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## BILL ANALYSIS



Telephone: (517) 373-5383  
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Senate Bills 459 through 461 (as introduced 7-20-23)  
Senate Bill 894 (as introduced 5-30-24)  
Sponsor: Senator Sarah Anthony  
Committee: Transportation and Infrastructure

Date Completed: 10-15-24

**INTRODUCTION**

Senate Bills 459 through 461 would allow the Secretary of State (SOS) to issue a mobile driver's license or State identification card (card) upon an individual's request. They would apply current requirements and expirations of physical driver's licenses and cards to the proposed mobile versions. They also would prescribe a \$4 fee for an original or renewal mobile driver's license or card. To implement these mobile versions, the bills would require the SOS to develop, or contract for the development of, a mobile license system that met specified security and operation requirements. The bills also would create the Mobile License Fund within the State Treasury and require the SOS to use the Fund to cover the bills' necessary administrative and implementation costs. Senate Bill 894 would prescribe privacy protections for the holders of mobile licenses and cards.

Senate Bills 459 through 461 are tie-barred, and Senate Bill 864 is tie-barred to them.

**FISCAL IMPACT**

The bills would have some, yet-to-be determined costs for the Department of State (DOS) to begin to implement the issuance of mobile cards, mobile enhanced driver and enhanced cards, and mobile operator's and chauffeur's licenses. They would allow the DOS to issue mobile versions of those identification cards and thus would have only negligible direct costs to the DOS.

The Fiscal Year (FY) 2023-24 budget for the DOS includes \$100,000 in one-time funding to cover its costs for entering a contract with a vendor to develop a mobile license system. Senate Bill 461 would require the DOS to keep individuals' information contained in a mobile license or ID regularly updated, to set the validity period of a mobile license or ID, and to promulgate rules to regulate relying parties and the information that could be requested and retained from the holder of a mobile license or identification card. The DOS could incur costs to implement those requirements and could require the hiring of additional full-time equivalents. The estimated annual cost of a State classified employee for FY 2023-24 for salary and benefits is \$140,000. There could be additional costs to the DOS for any programming and software costs that could be necessary to provide mobile licenses and identification cards as well as to comply with the required updating of individuals' information. Those costs are indeterminate and depend on how much work would be accomplished by the contractors.

Senate Bill 894 would have no fiscal impact on State and local government.

MCL 28.292 (S.B. 459)  
28.302 & 28.304 (S.B. 460)  
257.25 et al. (S.B. 461)

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## **CONTENT**

**Senate Bill 461** would amend the Michigan Vehicle Code to do the following:

- Allow the SOS to issue a mobile operator's license or mobile chauffeur's license to an individual upon request if the individual held a valid operator's license or chauffeur's license.
- Require the SOS to regularly update an individual's information in a mobile operator's license or mobile chauffeur's license with data that matched the SOS's current record and set the validity period of a mobile operator's license or mobile chauffeur's license.
- Prescribe a \$4 fee for an original or renewal mobile enhanced license or card.
- Provide that a requirement under the Code to surrender, destroy, or confiscate a license would not apply to the electronic device on which a mobile operator's or chauffeur's license or a mobile enhanced driver license was loaded.
- Require the SOS to develop, or enter a contract with a vendor to develop, a mobile license system and set requirements for the system.
- Establish the Mobile License Fund.

**Senate Bill 460** would amend the Enhanced Driver License and Enhanced Official State Personal Identification Card Act to do the following:

- Allow the SOS to issue a mobile enhanced driver license or mobile enhanced official State personal identification card to an individual upon request if the individual held a valid enhanced driver license or enhanced official State personal identification card.
- Require the SOS to regularly update an individual's information in a mobile enhanced driver license or mobile enhanced card with data that matched the SOS's current record and set the validity period of a mobile enhanced driver license or mobile enhanced card.
- Prescribe a \$4 fee for an original or renewal mobile enhanced license or card.
- Provide that a requirement under the Act or the Michigan Vehicle Code to surrender, destroy, or confiscate a license would not apply to the electronic device on which a mobile enhanced driver license was loaded.

