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BILL ANALYSIS

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Senate Bill 1432 (as introduced 7-21-10)  
Sponsor: Senator Bill Hardiman  
Committee: Banking and Financial Institutions

Date Completed: 8-17-10

### **CONTENT**

The bill would amend the Social Welfare Act to require the Department of Human Services (DHS) to work with the Department of Technology, Management, and Budget, and representatives of automatic teller machine (ATM) suppliers, to create and implement a program or method of blocking access to cash benefits from Michigan Bridge Cards at ATMs located on casino premises.

If the DHS required a Federal waiver to implement these provisions, the Department would have to apply for that waiver immediately upon the bill's enactment.

Proposed MCL 400.57v

### **BACKGROUND**

The Michigan Bridge Card is a debit card used to deliver food benefits and cash benefits. The DHS issues the card, rather than paper food stamps or paper checks, to eligible individuals, and makes deposits to their accounts twice monthly. Recipients can use the card at a store point-of-sale machine to buy food with food or cash benefits; to buy nonfood items with cash benefits; to withdraw cash from cash benefits; or to get cash back with a purchase. Recipients also can use the card at an ATM to withdraw cash benefits.

According to the DHS website, approximately 4,400 retailers and over 4,000 ATMs are available for Bridge Card use within the State.

Legislative Analyst: Suzanne Lowe

### **FISCAL IMPACT**

State: Assuming the Department of Human Services and/or the Department of Technology, Management, and Budget were provided with the correct ATM location and identification information by the banks that own the ATMs, then the cost to the Department(s) of programming the ATMs to block cash assistance payments in casinos would be minimal (estimated at a few thousand dollars). However, if accurate information were not made available to the Department(s), then it is possible that this legislation could not be implemented as written, since there is no requirement for the banking industry to provide such information.

Local: The bill would have no fiscal impact on local government.

Fiscal Analyst: Kathryn Summers

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