

**SUBSTITUTE FOR
HOUSE BILL NO. 6008**

A bill to amend 1971 PA 174, entitled
"Office of child support act,"
by amending sections 1, 3, and 9 (MCL 400.231, 400.233, and
400.239), section 1 as amended and section 9 as added by 1999
PA 161 and section 3 as amended by 1998 PA 112, and by adding
section 10.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 1. As used in this act:
- 2 (a) "Account" means any of the following:
- 3 (i) A demand deposit account.
- 4 (ii) A draft account.
- 5 (iii) A checking account.
- 6 (iv) A negotiable order of withdrawal account.
- 7 (v) A share account.

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1 (vi) A savings account.

2 (vii) A time savings account.

3 (viii) A mutual fund account.

4 (ix) A securities brokerage account.

5 (x) A money market account.

6 (xi) A retail investment account.

7 (b) "Account" does not mean any of the following:

8 (i) A trust.

9 (ii) An annuity.

10 (iii) A qualified individual retirement account.

11 (iv) An account covered by the employee retirement income
12 security act of 1974, Public Law 93-406, 88 Stat. 829.

13 (v) A pension or retirement plan.

14 (vi) An insurance policy.

15 (c) "Address" means the primary address shown on the records
16 of a financial institution used by the financial institution to
17 contact an account holder.

18 (d) "Adult responsible for the child" means a parent, rela-
19 tive who has physically cared for the child, putative father, or
20 current or former guardian of a child, including an emancipated
21 or adult child.

22 (e) "Current employment" means employment within 1 year
23 before a friend of the court request for information.

24 (f) "Department" means the family independence agency.

25 (g) "Financial asset" means stock, a bond, a money market
26 fund, a deposit, an account, or a similar instrument.

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1 (h) "Financial institution" means any of the following:

2 (i) A state or national bank.

3 (ii) A state or federally chartered savings and loan
4 association.

5 (iii) A state or federally chartered savings bank.

6 (iv) A state or federally chartered credit union.

7 (v) An insurance company.

8 (vi) An entity that offers any of the following to a resi-
9 dent of this state:

10 (A) A mutual fund account.

11 (B) A securities brokerage account.

12 (C) A money market account.

13 (D) A retail investment account.

14 (vii) An entity regulated by the securities and exchange
15 commission that collects funds from the public.

16 (viii) An entity that is a member of the national associa-
17 tion of securities dealers and that collects funds from the
18 public.

19 (ix) An entity that collects funds from the public.

20 (i) "Office" means the office of child support.

21 (J) "FRIEND OF THE COURT CASE" MEANS THAT TERM AS DEFINED IN
22 SECTION 2 OF THE FRIEND OF THE COURT ACT, 1982 PA 294,
23 MCL 552.502.

24 (K) ~~-(j)-~~ "Payer", "recipient of support", "source of
25 income", and "support" mean those terms as defined in section 2
26 of the support and parenting time enforcement act, 1982 PA 295,
27 MCL 552.602.

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1 (l) ~~(k)~~ "State disbursement unit" or "SDU" means the
2 entity established in section 6 for centralized state receipt and
3 disbursement of support and fees.

4 (M) "TITLE IV-D" MEANS PART D OF TITLE IV OF THE SOCIAL
5 SECURITY ACT, CHAPTER 531, 49 STAT. 620, 42 U.S.C. 651 TO 657,
6 658a TO 660, AND 663 TO 669b.

7 Sec. 3. The office shall do all of the following:

8 (a) Serve as a state agency authorized to administer ~~part D~~
9 ~~of title IV of the social security act, chapter 531,~~
10 ~~49 Stat. 620, 42 U.S.C. 651 to 660 and 663 to 669b~~ TITLE IV-D.

11 (b) Assist ~~any~~ A governmental agency or department in
12 locating an adult responsible for the child for any of the fol-
13 lowing purposes:

14 (i) To establish parentage.

15 (ii) To establish, set the amount of, modify, or enforce
16 support obligations.

17 (iii) To disburse support receipts.

18 (iv) To make or enforce child custody or parenting time
19 orders.

20 (c) Coordinate ~~any~~ activity on a state level in a search
21 for an adult responsible for the child.

22 (d) Obtain information that directly relates to the identity
23 or location of an adult responsible for the child.