**Senate Bill 459** would amend Public Act (PA) 222 of 1972, which governs the issuance of official State personal identification cards, to do the following:

- Allow the SOS to issue a mobile official State personal identification card to an individual upon request if the individual had a valid official State personal identification card.
- Require the SOS to regularly update an individual's information in a mobile card with data that matched the SOS's current record and set the validity period of a mobile card.
- Allow an individual to display the individual's mobile card on an electronic device upon request by a police officer or relying party.
- Prescribe a \$4 fee for an original or renewal mobile card.
- Exempt a mobile card from specified requirements, such as formatting requirements of a physical card.
- Apply certain requirements of physical personal identification cards to mobile cards.

**Senate Bill 894 would enact the "Relying Parties on Mobile Licenses Act" to prescribe privacy protections for mobile operator's or chauffeur's licenses, mobile enhanced driver licenses or mobile enhanced cards, and mobile cards.**

### **Senate Bill 461**

Among other things, the Michigan Vehicle Code prescribes the requirements for an operator's license or chauffeur's license to operate a noncommercial motor vehicle. Beginning on the bill's effective date, on request of an individual issued an operator's license or chauffeur's license, the SOS could issue a *mobile* operator's or chauffeur's license to the individual. An individual issued a mobile operator's or chauffeur's license would be required to have the physical operator's or chauffeur's license in the individual's immediate possession while operating a motor vehicle.

The SOS would have to ensure that any data elements in the mobile operator's or chauffeur's license were identical to the data contained in the individual's current SOS record. The SOS could not issue or renew a mobile operator's or chauffeur's license to an individual who did not hold a valid operator's license or chauffeur's license. The SOS could load an individual's mobile operator's or chauffeur's license to multiple electronic devices through the mobile license system described below. The SOS would have to regularly update an individual's information contained in a mobile operator's or chauffeur's license and set the validity period of a mobile operator's or chauffeur's license.

"Validity period" would mean the duration of time that data transmitted to a mobile device remains valid, as determined by the SOS.

The fee for an original or renewal mobile operator's or chauffeur's license would be \$4. The SOS would have to deposit the money received and collected in the Mobile License Fund.

Beginning on the bill's effective date, a requirement under the Code to surrender, destroy, or confiscate a license would not apply to the electronic device on which a mobile operator's or chauffeur's license, or a mobile enhanced driver license (see Senate Bill 460) was loaded. Notwithstanding this provision and on request of a police officer or relying party, an individual could transmit the individual's mobile operator's or chauffeur's license, or a mobile enhanced driver license, from the electronic device on which a mobile license described was loaded.

The bill would apply current provisions regarding an operator's license and a chauffeur's license expiration to a mobile operator's license and a mobile chauffeur's license. The bill would exempt a mobile operator's or chauffeur's license from vertical or horizontal formatting requirements used to indicate that a licensee is over or under 21 years old. A mobile license also could not contain a heart insignia to indicate a licensee's status as an anatomical gift donor.

### **Mobile License System**

Within one year after the bill's effective date, the SOS would have to develop, or enter a contract with a vendor to develop, a mobile license system. The system would have to be a digitized system that met all the following requirements:

- Was designed to comply with standard 18013-5 of the International Organization for Standardization (ISO).<sup>1</sup>

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<sup>1</sup> The ISO is an international standard development organization composed of representatives from many national standards bodies. Standard 18013-5 standardizes interface specifications for the

- Was designed to not require a holder of a mobile operator's or chauffeur's license, or a mobile enhanced driver license, to relinquish possession of the mobile device on which the mobile operator's or chauffeur's license, or the mobile enhanced driver license, was loaded to a relying party for the acceptance of the mobile driver or chauffeur's license.
- Included 1) a method for loading a mobile operator's or chauffeur's license, a mobile official State personal identification card (see Senate Bill 459), or a mobile enhanced driver license or enhanced official State personal identification card to an applicant's mobile device; 2) a method for validating, processing, and verifying requests from relying parties; 3) cryptographic authentication, interoperability, and system updates; and 4) a method for performing tasks to maintain the system.
- Protected the privacy of the holder of a mobile operator's or chauffeur's license, a mobile official State personal identification card, or a mobile enhanced driver license or enhanced official State personal identification card through data minimization and privacy-enhancing technologies.

