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Senate Bill 962 (Substitute S-1 as reported)  
Senate Bill 963 (Substitute S-1 as reported by the Committee of the Whole)  
Senate Bill 1075 (as discharged)  
Sponsor: Senator Alan Sanborn (S.B. 962 & 1075)  
          Senator Tony Stamas (S.B. 963)  
Committee: Transportation

## **CONTENT**

Senate Bills 962 (S-1) and 963 (S-1) would amend the Michigan Vehicle Code and Public Act 222 of 1972 (which provides for an official State personal identification card), respectively, to do the following:

- Require an applicant for a driver license or official State ID card to provide documents demonstrating U.S. citizenship or other lawful status in the U.S., along with a photographic identity document, a birth certificate, or other nonphotographic document.
- Permit the Secretary of State (SOS) to issue a limited-term license or ID card to an applicant presenting certain documents to demonstrate lawful status, including a nonimmigrant visa, an approved application for asylum, and an application for temporary protected status.
- Provide that a limited-term license or ID card would be valid only during the time that the applicant was authorized to be in the U.S., or if there were no definite end to the period of stay, for one year.
- Require the SOS to use electronic systems to verify an applicant's source documents, identity information, and legal presence in the U.S. as those systems became available, and to use any other methods to verify that information as prescribed by the SOS.
- Prohibit the SOS from accepting any foreign document, other than an official passport, to satisfy the application requirements.
- Require a person born after December 1, 1964, to obtain an original license or official State ID card by December 1, 2014, and a person born on or before that date to obtain an original license or ID card by December 1, 2017.
- Require an applicant for a renewal, duplicate, or reissued license or ID card to appear personally at a branch office of the SOS if he or she had a limited-term license or ID card or if there had been a material change in the applicant's personal information since the issuance of his or her most recent license or ID card.
- Require a license or official State ID card to contain physical security features to prevent tampering, counterfeiting, or duplication.
- Require a digitized license or official State ID card to have a bar code containing defined minimum data elements, including personal identifying information, and the expiration date and inventory control number of the card or license.
- Provide that a person who gained access to, used, compiled, or maintained a database of electronically transferable information from the bar code of a license or ID card would be guilty of a felony.
- Replace the current fees for an original or renewal license with higher maximum fees, and change the fee for a State ID card from \$10 to not more than \$20.
- Require the revenue from the increase in license fees under the Vehicle Code and all revenue from fees for State ID cards under Public Act 222 to be deposited into the Transportation Administration Collection Fund, rather than the General Fund, to be used for administration and enforcement of the new requirements under the bills.

- Require the State to enter into a memorandum of understanding with the U.S. Department of Homeland Security to use an automated system to verify the legal status of a person other than a U.S. citizen applying for a license or official State ID card.
- Permit the State to enter into the interstate compact known as the "Driver License Agreement".
- Eliminate a special restricted license to operate a moped, and instead permit a person 15 years of age or older to operate a moped if he or she had a valid operator's or chauffeur's license or level one graduated license, or if he or she had completed a moped training course approved by the SOS.

Senate Bill 1075 would amend the Code of Criminal Procedure to include within the sentencing guidelines the improper access, use, compilation, or maintenance of a database of information from the bar code of a driver license or official State ID card. The offense would be a class E felony against public trust, punishable by up to five years' imprisonment.

Senate Bills 962 (S-1) and 963 (S-1) are tie-barred to one another. Senate Bills 962 (S-1) and 1075 also are tie-barred, and Senate Bill 1075 is tie-barred to Senate Bill 963. Senate Bills 962 (S-1) and 963 (S-1) would take effect on January 1, 2009, except that under Senate Bill 962 (S-1), the provisions requiring additional documents to be presented by an applicant for a license and the definition of "resident" would take effect when the bill was enacted. Under Senate Bill 963 (S-1), provisions amending certain definitions would take effect on the date the bill was enacted.

MCL 257.40b et al. (S.B. 962)  
28.291 (S.B. 963)  
777.11b & 777.12d (S.B. 1075)

Legislative Analyst: Curtis Walker

### **FISCAL IMPACT**

There would be an indeterminate cost to the State associated with the provisions in the proposed legislation. There would be significant costs associated with the possible hiring and training of additional staff, and programming costs including the purchase of additional equipment and software to perform verifications and add two-dimensional bar codes to driver licenses and ID cards. Some of these costs would be covered by the increase in fees for issuance of driver licenses and ID cards and license and ID card renewals. The fee for an original driver license or ID card could be increased by up to \$10 from the current fee, and the renewal fee could be increased by up to \$12 from the current fee for driver licenses or up to \$10 for ID cards.

Currently, there are approximately 7.3 million driver license holders and 1.0 million ID card holders in the State. The amount of revenue generated by the proposed increase in renewal fees alone could raise up to approximately \$97.6 million (\$87.6 million from driver licenses and \$10.0 million from ID cards). These additional fees would not all be generated at once but rather on a staggered basis according to renewal dates. These additional fees would not begin to accrue for several years as people born before December 1, 1964, would have until December 1, 2017, to comply with the proposed requirements while those born after December 1, 1964, would have to comply by December 1, 2014. The revenue from the increased fees would have to be deposited in the Transportation Administration and Collection Fund to be used by the Secretary of State to pay the expenses created by the bills. The additional costs associated with the bills would be covered, in part, and would be limited by the amount of appropriations provided by the Legislature to cover these presumed additional expenses.

The bills' felony provisions would have an indeterminate fiscal impact on State and local government. There are no data to indicate how many offenders would be convicted of the proposed offense. An offender convicted of the Class E offense under the bills would receive

a sentencing guidelines minimum sentence range of 0-3 months to 24-38 months. Local governments would incur the costs of incarceration in local facilities, which vary by county. The State would incur the cost of felony probation at an average annual cost of \$2,000, as well as the cost of incarceration in a State facility at an average annual cost of \$33,000.

The bills otherwise would have no fiscal impact on local government.

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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.