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REGULATE SALE OF PERSONAL INFORMATION BY SECRETARY OF STATE

House Bill 5270

Sponsor: Rep. Randy Richardville

Committee: Transportation

Complete to 2-4-00

A SUMMARY OF HOUSE BILL 5270 AS INTRODUCED 2-3-00

House Bill 5270 would amend the Natural Resources and Environmental Protection Act to prohibit the secretary of state 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 act, 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 used to defray the costs of list preparation and other necessary or related expenses. Under current law, an authorized recipient of personal information that he or she discloses must a) keep records for at least five years identifying each person who received personal information and the permitted purpose for which it was obtained, and b) allow a representative of the secretary of state, upon request, to inspect and copy those records. When selling lists the secretary of state may insert any reasonable safeguard, including a bond requirement, to ensure that the information furnished or sold is used only for a permissible use and that the rights of individuals are protected.

Under House Bill 5270, 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 5270 would eliminate the provisions in four sections of the act that require the secretary of state to do all of the following before selling and furnishing the information for surveys, marketing, and solicitations:

- 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

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media, and other types of notice. Each printed sign must be not less than 8½ 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.

MCL 324.80130c, 324. 80315c, 324.81114c, and 324.82156c

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.