24 (e) Serve as the information agency as provided in the
25 revised uniform reciprocal enforcement of support act, 1952 PA 8,
26 MCL 780.151 to 780.183, and uniform interstate family support
27 act, 1996 PA 310, MCL 552.1101 to 552.1901.

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1 (f) Develop guidelines for coordinating activities of ~~any~~
2 A governmental department, board, commission, bureau, agency, or
3 council, or ~~any~~ A public or private agency, in providing infor-
4 mation necessary for the location of an adult responsible for the
5 child.

6 (g) Develop, administer, and coordinate with the state and
7 federal departments of treasury a procedure for offsetting the
8 state tax refunds and federal income tax refunds of a parent who
9 is obligated to support a child and who owes past due support.
10 The procedure shall include a guideline that the office submit to
11 the state department of treasury, not later than November 15 of
12 each year, all requests for the offset of state tax refunds
13 claimed on returns filed or to be filed for that tax year.

14 (h) Develop and implement a statewide information system to
15 facilitate the establishment and enforcement of child support
16 obligations.

17 (i) Publicize through regular and frequent, nonsexist public
18 service announcements the availability of support establishment
19 and enforcement services.

20 (j) Develop and implement in cooperation with financial
21 institutions a data matching and lien and levy system to identify
22 assets of and to facilitate the collection of support from the
23 assets of individuals who have an account at a financial institu-
24 tion and who are obligated to pay support as provided in this
25 act.

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1 (K) PROVIDE DISCOVERY AND SUPPORT FOR SUPPORT ENFORCEMENT
2 ACTIVITIES AS PROVIDED IN THE SUPPORT AND PARENTING TIME
3 ENFORCEMENT ACT, 1982 PA 295, MCL 552.601 TO 552.650.

4 (I) HAVE IN EFFECT SAFEGUARDS AGAINST THE UNAUTHORIZED USE
5 OR DISCLOSURE OF CASE RECORD INFORMATION THAT ARE DESIGNED TO
6 PROTECT THE PRIVACY RIGHTS OF THE PARTIES AS SPECIFIED IN
7 SECTIONS 454 AND 454a OF TITLE IV-D, 42 U.S.C. 654 AND 654a, AND
8 THAT ARE CONSISTENT WITH THE USE AND DISCLOSURE STANDARDS PRO-
9 VIDED UNDER SECTION 64 OF THE SOCIAL WELFARE ACT, 1939 PA 280,
10 MCL 400.64.

11 (M) AS PROVIDED IN SECTION 10 FOR FRIEND OF THE COURT CASES,
12 CENTRALIZE ADMINISTRATIVE ENFORCEMENT REMEDIES AND DEVELOP AND
13 IMPLEMENT A CENTRALIZED ENFORCEMENT PROGRAM TO FACILITATE THE
14 COLLECTION OF SUPPORT.

15 Sec. 9. The department, the SDU, and each office of the
16 friend of the court shall cooperate in the transition to the cen-
17 tralized receipt and disbursement of support and fees. An office
18 of the friend of the court shall continue to receive and disburse
19 support and fees through the transition, based on the schedule
20 developed as required by section ~~6~~ 7, and modifications to that
21 schedule as the department considers necessary.

22 SEC. 10. (1) [BASED ON CRITERIA ESTABLISHED BY THE OFFICE AND THE
STATE COURT ADMINISTRATIVE OFFICE,] THE OFFICE MAY CENTRALIZE
ADMINISTRATIVE
23 ENFORCEMENT PROCEDURES FOR SERVICES PROVIDED UNDER TITLE IV-D.
24 THE OFFICE MAY [ALSO] CENTRALIZE ENFORCEMENT ACTIVITIES FOR FRIEND OF
25 THE COURT CASES BASED ON CRITERIA ESTABLISHED BY THE OFFICE AND
26 THE STATE COURT ADMINISTRATIVE OFFICE, INCLUDING, BUT NOT LIMITED
27 TO, FRIEND OF THE COURT CASES IN WHICH ARREARAGES ARE EQUAL TO OR

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1 GREATER THAN THE AMOUNT OF SUPPORT PAYABLE FOR 12 MONTHS [OR EQUAL TO OR
GREATER THAN SUPPORT PAYABLE FOR 6 MONTHS IF THE RECIPIENT OF SUPPORT
REQUESTS THAT ACTION]. EACH

2 OFFICE OF THE FRIEND OF THE COURT SHALL PROVIDE THE OFFICE WITH
3 INFORMATION NECESSARY FOR THE OFFICE TO IDENTIFY CASES ELIGIBLE
4 FOR CENTRALIZED ENFORCEMENT, AS WELL AS CASE INFORMATION NECES-
5 SARY FOR THE OFFICE TO PURSUE ENFORCEMENT REMEDIES.

