

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 141

A bill to amend 1939 PA 280, entitled
"The social welfare act,"
by amending section 57a (MCL 400.57a), as added by 1995 PA 223.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 57a. (1) The family independence agency shall estab-
2 lish and administer the family independence program to provide
3 assistance to families who are making efforts to achieve
4 independence.

5 (2) The family independence agency shall administer the
6 family independence program to accomplish all of the following:

7 (a) Provide financial support to eligible families while
8 they pursue self-improvement activities and engage in efforts to
9 become financially independent.

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1 (b) Ensure that recipients who are minor parents live in
2 adult-supervised households in order to reduce long-term
3 dependency on financial assistance.

4 (c) Assist families in determining and overcoming the barri-
5 ers preventing them from achieving financial independence.

6 (d) Ensure that families pursue other sources of support
7 available to them.

8 (3) The family independence agency shall establish income
9 and asset levels for eligibility, types of income and assets to
10 be considered in making eligibility determinations, payment stan-
11 dards, composition of the program group and the family indepen-
12 dence assistance group, program budgeting and accounting methods,
13 and client reporting requirements to meet the following goals:

14 (a) Efficient, fair, cost-effective administration of the
15 family independence program.

16 (b) Provision of family independence assistance to families
17 willing to work toward eventual self-sufficiency.

18 (4) NOT LATER THAN OCTOBER 1, 2001, THE FAMILY INDEPENDENCE
19 AGENCY SHALL IMPLEMENT AN AUTOMATED FINGER IMAGING SYSTEM
20 DESIGNED TO PREVENT AN INDIVIDUAL FROM RECEIVING CASH ASSISTANCE,
21 FOOD STAMPS, OR BOTH UNDER MORE THAN 1 NAME. BEGINNING AT THE
22 EFFECTIVE DATE OF THE ESTABLISHMENT AND IMPLEMENTATION OF THE
23 FINGER IMAGING SYSTEM, AN INDIVIDUAL APPLYING FOR CASH ASSIST-
24 ANCE, FOOD STAMPS, OR BOTH MUST PROVIDE THE FAMILY INDEPENDENCE
25 AGENCY WITH AN AUTOMATED FINGER IMAGE OR IMAGES AS A CONDITION OF
26 ELIGIBILITY. FINGER IMAGING OBTAINED PURSUANT TO THIS SUBSECTION

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Sub. S.B. 141 (H-6) as amended April 27, 1999

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1 SHALL BE USED ONLY FOR THE PURPOSES OF REDUCING FRAUD IN
2 OBTAINING PUBLIC BENEFITS OR ASSISTANCE UNDER THIS ACT.

3 (5) THE FAMILY INDEPENDENCE AGENCY SHALL ESTABLISH THE AUTO-
4 MATED FINGER IMAGE SYSTEM THAT, AT A MINIMUM, INCLUDES THE
5 FOLLOWING:

6 (A) CONFIDENTIALITY OF THE AUTOMATED FINGER IMAGE RECORDS
7 TAKEN PURSUANT TO THIS SECTION.

8 (B) A SYSTEM FOR ADMINISTRATIVE APPEAL OF A MATTER RELATING
9 TO THE TAKING OR VERIFICATION OF AN INDIVIDUAL'S AUTOMATED FINGER
10 IMAGE.

11 (C) A REQUIREMENT TO EXEMPT CHILDREN FROM PROVIDING THE
12 AUTOMATED FINGER IMAGE UNLESS THERE IS A REASONABLE SUSPICION
13 THAT THE FAMILY GROUP IS COMMITTING FRAUD. [FOR THE PURPOSE OF THIS
SUBDIVISION, "FAMILY GROUP" MEANS A FAMILY AND ALL THOSE INDIVIDUALS
LIVING WITH A FAMILY WHO APPLY FOR OR RECEIVE CASH ASSISTANCE, FOOD
STAMPS, OR BOTH.]

14 (D) A REQUIREMENT TO EXEMPT INDIVIDUALS FROM WHOM THE AUTO-
15 MATED FINGER IMAGE TECHNOLOGY IS UNABLE TO OBTAIN AN ACCURATE
16 FINGER IMAGE.

17 [(E) A REQUIREMENT TO EXEMPT PATIENTS PLACED IN NURSING HOMES
18 FROM PROVIDING THE AUTOMATED FINGER IMAGE.]

19 (F) IN ADDITION TO THE POPULATION GROUPS NAMED IN SUBDIVISIONS
20 (C), (D), AND (E), AUTHORITY TO EXEMPT CERTAIN OTHER POPULATION
21 GROUPS FROM PROVIDING THE AUTOMATED FINGER IMAGE INCLUDING, BUT NOT
LIMITED TO, HOMEBOUND RECIPIENTS.]

22 (6) THE FAMILY INDEPENDENCE AGENCY SHALL REMOVE AN
23 INDIVIDUAL'S FINGER IMAGE FROM THE DEPARTMENT'S FILE IF THE INDI-
24 VIDUAL HAS NOT RECEIVED BENEFITS OR ASSISTANCE FROM THE FAMILY
25 INDEPENDENCE AGENCY WITHIN THE PREVIOUS [12 MONTHS].

