

# Legislative Analysis



## MAXIMUM PRICE FOR CERTAIN RECORDS

Phone: (517) 373-8080  
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**Senate Bill 452 as passed by the Senate**  
**Sponsor: Sen. Roger Victory**  
**House Committee: Transportation**  
**Senate Committee: Transportation and Infrastructure**  
**Revised 3-4-22**

Analysis available at  
<http://www.legislature.mi.gov>

## SUMMARY:

Senate Bill 452 would amend the Michigan Vehicle Code to establish maximum prices for the sale in bulk of certain records of the secretary of state.

The code allows the secretary of state to contract for the sale of lists of driver and motor vehicle records and other records maintained under the code in bulk, and it currently requires the secretary of state to fix a market-based price for the sale of those lists or other bulk records, which may include personal information.

The bill would remove the requirement of a fixed, market-based price for such lists.

Instead, under the bill, the price per 1,000 records would be based on the date the records are obtained and could not exceed the following amounts, as applicable:

<u>Date</u>	<u>Price</u>
April 1, 2021, through March 31, 2022	\$17.50
April 1, 2022, through March 31, 2023	\$19.00
April 1, 2023, and thereafter	\$20.00

The bill states that it is intended to be retroactive and would apply retroactively for records obtained on and after April 1, 2021.

MCL 257.232

## FISCAL IMPACT:

The bill would result in a decrease in ongoing future revenue as well as revenue already collected going back to March 31, 2021. Data on bulk record sales, transactions, and revenue was not available from the department. The department reports that the bill's changes to bulk records sales prices would result in an estimated annual revenue decrease of approximately \$500,000 in the first full fiscal year as well as a decrease of current year revenue collections of \$900,000 for retroactive discounts to bulk records customers on purchases made after March 31, 2021. Revenue from bulk record sales is deposited into the Transportation Administration Collection Fund (TACF), the department's primary funding source, and supports the secretary of state's administrative costs of providing motor vehicle and driver services.

Section 232 of the Michigan Vehicle Code authorizes the secretary of state to set a “market-based price” for the sale of records in bulk. Prior to April 2021, the department set a two-tiered pricing structure for bulk records in which the majority of customers paid, per 1,000 records, \$64 and the remaining customers paid \$16. Beginning in April 2021, the two-tiered price structure was eliminated and the fee for all customers was raised to \$70. The price was again modified beginning on October 1, 2021 by the FY 2021-22 annual budget act, 2021 PA 87. Boilerplate section 703a of Article 5 of the act lowered the one-tier price per 1,000 records by requiring the price to not exceed \$35, which was estimated to maintain the amount of revenue collected under the previous two-tiered prices. The FY 2022-23 Executive Recommended budget would delete boilerplate section 703a. The fiscal impact changes provided above are based on the \$35 fee currently set in budget boilerplate.

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