PUBLIC BODY; RACE & ETHNICITY DATA

S.B. 958 (S-1) - 961: SUMMARY OF SUBSTITUTE BILL IN COMMITTEE





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Senate Bill 958 (Substitute S-1)

Senate Bills 959 through 961 (as introduced 6-26-24)

Sponsor: Senator Darrin Camilleri

Committee: Oversight

Date Completed: 10-10-24

# INTRODUCTION

The bills would require a public body that requested an individual to designate race or ethnicity in writing to include certain minimum categories and subcategories of races and ethnicities, including a write-in option. The writing would have to be in a single combined race and ethnicity question. Such information also would have to be included in the race and ethnicity information collected by a pawnbroker in the pawnbroker's record of transaction. The bills would specify that the current requirements under the Eliot-Larsen Civil Rights Act (ELCRA) for requesting race and ethnicity data would not apply to a public body or State public university. Additionally, the bills would repeal language requiring State agencies to include and exclude certain language when requesting an individual to designate race or ethnicity.

## **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-1). 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.

MCL 18.12036a (repealed) (S.B. 959) 37.2202a & 37.2402a (S.B. 560) 444.205 (S.B. 961) Legislative Analyst: Eleni Lionas Fiscal Analyst: Bobby Canell Joe Carrasco, Jr. Elizabeth Raczkowski

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#### CONTENT

<u>Senate Bill 958 (S-1)</u> 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 an action plan on race and ethnicity within 18 months after the Act's effective date.

<u>Senate Bill 959</u> 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.

<u>Senate Bill 960</u> 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.

<u>Senate Bill 961</u> 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 <u>Senate Bill 958 (S-1)</u>.

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

### Senate Bill 958 (S-1)

#### Definitions

"American Indian or Alaska Native" would mean an individual with origins in any of the original peoples of North, Central, and South America, including the Navajo Nation, Blackfeet Tribe of the Blackfeet Indian Reservation of Montana, Native Village of Barrow Inupiat Traditional Government, Nome Eskimo Community, Aztec, and Maya.

"Asian" would mean an individual with origins in any of the original peoples of Central or East Asia, Southeast Asia, or South Asia, including Chinese, Asian Indian, Filipino, Vietnamese, Korean, and Japanese.

"Black or African American" would mean an individual with origins in any of the Black racial groups of Africa, including, African American, Jamaican, Haitian, Nigerian, Ethiopian, and Somali.

"Hispanic or Latino" would mean an individual of Mexican, Puerto Rican, Salvadoran, Cuban, Dominican, Guatemalan, and other Central or South American or Spanish culture or origin.

"Middle Eastern or North African" would mean an individual with origins in any of the original peoples of the Middle East or North Africa, including Lebanese, Iranian, Egyptian, Syrian, Iraqi, and Israeli.

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"Native Hawaiian or Pacific Islander" would mean an individual with origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands, including Native Hawaiian, Samoan, Chamorro, Tongan, Fijian, and Marshallese.

"Public body" would mean any of the following:

- -- The Executive Office of the Governor, or a State agency, department, division, bureau, board, commission, council, authority, or other body in the Executive Branch of State government.
- -- The Legislature or an agency, board, commission, or council in the Legislative Branch of State government.
- -- A county, city, township, village, intercounty, intercity, or regional governing body; a council, school district, special district, or municipal corporation; or a board, department, commission, or council or an agency of a board, department, commission, or council.
- -- A State public university.
- -- Any other body that is created by State or local authority or is primarily funded by or through State or local authority, if the body exercises governmental or proprietary authority or performs a governmental or proprietary function.

"State public university" would mean a university described in Section 4, 5, or 6 of Article VIII of the State Constitution of 1963, which generally prescribes for the establishment and funding of State public universities and certain higher education establishments with the authority to grant baccalaureate degrees.

"White" would mean an individual with origins in any of the original peoples of Europe, including English, German, Irish, Italian, Polish, and Scottish.

"Writing" would mean handwriting, typewriting, printing, photostating, photographing, photocopying, and every other means of recording, and includes letters, words, pictures, sounds, or symbols, or combinations thereof, and papers, maps, magnetic or paper tapes, photographic films or prints, microfilm, microfiche, magnetic or punched cards, discs, drums, hard drives, solid state storage components, or other means of recording or retaining meaningful content.

