

Senate Bill 958 (Substitute S-2 as reported)
Senate Bills 959 through 961 (as reported without amendment)
Sponsor: Senator Darrin Camilleri
Committee: Oversight

CONTENT

Senate Bill 958 (S-2) would enact the "Race and Ethnicity Data Collection Act" to do the following:

- Require a public body that requested an individual to designate the individual's race or ethnicity and included racial or ethnic categories to include certain minimum categories and subcategories of races and ethnicities.
- Prescribe the minimum racial and ethnic categories and subcategories that would have to be included in a question.
- Specify that these provisions would not apply until three years after the Act's effective date.
- Require each public body requesting such data to develop and post on its website, or if it did not have a website, in a prominent and conspicuous place at its main location, an action plan on race and ethnicity within 18 months after the Act's effective date.
- Beginning January 1, 2032, require a public body to update the list of minimum subcategories based on population related to the Federal Decennial Census, within four years of the Census.

Senate Bill 959 would repeal Section 206a of the Management and Budget Act, which requires a State agency requesting an individual to identify race or ethnicity on a form to include multiracial on that form or comply with certain Federal reporting requirements.

Senate Bill 960 would amend the Eliot-Larson Civil Rights Act to specify that the Act's requirements concerning how a designation of race or ethnicity could be requested would not apply to a public body or State public university.

Senate Bill 961 would amend Public Act 273 of 1917, which provides for the licensure and regulation of pawnbrokers, to modify the race and ethnicity data that a pawnbroker collected in a record of transaction to align with the data proposed to be collected under Senate Bill 958 (S-2).

Senate Bill 959, Senate Bill 960, and Senate Bill 961 are tie-barred to Senate Bill 958.

MCL 18.12036a (repealed) (S.B. 959)
37.2202a & 37.2402a (S.B. 960)
444.205 (S.B. 961)

BRIEF RATIONALE

In March 2024, the Federal Office of Management and Budget made recommendations on standards for questions used to collect information on race and ethnicity, including using a combined question, adding Middle Eastern or North African as a new minimum category, and

collecting detail beyond the minimum categories.¹ According to testimony before the Senate Committee on Oversight, many communities, especially those of color, do not receive resources obtained through Federal and State funding by use of population representation, such as funding to translate medical directives needed during the COVID-19 Pandemic. Accordingly, it has been suggested to align the State's standards for the collection of race and ethnicity data with Federal standards.

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

The bills would have a negative but likely minimal fiscal impact on State government and on local units of government. The required specifications likely would result in increased costs, specifically related to printing and information technology. Public bodies would have to update or revise forms to meet the specifications and include the designated categories outlined in Senate Bill 958 (S-2). It is likely that the revisions and associated re-printing, software updates, or other actions would create additional costs for the affected units, agencies, and departments.

It is probable that most of these costs would be absorbed by existing appropriations; however, some organizations could incur more substantive costs related to information technology updates if current systems were not sufficiently compatible with the requirements or significantly affected the body's data collection systems. These potential costs cannot be easily quantified and would depend on a public body's specific circumstances.

Date Completed: 12-17-24

Fiscal Analyst: Bobby Canell
Joe Carrasco, Jr.
Elizabeth Raczkowski

¹ "OMB Publishes Revisions to Statistical Policy Directive No. 15: Standards for Maintaining, Collecting, and Presenting Federal Data on Race and Ethnicity." <https://www.whitehouse.gov/omb/briefing-room/2024/03/28/omb-publishes-revisions-to-statistical-policy-directive-no-15-standards-for-maintaining-collecting-and-presenting-federal-data-on-race-and-ethnicity/>. Retrieved 12-16-24.

SAS\Floors2324\sb958

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.