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**SFA****BILL ANALYSIS**

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Senate Bill 793 (as enrolled)  
Sponsor: Senator Robert Geake  
Senate Committee: Families, Mental Health and Human Services  
House Committee: Human Services and Children

**PUBLIC ACT 65 of 1998**

Date Completed: 9-9-98

**CONTENT****The bill amended the Uniform Interstate Family Support Act to do the following:**

- **Require employers to take certain actions when complying with income withholding orders issued by other states.**
- **Rewrite the procedures for determining which order of a tribunal of this or another state will control, when there is more than one order.**
- **Revise provisions concerning the modification of another state's support order that is registered in Michigan.**

The Act provides that, upon receiving an income withholding order issued in another state, the obligor's employer must treat the order as if it had been issued by this State's tribunal, and must immediately provide a copy of the order to the obligor. The Act also had required that the employer distribute the money as directed in the order. Under the bill, except as otherwise provided, an employer who receives an income withholding order issued by another state must withhold and distribute funds as directed in the order, by complying with the terms of the order that specify the following:

- The duration and amount of periodic payments of current child support.
- The person or agency designated to receive payments and the address where the payments are to be forwarded.
- Medical support, whether in the form of periodic cash payment, or the provision of health coverage for the child under coverage available through the obligor's employment.
- The amount of periodic payments of fees and costs for a support enforcement agency, the issuing tribunal, and the obligee's attorney.

- The amount of periodic payments of arrearages and interest on arrearages.

The bill requires the employer to comply with the law of the state of the obligor's principal place of employment for income withholding for all of the following: the employer's processing fee, the maximum amount allowed to be withheld, and the time within which the employer must implement withholding and forward the payments.

Under the bill, if an obligor's employer receives multiple income withholding orders for the same obligor, the employer satisfies the terms of the multiple orders if the employer complies with the law of the state of the obligor's principal place of employment to establish the priorities for withholding and allocating income withheld for multiple child support obligees.

The bill provides that an employer who complies with an out-of-state income withholding order will not be subject to civil liability to an individual or agency for withholding child support from the obligor's income. An employer who willfully fails to comply with an out-of-state income withholding order will be subject to the same penalties that apply for noncompliance with a Michigan order.

As previously provided, the bill allows an obligor to contest the validity or enforcement of an out-of-state income withholding order in the same manner as if the order had been issued by a Michigan tribunal. In addition to giving notice of the contest to the support enforcement agency and to the person or agency designated to receive payments (or to the obligee if neither is designated), the obligor must notify each employer that has directly received an income withholding order.

In regard to determining which tribunal's order

controls when there is more than one order, the bill requires the party obtaining the controlling order to file a certified copy of it with each tribunal that issued or registered an earlier child support order. The copies must be filed within 30 days after the controlling order is issued. A party who fails to file a certified copy is subject to appropriate sanctions by a tribunal in which the issue of failure to file arises. The failure to file will not affect the validity or enforceability of the controlling order. (Under the Act, "tribunal" means "a court, administrative agency, or quasi-judicial entity authorized to establish, enforce, or modify support orders or determine parentage".)

The bill also specifies that, if a responding state has not enacted the Uniform Interstate Family Support Act or a substantially similar law, a Michigan tribunal may issue a certificate or other document and make findings required by the law of the responding state. If the responding state is a foreign jurisdiction, the tribunal may specify the amount of support sought and provide other documents necessary to satisfy the responding state's requirements.

Under the Act, after another state's child support order is registered in Michigan, the responding tribunal of this State may modify that order if the tribunal makes certain findings. Under the bill, this provision applies only if Section 231 does not apply. (Section 231 governs the determination of which order to recognize when a proceeding is brought under the Act and two or more child support orders have been issued in this or other states with regard to an obligor and a child.) Among the required findings is that the child, or a party who is an individual, is subject to the personal jurisdiction of this State's tribunal and all of the parties have filed a written consent in the issuing tribunal for a tribunal of this State to modify the support order. Under the bill, however, if the issuing state is a foreign jurisdiction that has not enacted a law or established procedures substantially similar to the procedures under the Act, the consent otherwise required of an individual residing in Michigan is not required for the tribunal to assume jurisdiction to modify the support order.

The bill also specifies that if two or more tribunals have issued child support orders for the same obligor and child, the order that controls and must be recognized under the Act establishes the aspects of the support order that are nonmodifiable.

Under the bill, if all of the parties who are

individuals reside in Michigan and the child does not reside in the issuing state, a tribunal of this State has jurisdiction to enforce and to modify the issuing state's child support order in a proceeding to register that order. A tribunal of Michigan exercising jurisdiction under this provision must apply the provisions of Articles I, II, and VI of the Act, and the procedural and substantive law of this State to the proceedings for enforcement or modification.

As previously provided, the party obtaining the modifications must file a certified copy of the order with the issuing tribunal that had continuing, exclusive jurisdiction over the earlier order and in each tribunal where the party knows the earlier order is registered. The bill also provides that a party who obtains the order and fails to file a certified copy is subject to appropriate sanctions by a tribunal in which the issue of failure to file arises. The failure to file does not affect the validity or enforceability of the modified order of the new tribunal having continuing, exclusive jurisdiction.

In addition, the bill deleted requirements that various notices be provided specifically by first-class mail.

MCL 552.1103 et al.

Legislative Analyst: S. Lowe

### **FISCAL IMPACT**

The bill will have an indeterminate fiscal impact. There is no estimate on savings or a projection on total additional revenue that may result from the bill.

Fiscal Analyst: B. Bowerman

### **S9798/S793ES**

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.