

SENATE 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. THE TERM "FRIEND OF THE COURT CASE", WHEN USED IN A
24 PROVISION OF THIS ACT, IS NOT EFFECTIVE UNTIL ON AND AFTER THE
25 EFFECTIVE DATE OF SECTION 5A OF THE FRIEND OF THE COURT ACT, MCL
26 552.505A.

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

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

8 (M) "TITLE IV-D" MEANS PART D OF TITLE IV OF THE SOCIAL
9 SECURITY ACT, CHAPTER 531, 49 STAT. 620, 42 U.S.C. 651 TO 655,
10 656 TO 657, 658a TO 660, AND 663 TO 669b.

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

12 (a) Serve as a state agency authorized to administer ~~part D~~
13 ~~of title IV of the social security act, chapter 531,~~
14 ~~49 Stat. 620, 42 U.S.C. 651 to 660 and 663 to 669b~~ TITLE IV-D.

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

18 (i) To establish parentage.

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

21 (iii) To disburse support receipts.

22 (iv) To make or enforce child custody or parenting time
23 orders.

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

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

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

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

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

18 (h) Develop and implement a statewide information system to
19 facilitate the establishment and enforcement of child support
20 obligations.

21 (i) Publicize through regular and frequent, nonsexist public
22 service announcements the availability of support establishment
23 and enforcement services.

24 (j) Develop and implement in cooperation with financial
25 institutions a data matching and lien and levy system to identify
26 assets of and to facilitate the collection of support from the
27 assets of individuals who have an account at a financial

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1 institution and who are obligated to pay support as provided in
2 this act.

3 (K) PROVIDE DISCOVERY AND SUPPORT FOR SUPPORT ENFORCEMENT
4 ACTIVITIES AS PROVIDED IN THE SUPPORT AND PARENTING TIME ENFORCE-
5 MENT ACT, 1982 PA 295, MCL 552.601 TO 552.650.

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

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

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

24 SEC. 10. (1) BASED ON CRITERIA ESTABLISHED BY THE OFFICE
25 AND THE STATE COURT ADMINISTRATIVE OFFICE, THE OFFICE MAY CEN-
26 TRALIZE ADMINISTRATIVE ENFORCEMENT PROCEDURES FOR SERVICES
27 PROVIDED UNDER TITLE IV-D. THE OFFICE MAY ALSO CENTRALIZE

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1 ENFORCEMENT ACTIVITIES FOR FRIEND OF THE COURT CASES BASED ON
2 CRITERIA ESTABLISHED BY THE OFFICE AND THE STATE COURT ADMINIS-
3 TRATIVE OFFICE. THE CRITERIA FOR CENTRALIZING ENFORCEMENT ACTIV-
4 ITIES FOR A FRIEND OF THE COURT CASE SHALL REQUIRE, AT A MINIMUM,
5 BOTH OF THE FOLLOWING:

6 (A) THAT SUPPORT ENFORCEMENT MEASURES UNDERTAKEN BY THE
7 OFFICE OF THE FRIEND OF THE COURT HAVE BEEN UNSUCCESSFUL, INCLUD-
8 ING, BUT NOT LIMITED TO, A LACK OF REGULAR AND SUBSTANTIAL PAY-
9 MENTS AGAINST THE ARREARAGE.

10 (B) THAT THE ARREARAGE IS EQUAL TO OR GREATER THAN THE
11 AMOUNT OF SUPPORT PAYABLE EITHER FOR 12 MONTHS OR, IF THE RECIPI-
12 ENT OF SUPPORT REQUESTS CENTRALIZATION OF ENFORCEMENT ACTIVITIES,
13 FOR 6 MONTHS.

14 (2) EACH OFFICE OF THE FRIEND OF THE COURT SHALL PROVIDE THE
15 OFFICE WITH INFORMATION NECESSARY FOR THE OFFICE TO IDENTIFY
16 CASES ELIGIBLE FOR CENTRALIZED ENFORCEMENT, AS WELL AS CASE
17 INFORMATION NECESSARY FOR THE OFFICE TO PURSUE ENFORCEMENT
18 REMEDIES.