"Cryptographic" would mean a method of storing or transmitting data in a format that only the intended recipient can access, read, or process the data.

The SOS could promulgate rules to regulate relying parties. These rules would have to include a requirement that a relying party do the following:

- Only request data elements from a mobile operator's or chauffeur's license, a mobile official State personal identification card, or a mobile enhanced driver license or enhanced official State personal identification card that were necessary to complete the transaction for which the data was being requested.
- Only retain data elements from a mobile operator's or chauffeur's license, a mobile official State personal identification card, or a mobile enhanced driver license or enhanced official State personal identification card that the holder of a mobile license consented to after the relying party informed the holder of the use and retention of the data elements.

"Relying party" would mean a person that is presented with and expected to rely on a mobile operator's or chauffeur's license, a mobile official State personal identification card, or a mobile enhanced driver license or enhanced official State personal identification card.

#### Mobile License Fund

The bill would create the Mobile License Fund within the State Treasury. The State Treasurer could receive money or other assets from any source for deposit into the Fund. The State Treasurer would direct the investment of the Fund. The State Treasurer would have to credit to the Fund interest and earnings from Fund investments. Money in the Fund at the close of the fiscal year would remain in the Fund and could not lapse to the General Fund. The SOS would be the administrator of the Mobile License Fund for auditing purposes. The SOS would have to expend money from the Fund, on appropriation, to cover necessary administrative and implementation costs incurred in providing mobile operator's or chauffeur's licenses, mobile official State personal identification cards, and mobile enhanced driver licenses or enhanced official State personal identification cards.

### **Senate Bill 460**

Among other things, the Enhanced Driver License and Enhanced Official State Personal Identification Card Act prescribes the requirements for enhanced driver licenses and enhanced

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implementation of a driving license in association with a mobile device (an mDL). For more information, see [www.iso.org](http://www.iso.org).

official State personal identification cards. Enhanced driver licenses and enhanced official State personal identification cards differ from their counterparts because, in addition to their standard uses, they may be used to enter the United States at land and sea ports. The bill would update the definition of "enhanced driver license" to specify that it may only be issued to a United States citizens who resides in the State.

Under the bill, upon request by an individual issued an enhanced driver license or enhanced official State personal identification card, the SOS could issue a mobile enhanced driver license or mobile enhanced official State personal identification card (mobile enhanced card) to the individual. An individual issued a mobile enhanced driver license would be required to have the enhanced driver license in the individual's immediate possession while operating a motor vehicle.

The SOS would have to ensure that any data elements in the mobile enhanced driver license or mobile enhanced card were identical to the data contained in the individual's current SOS's record. The SOS could not issue or renew a mobile enhanced driver license or mobile enhanced card to an individual who did not hold a valid enhanced license or enhanced official State personal identification card. The SOS could load an individual's mobile enhanced driver license or mobile enhanced card to multiple electronic devices through the mobile license system. The SOS would have to regularly update an individual's information contained in a mobile enhanced driver license or mobile enhanced card and set the validity period of a mobile enhanced driver license or mobile enhanced card.

The fee for an original or renewal mobile enhanced driver license or mobile enhanced official State personal identification card would be \$4. The SOS would have to deposit the money collected in the Mobile License Fund.

Under the bill, the holder of an enhanced driver license or mobile enhanced driver license issued would be subject to every licensing sanction provided under the Michigan Vehicle Code. Beginning on the bill's effective date, a requirement under the Act or the Code to surrender, destroy, or confiscate a license would not apply to the electronic device on which a mobile enhanced driver license was loaded. Notwithstanding this provision and on request of a police officer or relying party, an individual could transmit the individual's mobile enhanced driver license or mobile enhanced card from the electronic device on which the mobile enhanced driver license or mobile enhanced card was loaded.

