

HOUSE BILL No. 5715

December 17, 2009, Introduced by Rep. Spade and referred to the Committee on Families and Children's Services.

A bill to amend 1971 PA 174, entitled "Office of child support act," by amending the title and sections 3 and 6 (MCL 400.233 and 400.236), the title as amended by 1998 PA 112, section 3 as amended by 2002 PA 564, and section 6 as amended by 2004 PA 548.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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TITLE

An act to create the office of child support; ~~and~~ to prescribe certain powers and duties of the office, certain public and private agencies, and certain employers and former employers; **AND TO IMPOSE FEES.**

Sec. 3. The office shall do all of the following:

(a) Serve as a state agency authorized to administer title IV-

1 D.

2 (b) Assist a governmental agency or department in locating an
3 adult responsible for the child for any of the following purposes:

4 (i) To establish parentage.

5 (ii) To establish, set the amount of, modify, or enforce
6 support obligations.

7 (iii) To disburse support receipts.

8 (iv) To make or enforce child custody or parenting time orders.

9 (c) Coordinate activity on a state level in a search for an
10 adult responsible for the child.

11 (d) Obtain information that directly relates to the identity
12 or location of an adult responsible for the child.

13 (e) Serve as the information agency as provided in the revised
14 uniform reciprocal enforcement of support act, 1952 PA 8, MCL
15 780.151 to 780.183, and uniform interstate family support act, 1996
16 PA 310, MCL 552.1101 to 552.1901.

17 (f) Develop guidelines for coordinating activities of a
18 governmental department, board, commission, bureau, agency, or
19 council, or a public or private agency, in providing information
20 necessary for the location of an adult responsible for the child.

21 (g) Develop, administer, and coordinate with the state and
22 federal departments of treasury a procedure for offsetting the
23 state tax refunds and federal income tax refunds of a parent who is
24 obligated to support a child and who owes past due support. The
25 procedure shall include a guideline that the office submit to the
26 state department of treasury, not later than November 15 of each
27 year, all requests for the offset of state tax refunds claimed on

1 returns filed or to be filed for that tax year.

2 (h) Develop and implement a statewide information system to
3 facilitate the establishment and enforcement of child support
4 obligations.

5 (i) Publicize through regular and frequent, nonsexist public
6 service announcements the availability of support establishment and
7 enforcement services.

8 (j) Develop and implement in cooperation with financial
9 institutions a data matching and lien and levy system to identify
10 assets of and to facilitate the collection of support from the
11 assets of individuals who have an account at a financial
12 institution and who are obligated to pay support as provided in
13 this act.

14 (k) Provide discovery and support for support enforcement
15 activities as provided in the support and parenting time
16 enforcement act, 1982 PA 295, MCL 552.601 to 552.650.

17 (l) Have in effect safeguards against the unauthorized use or
18 disclosure of case record information that are designed to protect
19 the privacy rights of the parties as specified in sections 454 and
20 454a of title IV-D, 42 ~~U.S.C.~~ **USC** 654 and 654a, and that are
21 consistent with the use and disclosure standards provided under
22 section 64 of the social welfare act, 1939 PA 280, MCL 400.64.

23 (m) As provided in section 10 for friend of the court cases,
24 centralize administrative enforcement remedies and develop and
25 implement a centralized enforcement program to facilitate the
26 collection of support.

27 **(N) IMPOSE AN ANNUAL FEE OF \$25.00 ON EACH INDIVIDUAL FOR WHOM**

1 SERVICES ARE FURNISHED UNDER TITLE IV-D IF THE INDIVIDUAL HAS NEVER
2 RECEIVED ASSISTANCE UNDER A PROGRAM FUNDED UNDER PART A OF TITLE IV
3 OF THE SOCIAL SECURITY ACT, 28 USC 601 TO 619, AND IF THIS STATE
4 HAS COLLECTED \$500.00 OR MORE OF SUPPORT FOR THE INDIVIDUAL. ALL OF
5 THE FOLLOWING APPLY TO A FEE IMPOSED UNDER THIS SUBDIVISION:

6 (i) THE OFFICE SHALL COLLECT THE FEE FROM SUPPORT COLLECTED FOR
7 THE INDIVIDUAL. HOWEVER, THE FEE SHALL NOT BE TAKEN FROM THE FIRST
8 \$500.00 OF SUPPORT COLLECTED FOR THE INDIVIDUAL.

9 (ii) THE OFFICE SHALL NOT COLLECT THE FEE IF THE INDIVIDUAL IS
10 A PARTICIPANT IN THE FOOD STAMPS PROGRAM UNLESS THE COLLECTION IS
11 ALLOWED UNDER FEDERAL LAW.

12 (iii) THE OFFICE SHALL COMPLY WITH FEDERAL LAW AND POLICY IN
13 ASSESSING, ENFORCING, COLLECTING, AND REPORTING THE FEE.

14 (iv) THE FEE SHALL BE USED TO ADMINISTER AND OPERATE THE CHILD
15 SUPPORT PROGRAM UNDER TITLE IV-D.

16 Sec. 6. (1) The state disbursement unit is established as the
17 direct responsibility of the office. The SDU shall use automated
18 procedures, electronic processes, and computer-driven technology to
19 the maximum extent feasible, efficient, and economical to receive
20 and disburse support and fees.

21 (2) The SDU is the single location to which a payer or source
22 of income subject to this section shall send a support or fee
23 payment. The SDU shall disburse a support payment to the recipient
24 of support within 2 business days after the SDU receives the
25 support payment. Not less than twice each calendar month, the SDU
26 shall disburse fees that it receives to the appropriate county
27 treasurer or office of the friend of the court.

1 (3) **THE SDU SHALL DISBURSE FEES COLLECTED UNDER SECTION 3 (N)**
2 **AS PROVIDED IN SECTION 3 (N) .**

3 (4) ~~(3)~~—If a payer or source of income attempts to make a
4 support or fee payment to the SDU and the payment transaction fails
5 due to nonsufficient funds, the SDU may take actions to collect
6 from the payer or source of income the support or fee payment
7 amount, plus an amount for the expense of those actions.

8 (5) ~~(4) By not later than 1 year after the effective date of~~
9 ~~the amendatory act that added this subsection, the SDU shall~~
10 ~~disburse support electronically, in not fewer than 3 counties in~~
11 ~~this state, to either the recipient of support's account in a~~
12 ~~financial institution or to a special account that may be accessed~~
13 ~~by the recipient of support by an electronic access card. By not~~
14 ~~later than 2 years after the effective date of the amendatory act~~
15 ~~that added this subsection, the~~ **THE** SDU shall disburse support
16 electronically either to the recipient of support's account in a
17 financial institution or to a special account that may be accessed
18 by the recipient of support by an electronic access card. This
19 subsection does not apply under any of the following circumstances:

20 (a) ~~If electronic~~ **ELECTRONIC** transfer is not feasible to meet
21 federal requirements on the disbursement of child support payments.

22 (b) ~~If the~~ **THE** support payment is from a source that is
23 nonrecurring or that is not expected to continue in a 12-month
24 period.

25 (c) The recipient of support is a person with a mental or
26 physical disability that imposes a hardship in accessing an
27 electronically transferred payment.

1 (d) The recipient of support is a person with a language or
2 literacy barrier that imposes a hardship in accessing an
3 electronically transferred payment.

4 (e) The recipient of support's home and work addresses are
5 more than 30 miles from an automated teller machine and more than
6 30 miles from a financial institution where funds in the
7 recipient's account may be accessed.