

## LIMIT PURPOSES FOR WHICH MACHINE-READABLE STATE-ISSUED IDENTIFICATION MAY BE SCANNED

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<http://www.house.mi.gov/hfa>

**House Bill 4658 as introduced**  
**Sponsor: Rep. John Chirkun**  
**Committee: Commerce and Tourism**  
**Complete to 2-26-20**

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

### SUMMARY:

House Bill 4658 would amend the Consumer Protection Act to generally prohibit a person engaged in trade or commerce from scanning the machine-readable zone of an individual's *state-issued identification* or retaining information from such a scan, except for an *authorized purpose*. The bill would also prohibit a person engaged in trade or commerce from selling or disseminating to a third party any information obtained from scanning the machine-readable zone of an individual's state-issued identification, except that a person could disseminate that information for an authorized purpose.

*State-issued identification* would mean a standard driver license, standard official state personal identification card, enhanced driver license, or enhanced official state personal identification card, as those terms are defined in section 2 of the Enhanced Driver License and Enhanced Official State Personal Identification Card Act.

*Authorized purpose* would mean any of the following purposes, as applicable:

- To verify the authenticity of an individual's state-issued identification or to verify the identity of the individual if he or she pays for goods or services with a method other than cash, returns an item, or requests a refund or an exchange.
- To verify an individual's age when providing age-restricted goods or services to him or her and there is a reasonable doubt that he or she meets that restriction.
- To prevent fraud or other criminal activity if the individual returns an item, or requests a refund for or an exchange of an item, and the person that sold the item uses a fraud prevention service company or system. However, these purposes would constitute an authorized purpose only if the information collected by scanning the state-issued identification was limited to the individual's name, address, or date of birth or the number of the state-issued identification.
- To comply with a requirement imposed under state or federal law.
- To provide to a check services company regulated under the federal Fair Credit Reporting Act that receives information obtained from an individual's state-issued identification to administer or enforce a transaction or to prevent fraud or other criminal activity.
- To complete a transaction permitted under Subtitle A of Title V of the federal Gramm-Leach-Bliley Act or the Fair Credit Reporting Act.

A violation of the above provisions would constitute an unfair trade practice under the act.

The bill would take effect 90 days after its enactment.

MCL 445.903 and proposed MCL 445.903/

**FISCAL IMPACT:**

The bill would have no fiscal impact on state or local government.

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