19 (3) THE OFFICE'S CENTRALIZED ENFORCEMENT MAY INCLUDE, BUT IS
20 NOT LIMITED TO, 1 OR MORE OF THE FOLLOWING:

21 (A) AN ENFORCEMENT REMEDY AVAILABLE UNDER THE SUPPORT AND
22 PARENTING TIME ENFORCEMENT ACT, 1982 PA 295, MCL 552.601 TO
23 552.650.

24 (B) CONTRACTING WITH A PUBLIC OR PRIVATE COLLECTION AGENCY.
25 EXCEPT UPON THE REQUEST OF THE RECIPIENT OF SUPPORT, AN ADDI-
26 TIONAL FEE SHALL NOT BE CHARGED TO THE RECIPIENT OF SUPPORT FOR

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1 COLLECTION SERVICES BY ANY PUBLIC OR PRIVATE COLLECTION AGENCY
2 CONTRACTING UNDER THIS SUBDIVISION.

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

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

5 (E) A LOCAL OR REGIONAL AGREEMENT WITH A LAW ENFORCEMENT
6 AGENCY OR PROSECUTOR.

7 (4) THE OFFICE SHALL NOTIFY THE CUSTODIAL PARENT IN EACH
8 FRIEND OF THE COURT CASE THAT THE OFFICE SELECTS FOR CENTRALIZED
9 ENFORCEMENT THAT THE PARENT'S CASE HAS BEEN SELECTED.

10 (5) THE OFFICE SHALL DEVELOP A SYSTEM TO TRACK EACH FRIEND
11 OF THE COURT CASE SELECTED FOR CENTRALIZED ENFORCEMENT SO THAT
12 THE OFFICE OF THE FRIEND OF THE COURT FROM WHICH THE CASE IS
13 SELECTED CAN BE IDENTIFIED. THE OFFICE SHALL PROCESS COLLECTIONS
14 RESULTING FROM CENTRALIZED ENFORCEMENT THROUGH THE SDU AND, FOR
15 THE PURPOSE OF CHILD SUPPORT INCENTIVE CALCULATIONS, SHALL CREDIT
16 THOSE COLLECTIONS TO THE OFFICE OF THE FRIEND OF THE COURT IDEN-
17 TIFIED WITH THE CASE. IN CONSULTATION WITH THE STATE COURT
18 ADMINISTRATIVE OFFICE, THE OFFICE SHALL ESTABLISH POLICIES AND
19 PROCEDURES FOR EXPENSES RELATED TO ENFORCEMENT ACTIVITIES UNDER
20 THIS ACT.

21 (6) THIS SECTION DOES NOT LIMIT THE OFFICE'S ABILITY TO
22 ENTER INTO AGREEMENTS FOR CHILD SUPPORT ENFORCEMENT WITH AN
23 OFFICE OF THE FRIEND OF THE COURT, LAW ENFORCEMENT AGENCY, PROSE-
24 CUTOR, GOVERNMENT UNIT, OR PRIVATE ENTITY AS THAT ABILITY EXISTED
25 ON THE EFFECTIVE DATE OF THIS SECTION.

26 (7) WITHIN 1 YEAR AFTER THE EFFECTIVE DATE OF THIS SECTION
27 AND WITHIN 1 YEAR AFTER THE DEADLINE FOR THE PREVIOUS REPORT, THE

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1 OFFICE SHALL SUBMIT AN ANNUAL REPORT TO THE LEGISLATURE REGARDING
2 FRIEND OF THE COURT CASES ASSIGNED TO A PRIVATE COLLECTION AGENCY
3 FOR SUPPORT COLLECTION UNDER A CONTRACT WITH THE OFFICE. THE
4 REPORT SHALL INCLUDE AT LEAST ALL OF THE FOLLOWING FOR EACH PRI-
5 VATE COLLECTION AGENCY THAT WAS ASSIGNED FRIEND OF THE COURT
6 CASES FOR SUPPORT COLLECTION:

7 (A) TOTAL NUMBER OF FRIEND OF THE COURT CASES ASSIGNED.

8 (B) TOTAL NUMBER OF THOSE FRIEND OF THE COURT CASES IN WHICH
9 A SUPPORT PAYMENT WAS RECEIVED.

10 (C) TOTAL SUPPORT COLLECTED FOR THOSE FRIEND OF THE COURT
11 CASES.

12 (D) TOTAL SUPPORT DUE FOR THOSE FRIEND OF THE COURT CASES.

13 Enacting section 1. This amendatory act takes effect
14 December 1, 2002.