26 (7) THE FAMILY INDEPENDENCE AGENCY MAY NEGOTIATE AND ENTER
27 INTO A COMPACT OR RECIPROCAL AGREEMENT WITH ANOTHER STATE

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1 DEPARTMENT, THE FEDERAL GOVERNMENT, AN AGENCY OF THE FEDERAL
2 GOVERNMENT, OR AN AGENCY OF ANOTHER STATE FOR THE PURPOSE OF
3 IMPLEMENTING AND ADMINISTERING THE FINGER IMAGING PROVISIONS OF
4 THIS SECTION AS LONG AS THE COMPACT OR RECIPROCAL AGREEMENT IS
5 NOT INCONSISTENT WITH THE LIMITATIONS OF USE AND ACCESS CONTAINED
6 IN SUBSECTION (4).

7 (8) THE FAMILY INDEPENDENCE AGENCY SHALL CONDUCT SEMI-ANNUAL
8 SECURITY REVIEWS TO MONITOR THE AUTOMATED FINGER IMAGING SYSTEM
9 TO INSURE THAT ALL OF THE FOLLOWING OCCUR:

10 (A) ALL RECORDS MAINTAINED AS PART OF THE SYSTEM ARE ACCU-
11 RATE AND COMPLETE.

12 (B) EFFECTIVE SOFTWARE AND HARDWARE DESIGNS HAVE BEEN INSTI-
13 TUTED WITH SECURITY FEATURES TO PREVENT UNAUTHORIZED ACCESS TO
14 RECORDS.

15 (C) ACCESS TO RECORD INFORMATION IS RESTRICTED TO AUTHORIZED
16 PERSONNEL.

17 (D) SYSTEM AND OPERATIONAL PROGRAMS ARE USED THAT WILL PRO-
18 HIBIT INQUIRY, RECORD UPDATES, OR DESTRUCTION OF RECORDS FROM A
19 TERMINAL OTHER THAN AUTOMATED FINGER IMAGING SYSTEM TERMINALS
20 THAT ARE DESIGNATED TO PERMIT INQUIRY, RECORD UPDATES, OR
21 DESTRUCTION OF RECORDS.

22 (E) SYSTEM AND OPERATIONAL PROGRAMS ARE USED TO DETECT AND
23 REPORT ALL UNAUTHORIZED ATTEMPTS TO PENETRATE AN AUTOMATED FINGER
24 IMAGING SYSTEM, PROGRAM, OR FILE.

25 (9) BEGINNING DECEMBER 31 OF THE FIRST YEAR THE AUTOMATED
26 FINGER IMAGING SYSTEM HAS BEEN FULLY IMPLEMENTED, THE FAMILY
27 INDEPENDENCE AGENCY SHALL COMPILE AND REPORT ANNUALLY TO THE

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1 SENATE AND HOUSE COMMITTEES HAVING JURISDICTION OVER FAMILY
2 INDEPENDENCE AGENCY MATTERS THE FOLLOWING INFORMATION CONCERNING
3 THE OPERATION OF THE AUTOMATED FINGER IMAGING SYSTEM:

4 (A) AN ANALYSIS OF THE COSTS AND SAVINGS OF THE SYSTEM
5 INCLUDING, BUT NOT LIMITED TO, ADMINISTRATIVE COSTS, OPERATION
6 COSTS, AND ACTUAL SAVINGS DUE TO CONFIRMED FRAUD AND FRAUD
7 DETERRENCE.

8 (B) THE NUMBER OF INDIVIDUALS WHO HAVE APPLIED FOR ASSIST-
9 ANCE UNDER MORE THAN 1 NAME.

10 (C) THE NUMBER OF INDIVIDUALS REFUSING TO PROVIDE A FINGER
11 IMAGE AND THE REASONS FOR THE REFUSAL.

12 (D) A DETAILED SUMMARY OF THE RESULTS OF REVIEWS REQUIRED BY
13 SUBSECTION (8).

14 (10) EXCEPT AS NECESSARY TO CARRY OUT A COMPACT OR AGREEMENT
15 UNDER SUBSECTION (7) OR UNLESS OTHERWISE REQUIRED BY LAW, THE
16 FAMILY INDEPENDENCE AGENCY SHALL NOT SELL, TRANSFER, OR RELEASE
17 INFORMATION IDENTIFYING AN INDIVIDUAL NAMED IN THE AUTOMATED
18 FINGER IMAGING SYSTEM RECORD TO A THIRD PERSON, INCLUDING, BUT
19 NOT LIMITED TO, ANOTHER STATE DEPARTMENT OR AGENCY.

20 (11) A PERSON SHALL NOT DISCLOSE INFORMATION FROM THE AUTO-
21 MATED FINGER IMAGING SYSTEM RECORD IN A MANNER THAT IS NOT AUTHO-
22 RIZED BY LAW OR RULE. A VIOLATION OF THIS SUBSECTION IS A MISDE-
23 MEANOR PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 93 DAYS OR A
24 FINE OF NOT MORE THAN \$500.00, OR BOTH.

25 (12) AT THE TIME AN INDIVIDUAL APPLIES FOR CASH ASSISTANCE,
26 FOOD STAMPS, OR BOTH, THE FAMILY INDEPENDENCE AGENCY SHALL INFORM
27 THE INDIVIDUAL OF ALL OF THE FOLLOWING:

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1 (A) THE REQUIREMENT TO ALLOW THE DEPARTMENT TO TAKE A FINGER
2 IMAGE FROM THE INDIVIDUAL.

3 (B) THE FACT THAT THE FINGER IMAGE MAY BE COMPARED TO THE
4 FINGER IMAGES OF OTHER BENEFIT RECIPIENTS TO PREVENT DUPLICATE
5 PARTICIPATION.

6 (C) THE FACT THAT THE DEPARTMENT IS PROHIBITED BY LAW FROM
7 USING THE FINGER IMAGE FOR A DIFFERENT PURPOSE.