual's rights include incorporating tighter control and accuracy on vital statistic documents that are used in originally obtaining a driver license in Florida. Matching birth and death records could be one method of increasing vital statistic document control. Automatically issuing a social security number to a citizen at birth and displaying that number on the birth certificate could be another way to lower the rate of driver license fraud.

In summary, this research shows that Florida Highway Patrol Investigators and Driver License Regional Administrators agree that advanced technology exists which could increase the prevention of driver license fraud. Currently there are no plans to increase the use of advanced technology beyond digital imaging and possible thumbprint scanning.

Captain Marty Snow is a 21 year veteran of the Florida Highway Patrol. With prior assignments in Orange, Pinellas, Putnam and Palm Beach Counties, Captain Snow has been the Assistant Chief of Investigations in the Northern Region of the Investigations Bureau, supervising criminal investigations and internal investigations since 1990. He also has statewide responsibility for the Polygraph Section. Married for 25 years, Marty and Ramona Snow live in Tallahassee with their two children, Erin and Richard.

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