

# HOUSE BILL No. 6004

May 7, 2002, Introduced by Reps. Howell, Tabor, Hummel, DeRossett, Newell, Vander Veen, Voorhees, Patterson, Raczkowski, Caul, Julian, Bisbee, Vear and George and referred to the Committee on Civil Law and the Judiciary.

A bill to amend 1982 PA 295, entitled  
"Support and parenting time enforcement act,"  
by amending sections 2, 3, 25a, 25b, and 28 (MCL 552.602,  
552.603, 552.625a, 552.625b, and 552.628), section 2 as amended  
by 1999 PA 160, section 3 as amended by 2001 PA 106, and sections  
25a and 25b as added and section 28 as amended by 1998 PA 334,  
and by adding sections 5c, 25c, 25d, 25e, 25f, 25g, 25h, and  
25i.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 2. 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.

(iv) A negotiable order of withdrawal account.

(v) A share account.

(vi) A savings account.

(vii) A time savings account.

(viii) A mutual fund account.

(ix) A securities brokerage account.

(x) A money market account.

(xi) A retail investment account.

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

(i) A trust.

(ii) An annuity.

(iii) A qualified individual retirement account.

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

(v) A pension or retirement plan.

(vi) An insurance policy.

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

(D) "CASH" MEANS MONEY OR THE EQUIVALENT OF MONEY, SUCH AS A MONEY ORDER, CASHIER'S CHECK, OR NEGOTIABLE CHECK OR A PAYMENT BY DEBIT OR CREDIT CARD, WHICH EQUIVALENT IS ACCEPTED AS CASH BY THE AGENCY ACCEPTING THE PAYMENT.

(E) "COURT FAMILY SERVICES OFFICE" MEANS AN AGENCY CREATED IN SECTION 3 OF THE COURT FAMILY SERVICES OFFICE ACT, MCL 552.503.

1 (F) "COURT FAMILY SERVICES OFFICE ACT" MEANS 1982 PA 294,  
2 MCL 552.501 TO 552.535.

3 (G) ~~-(d)-~~ "Department" means the family independence  
4 agency.

5 (H) ~~-(e)-~~ "Driver's license" means license as that term is  
6 defined in section 25 of the Michigan vehicle code, 1949 PA 300,  
7 MCL 257.25.

8 (I) ~~-(f)-~~ "Employer" means an individual, sole proprietor-  
9 ship, partnership, association, or private or public corporation,  
10 the United States or a federal agency, this state or a political  
11 subdivision of this state, another state or a political subdivi-  
12 sion of another state, or another legal entity that hires and  
13 pays an individual for his or her services.

14 (J) ~~-(g)-~~ "Financial asset" means a deposit, account, money  
15 market fund, stock, bond, or similar instrument.

16 (K) ~~-(h)-~~ "Financial institution" means any of the  
17 following:

18 (i) A state or national bank.

19 (ii) A state or federally chartered savings and loan  
20 association.

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

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

23 (v) An insurance company.

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

26 (A) A mutual fund account.

(B) A securities brokerage account.

(C) A money market account.

(D) A retail investment account.

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

(viii) An entity that is a member of the national association of securities dealers and that collects funds from the public.

(ix) Another entity that collects funds from the public.

~~(i) "Friend of the court act" means 1982 PA 294, MCL 552.501 to 552.535.~~

(l) ~~(j)~~ "Income" means any of the following:

(i) Commissions, earnings, salaries, wages, and other income due or to be due in the future to an individual from his or her employer and successor employers.

(ii) A payment due or to be due in the future to an individual from a profit-sharing plan, a pension plan, an insurance contract, an annuity, social security, unemployment compensation, supplemental unemployment benefits, or worker's compensation.

(iii) An amount of money that is due to an individual as a debt of another individual, partnership, association, or private or public corporation, the United States or a federal agency, this state or a political subdivision of this state, another state or a political subdivision of another state, or another legal entity that is indebted to the individual.

(M) ~~(\*)~~ "Insurer" means an insurer, health maintenance organization, health care corporation, or other group, plan, or

1 entity that provides health care coverage in accordance with any  
2 of the following acts:

3 (i) The public health code, 1978 PA 368, MCL 333.1101 to  
4 333.25211.

5 (ii) The insurance code of 1956, 1956 PA 218, MCL 500.100 to  
6 500.8302.

7 (iii) The nonprofit health care corporation reform act, 1980  
8 PA 350, MCL 550.1101 to 550.1704.

9 (N) "IV-D AGENCY" MEANS THE AGENCY IN THIS STATE PERFORMING  
10 THE FUNCTIONS UNDER PART D OF TITLE IV OF THE SOCIAL SECURITY  
11 ACT, CHAPTER 531, 49 STAT. 620, 42 U.S.C. 651 TO 655, 656 TO 660,  
12 AND 663 TO 669b, AND INCLUDES A PERSON PERFORMING THOSE FUNCTIONS  
13 UNDER CONTRACT INCLUDING A COURT FAMILY SERVICES OFFICE OR A  
14 PROSECUTING ATTORNEY.

