H.B. 4817 (H-1): FLOOR ANALYSIS

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House Bill 4817 (Substitute H-1 as reported without amendment)

Sponsor: Representative David Mead

House Committee: Family and Children Services

Senate Committee: Families, Mental Health and Human Services

CONTENT

The bill would amend the Friend of the Court (FOC) Act to make revisions consistent with House Bill 4816 (H-3) regarding the establishment of a State Disbursement Unit (SDU) for the centralized collection and disbursement of child support payments and fees. The bill specifies that the Family Independence Agency (FIA), the SDU, and each FOC office would be required to cooperate in the transition to the centralized system. The bill is tie-barred to House Bill 4816.

The Act requires FOC offices to receive payments of support orders and service fees and, at least once each month, record support payments due, paid, and past due. The FOC offices must disburse support payments to the recipients of support within 14 days after the FOC office receives the payment. The bill would require disbursement within 14 days after the receipt of the payment or within the Federally mandated time frame, whichever was shorter.

An FOC office's responsibility for collecting and disbursing support payments and service fees would continue until the SDU implemented receipt and disbursement for the cases administered by that office. The bill would require an FOC office to continue support and fee receipt and support disbursement as directed in, and in accordance with, the transition schedule developed under House Bill 4816.

After SDU support and fee receipt and disbursement was implemented in a judicial circuit, the FOC office for that circuit court could accept a support payment, but it would have to transmit the payment to the SDU and inform the payer of the SDU's location and the requirement to make payments through the SDU.

Each FOC office would have to establish and maintain the support order and account records necessary to enforce support orders and to record obligations, support and fee receipt and disbursement, and related payments. Each FOC office would have to give the SDU access to those records and assist the SDU to resolve problems related to inadequate identifying information.

MCL 552.502a et al. Legislative Analyst: P. Affholter

FISCAL IMPACT

Please see **FISCAL IMPACT** for House Bill 4816.

Date Completed: 10-12-99 Fiscal Analyst: C. Cole

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Analysis available @ http://www.michiganlegislature.org

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