### **Senate Bill 459**

Among other things, 1972 PA 2022 prescribes the requirements for official State personal identification cards. Under the bill, upon request of an individual issued an official State personal identification card, the SOS could issue a mobile official State personal identification card (mobile card) to the individual. On request of a police officer or relying party, an individual could display the individual's mobile card on the electronic device on which the mobile card was loaded.

The SOS would have to ensure that any data elements in the mobile card were identical to the data contained in the individual's current SOS's record. The SOS could not issue or renew a mobile card to an individual who did not hold a valid official State personal identification card. The SOS could load an individual's mobile card to multiple electronic devices through the mobile license system. The SOS would have to regularly update an individual's information in a mobile card and set the validity period of a mobile card.

The fee for an original or renewal mobile card would be \$4. The SOS would have to deposit the money collected for a mobile card in the Mobile License Fund (see [Senate Bill 461](#)).

Currently, if the holder of an official State personal identified card has indicated the holder's wish to participate in the Anatomical Gift Donor Registry established under the Public Health Code, the identification card must contain a heart insignia on its front.<sup>2</sup> Under the bill, a mobile card could not contain a heart insignia.

Additionally, if an individual presents evidence that the individual is statutorily blind, the SOS must mark the individual's official State personal identification card in a manner that clearly indicates that the cardholder is blind.<sup>3</sup> The bill would exempt mobile cards from this requirement.

An official State personal identification card issued to an individual less than 21 years old must be in vertical or portrait form. A card issued to an individual over 21 years old must be in horizontal or landscape form. The bill would exempt mobile cards from these specifications.

Like a physical identification card, a mobile card would expire on the birthday of the individual to whom it was issued in the fourth year following the date of issuance or on the date the individual was no longer considered to be legally present in the United States, whichever was earlier. The SOS could not issue a mobile card for a period greater than four years. The SOS could issue a renewal mobile card for two additional four-year periods, by mail or other methods.

An individual could apply for a renewal mobile card for the following reasons:

- The individual wanted to change any information on the card.
- The individual's card was lost, destroyed, or mutilated, or became illegible.

#### **Senate Bill 894**

Under the bill, "relying party" would mean a person that is presented with and chooses to rely on a mobile operator's or chauffeur's license, a mobile official State personal identification card (mobile card), or a mobile enhanced driver license or mobile enhanced official State personal identification card (mobile enhanced card).

The bill would require a relying party to do the following during a transaction:

- Request only data elements from a mobile operator's or chauffeur's license, mobile card, or mobile enhanced driver license or mobile enhanced card that were available on the mobile license, card, enhanced license or enhanced card and necessary to complete the transaction for which the data was being requested.
- Inform the holder of the use and retention of any requested data elements if the relying party sought to retain the data elements.
- Obtain the consent of the holder for the release and, if applicable, the retention of all the data elements requested before the release and retention of any of those data elements.
- Cryptographically authenticate a mobile operator's or chauffeur's license, mobile card, or mobile enhanced driver license or mobile enhanced card before accepting the license, card, or enhanced license or enhanced card.
- Adhere to all applicable privacy laws and regulations.

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<sup>2</sup> For information on the Registry, see the Revised Uniform Anatomical Gift Law, MCL 333.10101 to 333.10123.

<sup>3</sup> For information on what constitutes statutory blindness, see MCL 393.351 to 393.368.

"Data elements" would mean a distinct component of an individual's information that is found on the records of the DOS.

Data contained in a mobile operator's or chauffeur's license, mobile card, or mobile enhanced driver license or mobile enhanced card would be subject to all applicable privacy laws and regulations.

A relying party could *not* do any of the following:

- Ask a holder to relinquish possession of or for consent to search the mobile device on which a mobile operator's or chauffeur's license, mobile card, or mobile enhanced driver license or mobile enhanced card was provisioned.
- Require the presentation of a mobile operator's or chauffeur's license, mobile card, or mobile enhanced driver license or mobile enhanced card for the completion of any transaction.

Presentation or use of a mobile operator's or chauffeur's license, mobile card, or mobile enhanced driver license or mobile enhanced card for identity verification or other permitted purposes would not constitute consent or authorization for a relying party to search, view, or access any other data or application on the mobile device.

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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.