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## INTEREST ON CHILD SUPPORT PAYMENTS

House Bill 5853 Sponsor: Rep. Eileen DeHart Committee: Family and Children Services

**Complete to 10-20-00** 

## A SUMMARY OF HOUSE BILL 5853 AS INTRODUCED 5-30-00

Currently, under the Friend of the Court Act (MCL 552.509), the friend of the court (FOC) is required to disburse all support payments to the recipient of support within 14 days after the payment is received. House Bill 5853 would reduce this time period to five days. In addition, the bill would require that the FOC pay interest on a support payment if it failed to distribute it within this five-day period. Under the bill, interest would have to be paid for each day the support payment was late. The FOC would be required to calculate the interest at the rate certified by the state treasurer, which would be equal to the average interest rate for financial institutions or selected financial institutions either statewide, in the metro Detroit area, or in Detroit, as published in a newspaper with a statewide circulation.

Analyst: R. Young

<sup>#</sup>This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.