



Department of Legislative Services  
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## Maryland Department of Transportation - Motor Vehicle Administration (MVA)

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Presentation to Joint Audit and Evaluation Committee

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## Background

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- MVA has jurisdiction over a variety of activities related to the ownership and operation of motor vehicles, including the registration and titling of vehicles. MVA is responsible for issuing commercial and non-commercial driver's licenses, license renewals, corrected licenses, learner's permits, and personal identification cards.
- During fiscal year 2019, MVA's collections, which primarily consisted of motor vehicle excise tax receipts and vehicle registration fees, totaled \$1.8 billion and MVA's expenditures totaled \$223.2 million. MVA processed approximately 5.9 million licensing transactions, which included 931,000 new driver's licenses, resulting in \$48.9 million in revenue.
- The audit report covers activity during the period from December 15, 2015 and ending June 2, 2019. The report contains 9 findings, including 1 repeat finding from our preceding audit report.



## Key Findings

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- MVA lacked adequate procedures to:
    - prevent, identify, investigate, and cancel products (including REAL IDs) that were issued based on questionable documentation;
    - apply points or suspend/revoke licenses for serious motor vehicle convictions received in other states;
    - ensure products issued using manual overrides of system controls were proper; and,
    - notify other states when it issued a non-commercial license to an individual that had a license from another state, and update related driving records for out-of-state traffic convictions.
  - MVA did not provide adequate safeguards over personally identifiable information.
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## Licensing (Finding 1)

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MVA did not always use available data to prevent, or identify, investigate, and cancel products (including REAL IDs) that were issued based on questionable documentation. As a result, products may have been issued to ineligible individuals.

- Our analysis disclosed 106 addresses, each with 20 or more individuals holding products using the same address, that appeared to be single-family residential dwellings (such as single family house, townhouse, or an individual apartment). For example, there were 26 individuals licensed at one 910 square foot dwelling. As of July 2019, MVA records disclosed 5,879 addresses that were used as the primary address for 76,882 individuals.
- MVA identified ten individuals that used fraudulent documentation to support their address in order to obtain products, but did not take appropriate action until we brought it to their attention nine months after their review.



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## Licensing (Finding 1) - continued

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- MVA processes to identify duplicate Social Security Numbers (SSNs) were not working as intended. Our review of MVA records as of July 2019 disclosed 70 SSNs associated with what appeared to be 140 individuals that were not detected by MVA's data matches.
- MVA had not previously identified these as possible problems and could not readily explain why these SSNs were not identified in its matches. MVA subsequently conducted research on our results and determined that 12 SSNs were each used by two different individuals. The remaining 58 SSNs were related to individuals with duplicate accounts on MVA's system that needed to be consolidated.



## Licensing (Finding 2)

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MVA did not always apply points or suspend/revoke non-commercial Maryland licenses as required for serious motor vehicle convictions received in other states.

- MVA did not record the required points for 1,275 convictions related to 1,172 people. Because the required points were not recorded on the driving records, MVA may not have been aware that the Maryland licenses of these individuals should have been suspended or revoked.
- MVA did not always suspend or revoke the related Maryland license when the required points were properly recorded on a licensee's driving record.



## Licensing (Finding 2) - continued

- Our test of ten Maryland license holders with serious traffic offenses (five with points recorded, five without points recorded) in other states found that MVA did not suspend or revoke the license in all ten instances.

Individual	Conviction Jurisdiction	Conviction Description	Conviction Date	Points Required to be Assessed	Points Recorded by MVA	License Suspended or Revoked by MVA
1	Delaware	Driving under the influence	12/21/2018	12	0	No*
2	Florida	Driving under the influence	4/30/2019	12	0	No
3	Hawaii	Driving under the influence	10/30/2018	12	0	No
4	Ohio	Failure to stop and render aid	5/23/2017	12	0	No
5	Virginia	Failure to stop and render aid	2/8/2019	12	0	No
6	Delaware	Driving under the influence	2/14/2019	12	12	No
7	Kentucky	Driving under the influence	5/1/2019	12	12	No
8	New Jersey	Driving under the influence	4/4/2019	12	12	No
9	New Jersey	Driving under the influence	3/7/2019	12	12	No
10	Virginia	Driving while intoxicated	12/12/2018	12	12	No

\* This individual was also cited for negligent driving in Maryland within six months of the Delaware conviction.

Source: MVA Driver's License System, MVA Points System, State law



## Licensing (Findings 3, 4, and 5)

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- Finding 3 - Supervisors approved products that were issued by customer agents using manual overrides of system controls without adequate support, and MVA did not document efforts to recover products issued due to improper overrides. Our test of 20 overrides approved by supervisors including 10 for reinstated and reissued licenses and 10 for other actions (such as provisional or new license issuance), disclosed that 7 of the overrides lacked sufficient documentation to support the override.
  - Finding 4 - MVA did not make all the required notifications of license issuances to other states, and did not update driving records. Our test of 21 licenses issued to individuals from other states disclosed that 18 had active licenses in both states as of October 2019.
  - Finding 5 - MVA did not record convictions from other states for 3 of 21 tested individuals that were previously licensed in another state. As of October 2019, these 3 Maryland licenses had been active for between 147 and 274 days.
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## Information Systems (Finding 6)

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Sensitive personally identifiable information (PII) for millions of individuals was stored in a manner that did not provide adequate safeguards, and licensing information was accessible to numerous employees.

- MVA and the Office of the Secretary maintained PII for current and former license and driving records in a manner that did not provide adequate safeguards. As of August 28, 2019, two applications' related databases contained PII involving 10.4 million and 8.8 million records respectively, which were maintained in a manner that made the information vulnerable to improper disclosure.
- As of December 2019, more than 1,100 system users had the ability to view sensitive personal information for approximately 4.8 million current licensees.
- MVA management advised us that its current legacy system had limitations that precluded the ability to safeguard PII and restrict access to view PII, and that a new system, under development, will have the ability to safeguard and restrict access to view PII.



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## Other Findings (Findings 7, 8, and 9)

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### Information Systems

- **Finding 7** - MVA's procedures were not sufficient for securing numerous computers using installed outdated versions of malware protection software. For example, 2,863 computers were running outdated versions of malware protection software.

### Contract Procurement and Monitoring

- **Finding 8** - MVA did not obtain sufficient documentation to verify the propriety of billings from two information technology services vendors. MVA also did not always ensure that vendor employees were qualified or evaluate the employee's performance as required by the contracts.
- **Finding 9** - MVA did not have adequate safeguards in place to secure competitive bids that were electronically received and to document that two employees were present for bid openings. **Repeat Finding**



## Conclusions

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MVA should implement comprehensive procedures to:

- prevent, identify, investigate, and cancel products that were issued based on questionable documentation;
- apply points and/or suspend/revoke licenses for serious motor vehicle convictions received in other states;
- ensure products issued using manual overrides of system controls were proper;
- notify other states when it issued a non-commercial license to an individual that had a license from another state, and update driving records for out-of-state convictions; and,
- ensure adequate safeguards exist over PII.