H.B. 6008 (S-2): FLOOR ANALYSIS

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BILL ANALYSIS

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House Bill 6008 (Substitute S-2 as reported by the Committee of the Whole)

Sponsor: Representative Doug Hart

House Committee: Family and Children Services

Senate Committee: Families, Mental Health and Human Services

## **CONTENT**

The bill would amend the Office of Child Support (OCS) Act to require the OCS to:

- -- Centralize administrative enforcement remedies and develop and implement a centralized enforcement program to facilitate support collection for Friend of the Court (FOC) cases.
- -- Provide discovery and support for support enforcement activities as provided in the Support and Parenting Time Enforcement Act.
- -- Have in effect safeguards against the unauthorized use or disclosure of case record information.

(Under House Bill 6011 (S-2), which is tie-barred to House Bill 6008, a "Friend of the Court case" would be a domestic relations matter in which an FOC office opened a case because 1) a party was eligible for Title IV-D services due to the receipt of public assistance; 2) a party applied for Title IV-D services; 3) a party requested the FOC office to open an FOC case; 4) there was evidence of domestic violence or uneven bargaining positions and a party had chosen not to apply for Title IV-D services against the best interest of that party or his or her child; or 5) the parties had not filed a document acknowledging their choice to do without FOC services. Title IV-D is a section of the Social Security Act that requires states to establish a program to secure child support from legal parents who have the financial ability to pay.)

Based on criteria established by the OCS and the State Court Administrative Office, the OCS could centralize administrative enforcement procedures for child support enforcement services provided under Title IV-D. The OCS also could centralize enforcement activities for FOC cases. The criteria for centralizing enforcement would have to include 1) that support enforcement measures had been unsuccessful, and 2) that the arrearage was equal to or greater than the amount of support payable either for 12 months or, if the support recipient requested centralized enforcement, for six months.

Centralized enforcement could include a remedy available under the Support and Parenting Time Enforcement Act; contracting with a public or private collection agency or locator service; publishing a delinquent payer's name; or entering into an agreement with a law enforcement agency or prosecutor. In each FOC case that was selected for centralized enforcement, the OCS would have to give the custodial parent notice of the selection. The OCS also would have to develop a system to track each selected case so that the FOC office from which the case was selected could be identified.

Within one year after the bill's effective date and annually after that, the OCS would have to submit to the Legislature a report regarding FOC cases assigned to a private collection agency for support collection.

The bill would take effect on December 1, 2002.

MCL 400.231 et al. Legislative Analyst: Patrick Affholter

Page 1 of 2 hb6008/0102

## **FISCAL IMPACT**

The bill would have an indeterminate fiscal impact on State government. The Family Independence Agency currently provides discovery and support activities, safeguards against unauthorized use or disclosure of case record information, and contracts with other State agencies for collection of support as part of the State implementation of the Child Support Enforcement System in compliance with Federal laws and regulations. The inclusion of case identification, notification of case selection, and any fees associated with contracted collection services, as part of centralized remedy enforcement, would be eligible for reimbursement with Title IV-D funds, making these costs Federally reimbursable at a level of 66%.

Date Completed: 7-11-02 Fiscal Analyst: Connie Cole

## Floor\hb6008

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.