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REGULATE SALE OF DRIVER AND MOTOR VEHICLE RECORDS

House Bills 5226 and 5227
Sponsor: Rep. Tony Stamas
Committee: Transportation

Complete to 1-20-00

A SUMMARY OF HOUSE BILLS 5226 AND 5227 AS INTRODUCED 1-19-00

The bills would prohibit the sale, by employees in certain state agencies, of driver and motor vehicle records to those who use the information to conduct surveys, to market, or to solicit.

House Bill 5226 would amend Public Act 124 of 1999, which makes appropriations for fiscal year 1999-2000 to state agencies including the Department of State, to repeal Section 802. Public Act 124, the general government appropriations bill, makes appropriations to the Departments of Attorney General, Civil Rights, Civil Service, Management and Budget, State, Treasury, the Executive Office, and the legislative branch. Section 802 of the act directs the Department of State to sell copies of records including but not limited to records of motor vehicles, off-road vehicles, snowmobiles, water craft, mobile homes, personal identification cardholders, drivers, and boat operators, and to charge \$6.55 per record sold. The section also requires that the department use the revenue received from the sale of records for necessary expenses as appropriated for the Department of State, and specifies that the balance of the fee revenue remaining on September 30 is to revert to the general fund.

House Bill 5227 would amend the Michigan Vehicle Code (MCL 257.232) to prohibit the secretary of state or any other state agency from selling any list of information for the purpose of surveys, marketing, and solicitations.

Generally and under current law, the secretary of state may contract for the sale of lists, in bulk, of driver and motor vehicle records and other records maintained under the code, if the purchaser of the records executes a written purchase contract. The secretary of state must fix a market-based price for the sale of such lists or other records maintained in bulk, which may include personal information, and the proceeds from each sale must be credited to the secretary of state's commercial look-up account. Under the bill, the secretary of state could continue to contract for the sale of lists, unless the information was to be used for surveys, marketing, and solicitations.

More specifically, House Bill 5227 would eliminate the provisions of existing law that require the secretary of state to do all of the following before selling and furnishing the information for surveys, marketing, and solicitations:

House Bills 5226 and 5227 (1-20-00)

- Furnish individuals with a conspicuous opportunity to be informed of their right to prohibit the disclosure of personal information about them for purposes of surveys, marketing, and solicitations through an ongoing public information campaign which must include the use of printed signs in branch offices, and notices included with application and renewal forms (to the extent that the secretary of state continues to use paper forms for these purposes), and may include periodic press releases, public service announcements, advertisements, pamphlets, notices in electronic media, and other types of notice. Each printed sign must be not less than 8 ½ inches wide by 11 inches high and contain a caption in not less than 46-point type. If the secretary of state furnishes notice on forms, that information must be similar to the information printed on branch office signs. The act also requires that the secretary of state review the public information campaign on an annual basis in order to update notice contents and furnish notice by more effective means.

-Provide individuals with a conspicuous opportunity, through a telephonic, automated, or other efficient system, to notify the secretary of state of their desire to prohibit the disclosure of personal information about them, for purposes of surveys, marketing, and solicitations. The secretary of state may contract with another public or private person or agency to implement this subdivision.

-Ensure that personal information disclosed in bulk will be used, rented, or sold solely for uses permitted under the act, and that surveys, marketing, and solicitations will not be directed at those individuals who in a timely fashion have notified the secretary of state that surveys, marketing, and solicitations should not be directed at them.

Analyst: J. Hunault

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.