15 (O) ~~(I)~~ "Medical assistance" means medical assistance as  
16 established under title XIX of the social security act, chapter  
17 531, 49 Stat. 620, 42 U.S.C. 1396 to ~~1396f, 1396g-1 to~~ 1396r-6  
18 ~~—~~ and 1396r-8 to 1396v.

19 (P) ~~(m)~~ "Occupational license" means a certificate, regis-  
20 tration, or license issued by a state department, bureau, or  
21 agency that has regulatory authority over an individual that  
22 allows an individual to legally engage in a regulated occupation  
23 or that allows the individual to use a specific title in the  
24 practice of an occupation, profession, or vocation.

25 (Q) ~~(n)~~ "Office of child support" means the office of  
26 child support established in section 2 of the office of child  
27 support act, 1971 PA 174, MCL 400.232.

~~(o) "Office of the friend of the court" means an agency created in section 3 of the friend of the court act, MCL 552.503.~~

(R) ~~(p)~~ "Order of income withholding" means an order entered by the circuit court providing for the withholding of a payer's income to enforce a support order under this act.

(S) ~~(q)~~ "Payer" means an individual who is ordered by the circuit court to pay support.

(T) "PERSON" MEANS AN INDIVIDUAL, PARTNERSHIP, CORPORATION, ASSOCIATION, GOVERNMENTAL ENTITY, OR OTHER LEGAL ENTITY.

(U) ~~(r)~~ "Plan administrator" means that term as used in relation to a group health plan under section 609 of part 6 of subtitle B of title I of the employee retirement income security act of 1974, Public Law 93-406, 29 U.S.C. 1169, if the health care coverage plan of the individual who is responsible for providing a child with health care coverage is subject to that act.

(V) ~~(s)~~ "Political subdivision" means a county, city, village, township, educational institution, school district, or special district or authority of the state or of a local unit of government.

(W) ~~(t)~~ "Recipient of support" means the following:

(i) The spouse, if the support order orders spousal support.

(ii) The custodial parent or guardian, if the support order orders support for a minor child or a child who is 18 years of age or older.

1           (iii) The department, if support has been assigned to that  
2 department.

3           (X) ~~-(u)-~~ "Recreational or sporting license" means a hunt-  
4 ing, fishing, or fur harvester's license issued under the natural  
5 resources and environmental protection act, 1994 PA 451,  
6 MCL 324.101 to 324.90106, but does not include a commercial fish-  
7 ing license or permit issued under part 473 of the natural  
8 resources and environmental protection act, 1994 PA 451,  
9 MCL 324.47301 to 324.47362.

10          (Y) ~~-(v)-~~ "Referee" means ~~a person~~ AN INDIVIDUAL who is  
11 designated as a referee under the friend of the court act.

12          (Z) ~~-(w)-~~ "Source of income" means an employer or successor  
13 employer or another individual or entity that owes or will owe  
14 income to the payer.

15          (AA) ~~-(x)-~~ "State disbursement unit" or "SDU" means the  
16 entity established in section 6 of the office of child support  
17 act, 1971 PA 174, MCL 400.236.

18          (BB) "STATE COURT FAMILY SERVICES OFFICE BUREAU" IS THE  
19 STATE COURT FAMILY SERVICES OFFICE BUREAU CREATED IN THE STATE  
20 COURT ADMINISTRATIVE OFFICE IN SECTION 19 OF THE COURT FAMILY  
21 SERVICES OFFICE ACT, MCL 552.519.

22          (CC) ~~-(y)-~~ "Support" means all of the following:

23           (i) The payment of money for a child or a spouse ordered by  
24 the circuit court, whether the order is embodied in an interim,  
25 temporary, permanent, or modified order or judgment. Support may  
26 include payment of the expenses of medical, dental, and other  
27 health care, child care expenses, and educational expenses.

1       (ii) The payment of money ordered by the circuit court under  
2 the paternity act, 1956 PA 205, MCL 722.711 to 722.730, for the  
3 necessary expenses incurred by or for the mother in connection  
4 with her confinement, for other expenses in connection with the  
5 pregnancy of the mother, or for the repayment of genetic testing  
6 expenses.

7       (iii) A surcharge accumulated under section 3a.

8       (DD) ~~-(z)-~~ "Support order" means an order entered by the  
9 circuit court for the payment of support, whether or not a sum  
10 certain.

11       (EE) ~~-(aa)-~~ "Work activity" means any of the following:

12       (i) Unsubsidized employment.

13       (ii) Subsidized private sector employment.

14       (iii) Subsidized public sector employment.