### Designation of Race and Ethnicity

Under the proposed "Race and Ethnicity Data Collection Act", except as otherwise provided under Federal law, if a public body listed racial or ethnic categories in a writing that was developed or printed on or after three years after the Act's effective date, and the public body requested that an individual designate the individual's race or ethnicity, the writing would have to use a single combined race and ethnicity question for the collection of data. It also would have to include the following minimum categories and subcategories of races and ethnicities and could include a write-in option for the purpose of designating an additional subcategory for each minimum category:

- -- The term "White" as a minimum category, and all the following subcategories of that minimum category: a) English; b) German; c) Irish; d) Polish; e) Dutch; f) Italian.
- -- The term "Black or African American" as a minimum category, and all the following subcategories of that minimum category: a) Nigerian; b) Jamaican; c) Congolese; d) Haitian; e) Ethiopian; f) Somali.
- -- The term "American Indian or Alaska Native" as a minimum category, and all the following subcategories of that minimum category: a) Chippewa; b) Sault Ste. Marie Tribe of Chippewa Indians; c) Cherokee; d) Saginaw Chippewa Indian Tribe alone; e) Ottawa; f) Ottawa and Chippewa Indian.

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- -- The term "Asian" as a minimum category, and all the following subcategories of that minimum category: a) Asian Indian; b) Chinese; c) Vietnamese; d) Filipino; e) Korean; f) Japanese.
- -- The term "Native Hawaiian or Other Pacific Islander" as a minimum category, and all the following subcategories of that minimum category: a) Polynesian; b) Native Hawaiian; c) Micronesian; d) Samoan; e) Chamorro; f) Melanesian.
- -- The term "Hispanic or Latino" as a minimum category, and all the following subcategories of that minimum category: a) Mexican; b) Puerto Rican; c) Cuban; d) Guatemalan; e) Dominican; f) Colombian.
- -- The term "Middle Eastern or North African" as a minimum category, and all the following subcategories of that minimum category: a) Lebanese; b) Chaldean; c) Iraqi; d) Yemeni; e) Syrian; f) Palestinian.

Additionally, the writing would have to include the following instructions, as applicable:

- -- If the writing did not provide the write-in option described above, instructions describing "Select all that apply. Note, you may report more than one group.".
- -- If the writing provided the write-in option described above, instructions describing "Select all that apply and enter additional details in the spaces below. Note, you may report more than one group.".

# Public Body Requirements

The provisions described above would not apply to a public body that developed or printed a writing requesting such data for the purpose of reporting or compiling workforce and hiring data until three years after the Act's effective date.

Within 18 months after Act's effective date, each public body that developed or printed a writing requesting designation of race or ethnicity would have to create, and post on its website, an action plan on race and ethnicity data. The action plan would have to include the following:

- -- A description of the actions taken by the public body to comply with the Act's requirements.
- -- A description of potential risks associated with the collection of the race and ethnicity data.

Additionally, the race and ethnicity data collected under the Act would be exempt from disclosure under the Freedom of Information Act.

# Senate Bill 959

Under Section 206a of the Management and Budget Act, if a State agency requests that an individual identify the individual's race or ethnicity on a form created after June 20, 1995, that agency must include and define "multiracial" as an option and exclude "other" as an option. Additionally, if a Federal agency requires the State to send such information but does not accept multiracial as an option, the State must redesignate individuals that selected "multiracial" into existing racial or ethnic categories based on the ratio of the general population makeup of the group from which the form was solicited.

The bill would repeal this Section.

## Senate Bill 960

Generally, the ELCRA prohibits discrimination in employment based on religion, race, color, national origin, age, sex, sexual orientation, gender identity or expression, height, weight, familial status, or marital status, among other things.

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Under the ELCRA, if an employer or educational institution requests an individual select a classification to designate the individual's race or ethnicity and if that employer lists racial or ethnic classification in writing developed after September 18, 1995, the employer must do the following:

- -- Include in the writing the term "multiracial" as a classification and a definition of that term that substantially provided that the term means having parents of different races.
- -- Exclude the term "other" from the writing.

Additionally, if a Federal agency requires the State to send such information but does not accept multiracial as an option, the State must redesignate individual's that selected "multiracial" into existing racial or ethnic categories based on the ratio of the general population makeup of the group from which the form was solicited.

The bill would specify that the provisions described above would not apply to an employer that was a public body or a State public university as described under <u>Senate Bill 958 (S-1)</u>.

## Senate Bill 961

Public Act 273 of 1917 requires pawnbrokers to keep a record of any article of personal property or other valuable thing pawned or received that includes certain personally identifying information on the person from whom the article was received. A pawnbroker must send a copy of the transaction receipt to the local police agency within 48 hours of receipt of the property.

The transaction receipt must be on a form that includes certain information, such as a description of the pawned article, the purchase price, amount loaned, and personally identifying information of the customer, including a space to designate race as "White", "Black", or "Other". The bill would delete this type of race designation for transaction receipt forms.

Instead, the bill would require the record of transaction to include a writing that required the pawner to list the pawner's race according to the Race and Ethnicity Data Collection Act as proposed by <u>Senate Bill 958 (S-1)</u>.

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.