6 (2) THE OFFICE'S CENTRALIZED ENFORCEMENT MAY INCLUDE, BUT IS
7 NOT LIMITED TO, 1 OR MORE OF THE FOLLOWING:

8 (A) AN ENFORCEMENT REMEDY AVAILABLE UNDER THE SUPPORT AND
9 PARENTING TIME ENFORCEMENT ACT, 1982 PA 295, MCL 552.601 TO
10 552.650.

11 (B) CONTRACTING WITH A PUBLIC OR PRIVATE COLLECTION AGENCY.
[EXCEPT UPON THE REQUEST OF A PARTY TO A FRIEND OF THE COURT CASE, AN
ADDITIONAL FEE SHALL NOT BE CHARGED TO THE CUSTODIAL PARENT FOR
COLLECTION SERVICES BY ANY PUBLIC OR PRIVATE COLLECTION AGENCY
CONTRACTING UNDER THIS SUBDIVISION.]

12 (C) CONTRACTING WITH A PUBLIC OR PRIVATE LOCATOR SERVICE.

13 (D) PUBLISHING A DELINQUENT PAYER'S NAME.

14 (E) A LOCAL OR REGIONAL AGREEMENT WITH A LAW ENFORCEMENT
15 AGENCY OR PROSECUTOR.

[(3) THE OFFICE SHALL NOTIFY THE CUSTODIAL PARENT IN EACH FRIEND OF
THE COURT CASE THAT THE OFFICE SELECTS FOR CENTRALIZED ENFORCEMENT THAT
THE PARENT'S CASE HAS BEEN SELECTED.]

16 [(4)] THE OFFICE SHALL DEVELOP A SYSTEM TO TRACK EACH FRIEND
17 OF THE COURT CASE SELECTED FOR CENTRALIZED ENFORCEMENT SO THAT
18 THE OFFICE OF THE FRIEND OF THE COURT FROM WHICH THE CASE IS

19 SELECTED CAN BE IDENTIFIED. THE OFFICE SHALL PROCESS COLLECTIONS
20 RESULTING FROM CENTRALIZED ENFORCEMENT THROUGH THE SDU AND, FOR
21 THE PURPOSE OF CHILD SUPPORT INCENTIVE CALCULATIONS, SHALL CREDIT
22 THOSE COLLECTIONS TO THE OFFICE OF THE FRIEND OF THE COURT IDEN-
23 TIFIED WITH THE CASE.

24 [(5)] THIS SECTION DOES NOT LIMIT THE OFFICE'S ABILITY TO
25 ENTER INTO AGREEMENTS FOR CHILD SUPPORT ENFORCEMENT WITH AN
26 OFFICE OF THE FRIEND OF THE COURT, LAW ENFORCEMENT AGENCY,

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- 1 PROSECUTOR, GOVERNMENT UNIT, OR PRIVATE ENTITY AS THAT ABILITY
- 2 EXISTED ON THE EFFECTIVE DATE OF THIS SECTION.

[(6) THE OFFICE SHALL SUBMIT AN ANNUAL REPORT TO THE LEGISLATURE REGARDING FRIEND OF THE COURT CASES ASSIGNED TO A PRIVATE COLLECTION AGENCY FOR SUPPORT COLLECTION UNDER A CONTRACT WITH THE OFFICE. THE REPORT SHALL INCLUDE AT LEAST ALL OF THE FOLLOWING FOR EACH PRIVATE COLLECTION AGENCY THAT WAS ASSIGNED FRIEND OF THE COURT CASES FOR SUPPORT COLLECTION:

- (A) TOTAL NUMBER OF FRIEND OF THE COURT CASES ASSIGNED.
- (B) TOTAL NUMBER OF THOSE FRIEND OF THE COURT CASES IN WHICH A SUPPORT PAYMENT WAS RECEIVED.
- (C) TOTAL SUPPORT COLLECTED FOR THOSE FRIEND OF THE COURT CASES.
- (D) TOTAL SUPPORT DUE FOR THOSE FRIEND OF THE COURT CASES.]

- 3 Enacting section 1. This amendatory act takes effect June
- 4 1, 2003.