



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 592 (Substitute S-1)
Sponsor: Senator Michael J. Bouchard
Committee: Families, Mental Health and Human Services

Date Completed: 10-25-95

SUMMARY OF SENATE BILL 592 (Substitute S-1):

The bill would amend the Friend of the Court (FOC) Act to permit the FOC to report to a consumer reporting agency support information concerning all payers; delete the threshold level for reporting; delete requirements that the FOC give the payer advance notice and an opportunity to avoid or object to the reporting; and require the FOC to make current support information available to the consumer reporting agency upon the request of an agency, a payer, or a recipient of support from the payer. The bill would take effect on June 1, 1996.

Currently, the FOC may report to a credit reporting agency support information concerning all payers with a support arrearage of one or more months or an amount equal to at least \$1,000, whichever is reached first. Thereafter, the FOC must make the information available to the agency on a monthly basis. The bill would delete these provisions and, instead, permit the FOC to report to a consumer reporting agency support information concerning all payers.

The bill also would delete provisions that do the following:

- Require the FOC, before reporting, to give the payer notice of the proposed action, the amount of the arrearage, the payer's right to a review, and the payer's option to avoid the reporting by paying the entire arrearage within 21 days.
- Require the FOC to provide the payer with a review to enable him or her to object to the reporting on the ground of a mistake of fact, if the payer requests a review within certain time limits.
- Require the FOC to discontinue reporting support information regarding a payer and request deletion of information previously reported if the payer's arrearage has fallen and remained below the applicable threshold for two years.
- Provide that support information is not available if the support recipient has filed with the FOC an agreement signed by the payer and the recipient, stipulating that information be made available only upon the recipient's request (unless the recipient receives public assistance or an arrearage is payable to the State).

Currently, upon request of a consumer reporting agency, the FOC must make available to the agency current support information of an individual payer whose case is being reported to the agency, and the FOC may charge a fee up to the actual cost of complying. Under the bill, the FOC also would have to make information available to the agency upon request of a payer or a recipient of support from the payer, and could charge that person a fee.

MCL 552.512

Legislative Analyst: S. Margules

FISCAL IMPACT

The bill could reduce some administrative cost to the Friend of the Court office. The impact would be minimal.

Fiscal Analyst: M. Bain

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.