

HOUSE BILL No. 5739

June 8, 2016, Introduced by Reps. Gay-Dagnogo, Moss, Cochran, Banks, Robinson, Plawecki, Hovey-Wright, Dianda, Geiss, Garrett, Pagan, Greig and Wittenberg and referred to the Committee on Insurance.

A bill to amend 2004 PA 454, entitled
"Social security number privacy act,"
by amending section 3 (MCL 445.83).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) Except as provided in subsection (2), a person
2 shall not intentionally do any of the following with the social
3 security number of an employee, student, or other individual:

4 (a) Publicly display all or more than 4 sequential digits of
5 the social security number.

6 (b) Subject to subsection (3), use all or more than 4
7 sequential digits of the social security number as the primary
8 account number for an individual. ~~However, if the person is using~~
9 ~~the social security number under subdivision (c) and as the primary~~
10 ~~account number on the effective date of this act, this subdivision~~
11 ~~does not apply to that person until January 1, 2006.~~

1 (c) Visibly print all or more than 4 sequential digits of the
2 social security number on any identification badge or card,
3 membership card, or permit or license. ~~However, if a person has~~
4 ~~implemented or implements a plan or schedule that establishes a~~
5 ~~specific date by which it will comply with this subdivision, this~~
6 ~~subdivision does not apply to that person until January 1, 2006, or~~
7 ~~the completion date specified in that plan or schedule, whichever~~
8 ~~is earlier.~~

9 (d) Require an individual to use or transmit all or more than
10 4 sequential digits of his or her social security number over the
11 ~~internet~~**INTERNET** or a computer system or network unless the
12 connection is secure or the transmission is encrypted.

13 (e) Require an individual to use or transmit all or more than
14 4 sequential digits of his or her social security number to gain
15 access to an ~~internet~~**INTERNET** website or a computer system or
16 network unless the connection is secure, the transmission is
17 encrypted, or a password or other unique personal identification
18 number or other authentication device is also required to gain
19 access to the ~~internet~~**INTERNET** website or computer system or
20 network.

21 (f) Include all or more than 4 sequential digits of the social
22 security number in or on any document or information mailed or
23 otherwise sent to an individual if it is visible on or, without
24 manipulation, from outside of the envelope or packaging.

25 (g) Subject to subsection (3), ~~beginning January 1, 2006,~~
26 include all or more than 4 sequential digits of the social security
27 number in any document or information mailed to a person, unless

1 any of the following apply:

2 (i) State or federal law, rule, regulation, or court order or
3 rule authorizes, permits, or requires that a social security number
4 appear in the document.

5 (ii) The document is sent as part of an application or
6 enrollment process initiated by the individual.

7 (iii) The document is sent to establish, confirm the status
8 of, service, amend, or terminate an account, contract, policy, or
9 employee or health insurance benefit or to confirm the accuracy of
10 a social security number of an individual who has an account,
11 contract, policy, or employee or health insurance benefit.

12 (iv) The document or information is mailed by a public body
13 under any of the following circumstances:

14 (A) The document or information is a public record and is
15 mailed in compliance with the freedom of information act, 1976 PA
16 442, MCL 15.231 to 15.246.

17 (B) The document or information is a copy of a public record
18 filed or recorded with a county clerk or register of deeds office
19 and is mailed by that office to a person entitled to receive that
20 record.

21 (C) The document or information is a copy of a vital record
22 recorded as provided by law and is mailed to a person entitled to
23 receive that record.

24 (v) The document or information is mailed by or at the request
25 of an individual whose social security number appears in the
26 document or information or his or her parent or legal guardian.

27 (vi) The document or information is mailed in a manner or for

1 a purpose consistent with subtitle A of title V of the Gramm-Leach-
2 Bliley act, 15 USC 6801 to 6809 ~~+-OR~~ with the health insurance
3 portability and accountability act of 1996, Public Law 104-191. ~~+~~
4 ~~or with section 537 or 539 of the insurance code of 1956, 1956 PA~~
5 ~~218, MCL 500.537 and 500.539.~~

6 (2) Subsection (1) does not apply to any of the following:

7 (a) A use of all or more than 4 sequential digits of a social
8 security number that is authorized or required by state or federal
9 statute, rule, or regulation, by court order or rule, or pursuant
10 to legal discovery or process.

11 (b) A use of all or more than 4 sequential digits of a social
12 security number by a title IV-D agency, law enforcement agency,
13 court, or prosecutor as part of a criminal investigation or
14 prosecution, or providing all or more than 4 sequential digits of a
15 social security number to a title IV-D agency, law enforcement
16 agency, court, or prosecutor as part of a criminal investigation or
17 prosecution.

18 (3) It is not a violation of subsection (1)(b) or (g) to use
19 all or more than 4 sequential digits of a social security number if
20 the use is any of the following:

21 (a) An administrative use of all or more than 4 sequential
22 digits of the social security number in the ordinary course of
23 business, by a person or a vendor or contractor of a person, to do
24 any of the following:

25 (i) Verify an individual's identity, identify an individual,
26 or do another similar administrative purpose related to an account,
27 transaction, product, service, or employment or proposed account,

1 transaction, product, service, or employment.

2 (ii) Investigate an individual's claim, credit, criminal, or
3 driving history.

4 (iii) Detect, prevent, or deter identity theft or another
5 crime.

6 (iv) Lawfully pursue or enforce a person's legal rights,
7 including, but not limited to, an audit, collection, investigation,
8 or transfer of a tax, employee benefit, debt, claim, receivable, or
9 account or an interest in a receivable or account.

10 (v) Lawfully investigate, collect, or enforce a child or
11 spousal support obligation or tax liability.

12 (vi) Provide or administer employee or health insurance or
13 membership benefits, claims, or retirement programs or ~~to~~
14 administer the ownership of shares of stock or other investments.

15 (b) A use of all or more than 4 sequential digits of a social
16 security number as a primary account number that meets both of the
17 following:

18 (i) The use began before ~~the effective date of this act.~~ **MARCH**
19 **1, 2005.**

20 (ii) The use is ongoing, continuous, and in the ordinary
21 course of business. If the use is stopped for any reason, this
22 subdivision no longer applies.

23 Enacting section 1. This amendatory act does not take effect
24 unless Senate Bill No. ____ or House Bill No. 5738 (request no.
25 04219'15) of the 98th Legislature is enacted into law.