

Mass. agrees to \$62.2M software contract for real ID licenses

National deadline comes in 2020

By Andy Metzger

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BOSTON >> The ability of Massachusetts residents to access certain federal buildings and airplane departure gates in future years could depend on the success of a \$62.2 million contract with a Colorado company hired to revamp the state's three-decade-old driver's license software system.

After the Massachusetts Department of Transportation authorized the state to move forward with Fast Enterprises on Thursday, Transportation Secretary Stephanie Pollack said the new software package could support the state's plans for licenses that comply with the federal REAL ID law.

Pollack said the computer system allows the registry to issue driver's licenses and provides information to law enforcement.

Passed by Congress in 2005 at the recommendation of the 9/11 Commission, the REAL ID law requires federal agencies to follow security standards in determining whether to accept a state's driver's licenses as identification.

By 2020 every air traveler in the country will need a state-issued REAL ID-compliant license or other acceptable identification such as a U.S. passport or military ID, according to the Department of Homeland Security.

"We have roughly 5 million licensed drivers in Massachusetts, all of whom will have to come in and get new Real ID compliant licenses, and we want to make sure that we have enough time to do that," Pollack said.

The Registry of Motor Vehicles' current computer system, known as the Automated License and Registration System or ALARS, is 30 years old and difficult to maintain and use, according to Registrar of Motor Vehicles Erin Deveney's presentation to the board.

"It is a very old system. It actually is written in a computer language called COBOL, and it lives on a mainframe computer," Pollack told reporters. The system collects \$1 billion in revenue annually and receives 3 million inquiries from law enforcement daily, according to Deveney's presentation.

The state had initially hired contractor Deloitte to update the registry's computer system, but parted ways with the company last year.

"There was a prior contract that had been awarded to Deloitte," said Pollack. "When I became secretary and when we named the current registrar, we did a review of that contract. A lot of money had been spent and very little software code had been written, and so the contract was cancelled, and this is the replacement of that failed attempt to modernize the ALARS program."

According to Deveney's presentation the Deloitte contract was 13 months behind, and over-budget.

Deveney said under the new contract, the state would not pay if Fast Enterprises fails to deliver. The state has struggled with other major information technology contracts in the past, most notoriously with the Health Connector's botched attempt to launch a health insurance exchange website compliant with the Affordable Care Act.

Pollack told the board she wants MassDOT to be a "model" on IT projects.

While the former ALARS system could be used to create a REAL ID-compliant license, the newly procured system would be superior for that task, Pollack said.

"There has been a plan that we could execute if we needed to, to actually update the old COBOL ALARS system if we needed to. It

is obviously much better if we can get this program up and running in time to use the new software to begin issuing Real ID compliant licenses in 2018," Pollack said. "Current federal law requires all of us to have those licenses in our wallets or purses at the beginning of 2020, and we want to make sure we have a good two-year period."

The contract would cost \$62.2 million for an initial five-year term, including two years of warranty and maintenance, according to MassDOT. According to the presentation the contract includes maintenance options running an additional eight years at a cost of \$24 million.

According to the presentation, Fast Enterprises' proposed price was higher than the three other qualified bidders - MorphoTrust, Tech Mahindra and Infosys.

The Colorado-based Fast Enterprises has a good track record working with other states, according to the presentation, which said the contract is scheduled to start later this month.