H.B. 4827 (H-1): FLOOR ANALYSIS

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House Bill 4827 (Substitute H-1 as reported without amendment)

Sponsor: Representative Lauren Hager

House Committee: Family and Children Services

Senate Committee: Families, Mental Health and Human Services

## CONTENT

The bill would amend the Revised Judicature 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 Friend of the Court (FOC) office would be required to cooperate in the transition to the centralized system. The bill is tie-barred to House Bill 4816.

Under the Act, for services provided that are not reimbursable under Part D of Title IV of the Federal Social Security Act, every person required to make payments of support or maintenance to be collected by the FOC must pay a fee of \$1.25 per month for every month or portion of a month that support or maintenance is required to be paid. The bill would apply this requirement to people required to make payments of support or maintenance to be collected by the FOC or the SDU.

The Act requires that each fee collected be transmitted to the county treasurer and that, of each fee collected, the county treasurer credit 25 cents to the county's general fund and transmit the balance to the State Treasurer for deposit in the State Court Fund. The Act also provides that, in the Third Circuit Court (Wayne County), each fee collected must be transmitted to the State Treasurer, and that the Treasurer must deposit 25 cents of each fee in the State General Fund and the balance of each fee in the State Court Fund. The bill would delete all of these provisions, and specify instead that the FOC or the SDU would have to transmit 25 cents of each fee to the appropriate county treasurer for deposit into the general fund of the county, and transmit the balance to the State Treasurer for deposit into the State Court Fund.

MCL 600.2538 Legislative Analyst: P. Affholter

## **FISCAL IMPACT**

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

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