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Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536

**SFA****BILL ANALYSIS**

Telephone: (517) 373-5383  
Fax: (517) 373-1986  
TDD: (517) 373-0543

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House Bill 4635 (as reported with amendment)  
Sponsor: Representative Lyn Bankes  
House Committee: Commerce  
Senate Committee: Government Operations

Date Completed: 12-4-97

### **RATIONALE**

Public Act 222 of 1972 provides for the issuance of the official State personal identification (State ID) card, which contains the same identification information included on a driver's license, such as the holder's picture, date of birth, address, and signature. Usually, a State ID card is obtained by people who do not have a driver's license, such as persons who cannot drive, do not want to drive, have never learned to drive, or have lost their driving privileges. Persons who obtain a State ID card can use it for the purpose of identifying themselves in various situations, such as when cashing checks. It has been pointed out, however, that despite the fact that State ID cards have been issued for over 25 years now, some retail establishments and financial institutions refuse to accept the card for purposes of identification. It has been suggested that in order to encourage the acceptance of the State ID card as valid identification, the Act be amended to require that the card be considered the same as a valid Michigan driver's license, and to increase the penalties for falsely representing information upon applying for a State ID card.

### **CONTENT**

The bill would amend Public Act 222 of 1972 to specify that when identification was requested, a valid official State ID card, presented by the person to whom the card was issued, would have to be considered the same as a valid Michigan driver license. Further, the bill would increase penalties for presenting false information on a State ID application.

Currently, under the Act, a person who falsely represents information upon applying for a State ID card is guilty of a misdemeanor. The bill would increase the offense to a felony, punishable by imprisonment for at least one year but not more

than five years or a fine of at least \$500 but not more than \$5,000, or both. A person who was convicted of a second violation would be guilty of a felony punishable by imprisonment for at least two years but not more than seven years or a fine of at least \$1,500 but not more than \$7,000, or both. A person convicted of a third or subsequent violation would be guilty of a felony punishable by imprisonment for at least five years but not more than 15 years or a fine of at least \$5,000 but not more than \$15,000, or both.

The bill would take effect July 1, 1998.

MCL 28.292 & 28.293

### **ARGUMENTS**

*(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)*

#### **Supporting Argument**

The official State personal ID card contains as much identifying information as a State driver's license, and it should be considered equally valid by anyone to whom it is shown for purposes of identification. Recent reports indicate that there are some businesses that choose not to accept this card when a person is asked to show identification, say, to make a purchase or to cash a check. The bill not only would require a valid State ID card to be "considered the same" as a valid State driver's license for identification purposes, it also would add stringent penalty provisions under which someone caught using a State ID card with false information on it would be guilty of a felony and, depending on the number of times the person was caught and convicted of such behavior, subject to significant prison terms or fines, or both. Thus, State ID card holders could be assured their cards usually would be accepted for identification purposes, while

business establishments would have less to fear in accepting the card because persons caught and convicted of using fake State ID cards would be subject to the same severe penalties as those caught using fake driver's licenses. A business still could decide not to accept a State ID card, just as it currently may refuse to accept a driver's license for identification purposes; the bill, however, would make it more difficult for the business to refuse to accept the State ID card if it customarily accepted driver's licenses.

### **Opposing Argument**

It should be noted that sometimes retailers' refusal to accept State ID cards stems from a legitimate uncertainty as to whether the ID has been tampered with, because they see fewer of them and are less certain of the contents than they might be of a drivers' license. As a result, the bill risks penalizing those scrupulous retailers who are unwilling to accept questionable identification.

**Response:** The increased penalties in the bill, for falsely representing information when applying for a State ID card, would reduce the number of cards obtained through fraud, and thus reduce the incidence of misuse.

Legislative Analyst: G. Towne

### **FISCAL IMPACT**

House Bill 4635 would have an indeterminate fiscal impact on both State and local government.

Under the Michigan Vehicle Code (MCL 257.903), the offense of using a driver's license as false identification is very similar to the felony proposed in House Bill 4635; the penalty structure is the same. Assuming that the pattern of convictions and sentences would be similar for the proposed legislation, the convictions and sentences for MCL 257.903 offenses may provide information about the bill's fiscal impact.

In 1996, there were 18 people convicted of violating MCL 257.903, as well as nine people convicted of attempting this felony. Although the length of sentence is unknown, the sentences for these offenders are as follows: eight sent to prison, 13 given probation, and five sent to jail. The cost of incarcerating eight offenders may be estimated at \$120,000 per year. The estimated average cost of probation for 13 offenders is about \$19,000. Jail costs vary from county to county.

Fiscal Analyst: K. Firestone

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.