

SENATE BILL No. 539

May 26, 2005, Introduced by Senators CASSIS, BIRKHOLZ, BRATER and GOSCHKA and referred to the Committee on Judiciary.

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

1 the social security number under subdivision (c) and as the primary
2 account number on the effective date of this act, this subdivision
3 does not apply to that person until January 1, 2006.

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

12 (d) Require an individual to use or transmit all or more than
13 4 sequential digits of his or her social security number over the
14 internet or a computer system or network unless the connection is
15 secure or the transmission is encrypted.

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

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

27 (g) Subject to subsection (3), beginning January 1, 2006,

1 include all or more than 4 sequential digits of the social security
2 number in any document or information mailed to a person, unless
3 any of the following apply:

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

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

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

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

16 (A) The document or information is a public record and is
17 mailed in compliance with the freedom of information act, 1976 PA
18 442, MCL 15.231 to 15.246.

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

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

26 (v) The document or information is mailed by or at the request
27 of an individual whose social security number appears in the

1 document or information or his or her parent or legal guardian.

2 (vi) The document or information is mailed in a manner or for a
3 purpose consistent with subtitle A of title V of the Gramm-Leach-
4 Bliley act, 15 USC 6801 to 6809; with the health insurance
5 portability and accountability act of 1996, Public Law 104-191; or
6 with section 537 or 539 of the insurance code of 1956, 1956 PA 218,
7 MCL 500.537 and 500.539.

8 **(H) REQUIRE AN EMPLOYEE TO ENTER ALL OR MORE THAN 4 SEQUENTIAL**
9 **DIGITS OF HIS OR HER SOCIAL SECURITY NUMBER INTO ANY ELECTRONIC OR**
10 **COMPUTER DEVICE THAT UTILIZES A KEYBOARD, NUMERICAL KEYPAD, TOUCH**
11 **PAD, OR TOUCH SCREEN FOR ACCESS IF THE EMPLOYEE'S USE OF THE**
12 **KEYBOARD, KEYPAD, TOUCH PAD, OR TOUCH SCREEN IS VISIBLE TO OTHER**
13 **INDIVIDUALS.**

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

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

19 (b) A use of all or more than 4 sequential digits of a social
20 security number by a title IV-D agency, law enforcement agency,
21 court, or prosecutor as part of a criminal investigation or
22 prosecution, or providing all or more than 4 sequential digits of a
23 social security number to a title IV-D agency, law enforcement
24 agency, court, or prosecutor as part of a criminal investigation or
25 prosecution.

26 (3) It is not a violation of subsection (1)(b) or (g) to use
27 all or more than 4 sequential digits of a social security number if

1 the use is any of the following:

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

6 (i) Verify an individual's identity, identify an individual, or
7 do another similar administrative purpose related to an account,
8 transaction, product, service, or employment or proposed account,
9 transaction, product, service, or employment.

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

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

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

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

19 (vi) Provide or administer employee or health insurance or
20 membership benefits, claims, or retirement programs or to
21 administer the ownership of shares of stock or other investments.

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

25 (i) The use began before the effective date of this act.

26 (ii) The use is ongoing, continuous, and in the ordinary course
27 of business. If the use is stopped for any reason, this subdivision

1 no longer applies.