

**SUBSTITUTE FOR
SENATE BILL NO. 1020**

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 JULY 1, 1999, THE FAMILY INDEPENDENCE
19 AGENCY SHALL IMPLEMENT AN AUTOMATED FINGER IMAGING SYSTEM
20 DESIGNED TO PREVENT A SINGLE INDIVIDUAL FROM RECEIVING TEMPORARY
21 AID TO NEEDY FAMILIES AND FOOD STAMPS

22 UNDER MORE THAN 1 NAME. BEGINNING AT THE EFFECTIVE DATE
23 OF THE ESTABLISHMENT AND IMPLEMENTATION OF THE FINGER IMAGING
24 SYSTEM, AN INDIVIDUAL APPLYING FOR THE BENEFITS DESCRIBED IN THIS
25 SECTION MUST PROVIDE THE FAMILY INDEPENDENCE AGENCY WITH AN AUTO-
26 MATED FINGER IMAGE OR IMAGES AS A CONDITION OF ELIGIBILITY.
27 FINGER IMAGING OBTAINED PURSUANT TO THIS SUBSECTION SHALL BE USED

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1 ONLY FOR THE PURPOSES OF DETERMINING ELIGIBILITY FOR AND REDUCING
2 FRAUD IN OBTAINING PUBLIC BENEFITS OR ASSISTANCE UNDER THIS ACT.

3 (5) THE FAMILY INDEPENDENCE AGENCY SHALL PROMULGATE RULES
4 UNDER THE ADMINISTRATIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL
5 24.201 TO 24.328, ESTABLISHING THE SYSTEM THAT, AT A MINIMUM,
6 INCLUDES THE FOLLOWING:

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

9 (B) A SYSTEM FOR ADMINISTRATIVE APPEAL OF ANY MATTER RELAT-
10 ING TO THE TAKING OR VERIFICATION OF AN INDIVIDUAL'S AUTOMATED
11 FINGER IMAGE.

12 (C) MAY EXEMPT CERTAIN POPULATION GROUPS FROM PROVIDING THE
13 AUTOMATED FINGER IMAGE INCLUDING, BUT NOT LIMITED TO, SENIOR CIT-
14 IZENS, CHILDREN, HOMEBOUND RECIPIENTS, OR PATIENTS PLACED IN
15 NURSING HOMES.

16 (6) THE FAMILY INDEPENDENCE AGENCY SHALL REMOVE AN
17 INDIVIDUAL'S FINGER IMAGE FROM THE AGENCY'S FILE IF THE INDIVID-
18 UAL HAS NOT RECEIVED BENEFITS OR ASSISTANCE FROM THE FAMILY INDE-
19 PENDENCE AGENCY WITHIN THE PREVIOUS 3 YEARS.

20 (7) THE FAMILY INDEPENDENCE AGENCY MAY NEGOTIATE AND ENTER
21 INTO A COMPACT OR RECIPROCAL AGREEMENT WITH THE FEDERAL GOVERN-
22 MENT, AN AGENCY OF THE FEDERAL GOVERNMENT, OR AN AGENCY OF
23 ANOTHER STATE FOR THE PURPOSE OF IMPLEMENTING AND ADMINISTERING
24 THE FINGER IMAGING PROVISIONS OF THIS SECTION AS LONG AS THE COM-
25 PACT OR RECIPROCAL AGREEMENT IS NOT INCONSISTENT WITH THE LIMITA-
26 TIONS 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 ANY TERMINAL OTHER THAN AUTOMATED FINGER IMAGING SYSTEM TERMINALS THAT ARE SO DESIGNATED.

(E) SYSTEM AND OPERATIONAL PROGRAMS ARE USED TO DETECT AND REPORT ALL UNAUTHORIZED ATTEMPTS TO PENETRATE ANY AUTOMATED FINGER

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IMAGING SYSTEM, PROGRAM, OR FILE.

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(9) BEGINNING DECEMBER 31, 2000, 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).

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Final page.

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