

SUBSTITUTE FOR
HOUSE BILL NO. 5511

A bill to amend 1961 PA 236, entitled
"Revised judicature act of 1961,"
by amending section 6458 (MCL 600.6458), as amended by 2002 PA 429.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6458. (1) In rendering ~~any~~**A** judgment against ~~the~~**THIS**
2 state, or ~~any~~**A** department, commission, board, institution, arm, or
3 agency **OF THIS STATE**, the court **OF CLAIMS** shall determine and
4 specify in ~~that~~**THE** judgment the department, commission, board,
5 institution, arm, or agency from whose appropriation ~~that~~**THE**
6 judgment ~~shall~~**MUST** be paid.

7 (2) ~~Upon any~~**ON A** judgment against ~~the~~**THIS** state or ~~any~~**A**
8 department, commission, board, institution, arm, or agency **OF THIS**
9 **STATE** becoming final, or ~~upon~~**ON** allowance of ~~any~~**A** claim by the

1 state administrative board and ~~upon~~ certification **OF THE CLAIM** by
 2 the secretary of the state administrative board to the clerk of the
 3 court of claims, the clerk of the court **OF CLAIMS** shall certify to
 4 the state treasurer ~~the fact that that~~ **THE** judgment was entered or
 5 that the claim was allowed and **ON RECEIVING THE CERTIFICATION THE**
 6 **STATE TREASURER SHALL PAY** the claim ~~shall thereupon be paid from~~
 7 the unencumbered appropriation of the department, commission,
 8 board, institution, arm, or agency if the state treasurer
 9 determines the unencumbered appropriation is sufficient for the
 10 payment. ~~In the event that funds are~~ **IF MONEY IS** not available to
 11 pay the judgment or allowed claim **AS PROVIDED IN THIS SUBSECTION,**
 12 the state treasurer shall instruct the clerk of the court of claims
 13 to issue a voucher against an appropriation made by the legislature
 14 for the payment of judgment claims and allowed claims. ~~In the event~~
 15 ~~that funds are~~ **IF MONEY IS** not available to pay the judgment or
 16 allowed claim **AS PROVIDED IN THIS SUBSECTION, THE STATE TREASURER**
 17 **SHALL REPORT** that fact ~~, together with~~ **AND** the name of the
 18 claimant, **THE** date of **THE** judgment ~~, date~~ **OR** of **THE** allowance of
 19 **THE** claim by the state administrative board, and **THE** amount ~~shall~~
 20 ~~be reported~~ **OF THE JUDGMENT OR ALLOWED CLAIM** to the legislature at
 21 its next session, and **SHALL PAY** the judgment or allowed claim ~~shall~~
 22 ~~be paid~~ as soon as money is available for that purpose. The clerk
 23 **OF THE COURT OF CLAIMS** shall not certify ~~any~~ **A** judgment to the
 24 state treasurer until the period for appeal from ~~that~~ **THE** judgment
 25 ~~shall have~~ **HAS** expired, unless written stipulation between the
 26 attorney general and the claimant or his or her attorney, waiving
 27 any right of appeal or new trial, is filed with the clerk of the

1 court **OF CLAIMS**.

2 (3) The clerk **OF THE COURT OF CLAIMS** shall approve vouchers
3 under the direction of the court for the payment of ~~the several~~
4 judgments rendered by the court. All warrants issued in
5 satisfaction of ~~these~~ judgments **RENDERED BY THE COURT OF CLAIMS**
6 shall be transmitted to the clerk **OF THE COURT OF CLAIMS** for
7 distribution; and all warrants issued in satisfaction of claims
8 allowed by the state administrative board shall be transmitted to
9 the secretary of the state administrative board for distribution.

10 (4) **ON A JUDGMENT DESCRIBED IN SUBSECTION (2) BECOMING FINAL**
11 **OR ON A CLAIM BEING ALLOWED AND CERTIFIED TO THE CLERK OF THE COURT**
12 **OF CLAIMS AS DESCRIBED IN SUBSECTION (2), THE PLAINTIFF OR CLAIMANT**
13 **SHALL PROVIDE TO THE DEFENDANT AGAINST WHICH THE JUDGMENT WAS**
14 **ENTERED OR CLAIM GRANTED ANY INFORMATION REQUIRED BY THE DEPARTMENT**
15 **OF TREASURY TO IDENTIFY THE PLAINTIFF OR CLAIMANT OR, IF**
16 **APPLICABLE, EACH INDIVIDUAL FOR WHOSE BENEFIT THE ACTION WAS**
17 **BROUGHT OR THE CLAIM MADE, FOR PURPOSES OF COMPLYING WITH**
18 **SUBSECTIONS (5) TO (7) OR TO PERFORM THE DEPARTMENT OF TREASURY'S**
19 **DUTIES UNDER SUBSECTION (8). THE DEPARTMENT OF TREASURY SHALL MAKE**
20 **AVAILABLE TO DEPARTMENTS, COMMISSIONS, BOARDS, INSTITUTIONS, ARMS,**
21 **AND AGENCIES OF THIS STATE AN ITEMIZATION OF THE INFORMATION NEEDED**
22 **FROM A PLAINTIFF OR CLAIMANT TO SATISFY THIS SUBSECTION.**

