

Act No. 26
Public Acts of 1999
Approved by the Governor
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STATE OF MICHIGAN
90TH LEGISLATURE
REGULAR SESSION OF 1999

**Introduced by Senators Stille, Gougeon, Goschka, Shugars, McCotter, Bennett, Bullard, Dunaskiss and
Jaye**

ENROLLED SENATE BILL No. 141

AN ACT to amend 1939 PA 280, entitled "An act to protect the welfare of the people of this state; to provide general assistance, hospitalization, infirmary and medical care to poor or unfortunate persons; to provide for compliance by this state with the social security act; to provide protection, welfare and services to aged persons, dependent children, the blind, and the permanently and totally disabled; to administer programs and services for the prevention and treatment of delinquency, dependency and neglect of children; to create a state department of social services; to prescribe the powers and duties of the department; to provide for the interstate and intercounty transfer of dependents; to create county and district departments of social services; to create within certain county departments, bureaus of social aid and certain divisions and offices thereunder; to prescribe the powers and duties of the departments, bureaus and officers; to provide for appeals in certain cases; to prescribe the powers and duties of the state department with respect to county and district departments; to prescribe certain duties of certain other state departments, officers, and agencies; to make an appropriation; to prescribe penalties for the violation of the provisions of this act; and to repeal certain parts of this act on specific dates," by amending section 57a (MCL 400.57a), as added by 1995 PA 223.

The People of the State of Michigan enact:

Sec. 57a. (1) The family independence agency shall establish and administer the family independence program to provide assistance to families who are making efforts to achieve independence.

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

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

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

(c) Assist families in determining and overcoming the barriers preventing them from achieving financial independence.

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

(3) The family independence agency shall establish income and asset levels for eligibility, types of income and assets to be considered in making eligibility determinations, payment standards, composition of the program group and the family independence assistance group, program budgeting and accounting methods, and client reporting requirements to meet the following goals:

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

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

(4) Not later than October 1, 2001, the family independence agency shall implement an automated finger imaging system designed to prevent an individual from receiving cash assistance, food stamps, or both under more than 1 name. Beginning at the effective date of the establishment and implementation of the finger imaging system, an individual applying for cash assistance, food stamps, or both must provide the family independence agency with an automated finger image or images as a condition of eligibility. Finger imaging obtained pursuant to this subsection shall be used only for the purposes of reducing fraud in obtaining public benefits or assistance under this act.

(5) The family independence agency shall establish the automated finger image system that, at a minimum, includes the following:

(a) Confidentiality of the automated finger image records taken pursuant to this section.

(b) A system for administrative appeal of a matter relating to the taking or verification of an individual's automated finger image.

(c) A requirement to exempt children from providing the automated finger image unless there is a reasonable suspicion 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.

(d) A requirement to exempt individuals from whom the automated finger image technology is unable to obtain an accurate finger image.

(e) A requirement to exempt patients placed in nursing homes from providing the automated finger image.

(f) In addition to the population groups named in subdivisions (c), (d), and (e), authority to exempt certain other population groups from providing the automated finger image including, but not limited to, homebound recipients.

(6) The family independence agency shall remove an individual's finger image from the department's file if the individual has not received benefits or assistance from the family independence agency within the previous 12 months.

(7) The family independence agency may negotiate and enter into a compact or reciprocal agreement with another state department, the federal government, an agency of the federal government, or an agency of another state for the purpose of implementing and administering the finger imaging provisions of this section as long as the compact or reciprocal agreement is not inconsistent with the limitations of use and access contained in subsection (4).

(8) The family independence agency shall conduct semi-annual security reviews to monitor the automated finger imaging system to insure that all of the following occur:

(a) All records maintained as part of the system are accurate and complete.

(b) Effective software and hardware designs have been instituted with security features to prevent unauthorized access to records.

(c) Access to record information is restricted to authorized personnel.

(d) System and operational programs are used that will prohibit inquiry, record updates, or destruction of records from a terminal other than automated finger imaging system terminals that are designated to permit inquiry, record updates, or destruction of records.

(e) System and operational programs are used to detect and report all unauthorized attempts to penetrate an automated finger imaging system, program, or file.

(9) Beginning December 31 of the first year the automated finger imaging system has been fully implemented, the family independence agency shall compile and report annually to the senate and house committees having jurisdiction over family independence agency matters the following information concerning the operation of the automated finger imaging system:

(a) An analysis of the costs and savings of the system including, but not limited to, administrative costs, operation costs, and actual savings due to confirmed fraud and fraud deterrence.

(b) The number of individuals who have applied for assistance under more than 1 name.

(c) The number of individuals refusing to provide a finger image and the reasons for the refusal.

(d) A detailed summary of the results of reviews required by subsection (8).

(10) Except as necessary to carry out a compact or agreement under subsection (7) or unless otherwise required by law, the family independence agency shall not sell, transfer, or release information identifying an individual named in the automated finger imaging system record to a third person, including, but not limited to, another state department or agency.

(11) A person shall not disclose information from the automated finger imaging system record in a manner that is not authorized by law or rule. A violation of this subsection is a misdemeanor punishable by imprisonment for not more than 93 days or a fine of not more than \$500.00, or both.

(12) At the time an individual applies for cash assistance, food stamps, or both, the family independence agency shall inform the individual of all of the following:

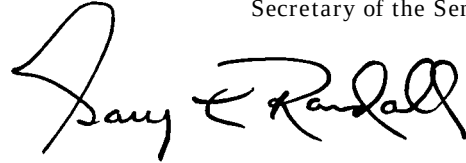
(a) The requirement to allow the department to take a finger image from the individual.

(b) The fact that the finger image may be compared to the finger images of other benefit recipients to prevent duplicate participation.

(c) The fact that the department is prohibited by law from using the finger image for a different purpose.



Secretary of the Senate.



Clerk of the House of Representatives.

Approved _____

Governor.