
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 804 (as reported with amendments)
Sponsor: Senator Joel D. Gougeon
Committee: Families, Mental Health and Human Services

CONTENT

The bill would amend the Office of Child Support Act to expand the Office's responsibilities and provide for the collection of information from financial institutions and other entities. One of the Office's current responsibilities is to assist any governmental agency or department in locating an absent parent. Under the bill, the Office would have to assist any governmental agency or department in locating a parent to establish parentage; establish, set the amount of, modify, or enforce support obligations; disburse support receipts; or make or enforce child custody or parenting time orders.

The Office also would have to develop and implement in cooperation with financial institutions a data matching and lien and levy system to identify assets of and to facilitate the collection of support from the assets of individuals who had an account at a financial institution and who were obligated to pay support. A financial institution would have to provide certain information pursuant to the data matching system.

The Director of the Office could issue an administrative subpoena to require an entity to furnish any information or record in its possession that pertained to a parent and was demanded by the Office for administering or providing services under Part D of Title IV of the Social Security Act. An entity would not be liable for disclosure of information under the bill or for any other action taken in good faith to comply with the bill. If an entity did not comply with a subpoena or request for information or records, the Director could petition the circuit court to require the production of books, papers, and documents. Failure to comply would be punishable as contempt.

The bill would prohibit the Office from releasing information on a parent's address or other information to the other parent, if release were prohibited by a court order or if the Office had reason to believe that release of the information could result in physical or emotional harm to the parent or the child. The Office would have to notify the Federal government and courts of domestic violence or child abuse, pursuant to Part D of Title IV of the Social Security Act.

MCL 400.231 et al.

Legislative Analyst: P. Affholter

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on State government. First, an increase in the number of court cases could result from noncompliance with a subpoena for information. At this time it is not certain how many cases would result from noncompliance or how much each case would cost. Second, the Family Independence Agency is required by Federal law to enact these changes in State law. If the State does not have the changes enacted by January 1, 1998, the State may face certain financial penalties. The State may lose Federal funding for the child support programs, projected at \$119 million for FY 1996-97. In addition, the Federal funding for the families cash assistance program, which is projected at \$775 million for FY 1996-97, also may be at risk.

Date Completed: 11-24-97

Fiscal Analyst: C. Cole

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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.