23 (5) **WHEN REQUESTING PAYMENT OF A JUDGMENT OR ALLOWED CLAIM**
24 **FROM THE DEPARTMENT OF TREASURY, THE DEFENDANT AGAINST WHICH THE**
25 **JUDGMENT WAS ENTERED OR CLAIM GRANTED SHALL PROVIDE TO THE**
26 **DEPARTMENT OF TREASURY THE NAME OF THE PLAINTIFF OR CLAIMANT AND**
27 **THE IDENTIFYING INFORMATION PROVIDED UNDER SUBSECTION (4). IF THE**

1 PLAINTIFF OR CLAIMANT BROUGHT THE ACTION OR MADE THE CLAIM IN A
2 REPRESENTATIVE CAPACITY, THE DEFENDANT SHALL PROVIDE TO THE
3 DEPARTMENT OF TREASURY THE NAME AND IDENTIFYING INFORMATION FOR
4 EACH INDIVIDUAL FOR WHOSE BENEFIT THE ACTION WAS BROUGHT OR CLAIM
5 MADE.

6 (6) THE DEPARTMENT OF TREASURY SHALL NOT ISSUE A WARRANT IN
7 THE SATISFACTION OF A JUDGMENT OR CLAIM UNTIL THE DEPARTMENT OF
8 TREASURY DETERMINES WHETHER THE PLAINTIFF OR CLAIMANT OR, IF
9 APPLICABLE, INDIVIDUAL FOR WHOSE BENEFIT THE ACTION WAS BROUGHT OR
10 CLAIM MADE HAS A LIABILITY DESCRIBED IN SUBSECTION (7). IF THE
11 DEPARTMENT OF TREASURY IDENTIFIES A LIABILITY DESCRIBED IN
12 SUBSECTION (7), THE DEPARTMENT SHALL FIRST APPLY THE AMOUNT OF THE
13 JUDGMENT OR CLAIM AS PROVIDED IN SUBSECTION (7), AND THE EXCESS, IF
14 ANY, SHALL BE PAID TO SATISFY THE JUDGMENT OR CLAIM.

15 (7) THE AMOUNT OF A JUDGMENT OR CLAIM DESCRIBED IN SUBSECTION
16 (6) SHALL BE APPLIED TO THE FOLLOWING IN THE FOLLOWING ORDER OF
17 PRIORITY:

18 (A) ANY KNOWN TAX LIABILITY TO THIS STATE.

19 (B) ANY OTHER KNOWN LIABILITY TO THIS STATE.

20 (C) ANY OF THE FOLLOWING IN THE ORDER OF PRIORITY RECEIVED,
21 UNLESS OTHERWISE PROVIDED BY LAW:

22 (i) A SUPPORT LIABILITY.

23 (ii) A WRIT OF GARNISHMENT OR OTHER COURT ORDER DIRECTED TO
24 THIS STATE OR THE STATE TREASURER.

25 (iii) A LEVY OF THE INTERNAL REVENUE SERVICE.

26 (iv) A LIABILITY TO REPAY BENEFITS OBTAINED UNDER THE MICHIGAN
27 EMPLOYMENT SECURITY ACT, 1936 (EX SESS) PA 1, MCL 421.1 TO 421.75.

1 (8) THE DEPARTMENT OF TREASURY SHALL PROMULGATE RULES OR
2 REVERSE EXISTING RULES UNDER THE ADMINISTRATIVE PROCEDURES ACT OF
3 1969, 1969 PA 306, MCL 24.201 TO 24.328, AS NECESSARY TO IMPLEMENT
4 THIS SECTION. THE RULES SHALL INCLUDE A PROCEDURE FOR ASSURING THAT
5 A DEFENDANT OR CLAIMANT HAS RECEIVED OR WILL RECEIVE NOTICE AND AN
6 OPPORTUNITY FOR A HEARING WITH RESPECT TO THE LIABILITY TO WHICH
7 THE AMOUNT OF THE JUDGMENT OR CLAIM IS TO BE APPLIED.

8 (9) SUBSECTIONS (4) AND (5) APPLY TO ALL JUDGMENTS AND CLAIMS,
9 NOTWITHSTANDING ANY ORDER IN AN ACTION THAT PROHIBITS DISCLOSURE OF
10 THE NAME OF A PLAINTIFF, CLAIMANT, OR INDIVIDUAL FOR WHOSE BENEFIT
11 THE ACTION WAS BROUGHT OR CLAIM WAS MADE. IF SUCH A PROTECTIVE
12 ORDER EXISTS, THE DEFENDANT AGAINST WHICH THE JUDGMENT WAS ENTERED
13 OR CLAIM GRANTED SHALL NOTIFY THE DEPARTMENT OF TREASURY OF THE
14 ORDER WHEN PROVIDING THE NAME OF THE PLAINTIFF, CLAIMANT, OR
15 INDIVIDUAL UNDER SUBSECTION (5), AND THE NAME AND IDENTIFYING
16 INFORMATION OF THE PLAINTIFF, CLAIMANT, OR INDIVIDUAL IS EXEMPT
17 FROM DISCLOSURE UNDER THE FREEDOM OF INFORMATION ACT, 1976 PA 442,
18 MCL 15.231 TO 15.246.

19 (10) AS USED IN THIS SECTION, "SUPPORT" MEANS THAT TERM AS
20 DEFINED IN SECTION 2A OF THE FRIEND OF THE COURT ACT, 1982 PA 294,
21 MCL 552.502A.

22 Enacting section 1. This amendatory act takes effect January
23 1, 2016.