15       (iv) Work experience, including work associated with the  
16 refurbishing of publicly assisted housing, if sufficient private  
17 sector employment is not available.

18       (v) On-the-job training.

19       (vi) Job search and job readiness assistance.

20       (vii) Community service programs.

21       (viii) Vocational educational training, not to exceed 12  
22 months with respect to an individual.

23       (ix) Job skills training directly related to employment.

24       (x) Education directly related to employment, in the case of  
25 an individual who has not received a high school diploma or a  
26 certificate of high school equivalency.



(xi) Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of an individual who has not completed secondary school or received such a certificate.

(xii) The provisions of child care services to an individual who is participating in a community service program.

Sec. 3. (1) A support order issued by a court of this state shall be enforced as provided in this ~~section~~ ACT.

(2) Except as otherwise provided in this section, a support order that is part of a judgment or is an order in a domestic relations matter as defined in section 2 of the ~~friend of the~~ court FAMILY SERVICES OFFICE act, MCL 552.502, is a judgment on and after the date ~~each support payment is due~~ THE SUPPORT AMOUNT IS DUE AS PRESCRIBED IN SECTION 5C, with the full force, effect, and attributes of a judgment of this state, and is not, on and after the date it is due, subject to retroactive modification. Retroactive modification of a support payment due under a support order is permissible with respect to a period during which there is pending a petition for modification, but only from the date that notice of the petition was given to the payer or recipient of support.

(3) This section does not apply to an ex parte interim support order or a temporary support order entered under supreme court rule.

(4) The COURT FAMILY SERVICES office ~~of the friend of the~~ ~~court~~ shall make available to a payer or payee the forms and

1 instructions described in section 17a of the ~~friend of the~~  
2 court FAMILY SERVICES OFFICE act, MCL 552.517a.

3 (5) This section does not prohibit a court approved agree-  
4 ment between the parties to retroactively modify a support  
5 order. This section does not limit other enforcement remedies  
6 available under this or another act.

7 (6) Every support order that is part of a judgment issued by  
8 a court of this state or that is an order in a domestic relations  
9 matter as defined in section 2 of the ~~friend of the~~ court  
10 FAMILY SERVICES OFFICE act, MCL 552.502, shall include all of the  
11 following:

12 (a) Substantially the following statement: "Except as oth-  
13 erwise provided in section 3 of the support and parenting time  
14 enforcement act, 1982 PA 295, MCL 552.603, a support order that  
15 is part of a judgment or that is an order in a domestic relations  
16 matter as defined in section 2 of the ~~friend of the~~ court  
17 FAMILY SERVICES OFFICE act, 1982 PA 294, MCL 552.502, is a judg-  
18 ment on and after the date ~~each support payment~~ THE SUPPORT  
19 AMOUNT is due, with the full force, effect, and attributes of a  
20 judgment of this state, and is not, on and after the date it is  
21 due, subject to retroactive modification. A surcharge will be  
22 added to support ~~payments~~ AMOUNTS that are past due as provided  
23 in section 3a of the support and parenting time enforcement act,  
24 1982 PA 295, MCL 552.603a.".

25 (b) Notice informing the payer of the imposition of liens by  
26 operation of law and that the payer's real and personal property  
27 can be encumbered or seized if an arrearage accrues in an amount

1 greater than the amount of periodic support payments payable ~~for~~  
2 ~~1 year~~ under the payer's support order FOR THE TIME PERIOD SPEC-  
3 IFIED IN THE SUPPORT AND PARENTING TIME ENFORCEMENT ACT, 1982  
4 PA 295, MCL 552.601 TO 552.650.

5 (c) A requirement that, within ~~21~~ 7 days after the payer  
6 or payee changes his or her residential or mailing address, that  
7 ~~person~~ INDIVIDUAL report the new address and his or her tele-  
8 phone number in writing to the ~~friend of the~~ court FAMILY SERV-  
9 ICES OFFICE.

10 (d) A requirement that both the payer and payee notify the  
11 COURT FAMILY SERVICES office ~~of the friend of the court~~ if he  
12 or she holds an occupational license and if he or she holds a  
13 driver's license.

14 (e) The name, address, and telephone number of the payer's  
15 and payee's current sources of income.

16 (f) A requirement that both the payer and payee inform the  
17 COURT FAMILY SERVICES office ~~of the friend of the court~~ of his  
18 or her social security number and driver's license number. The  
19 requirement of this subdivision to provide a social security  
20 number with the information does not apply to a payer or payee  
21 who demonstrates he or she is exempt under law from obtaining a  
22 social security number or to a payer or payee who for religious  
23 convictions is exempt under law from disclosure of his or her  
24 social security number under these circumstances. The court  
25 shall inform the payer and payee of this possible exemption.

26 (g) Notice that an order for dependent health care coverage  
27 takes effect immediately and will be sent to the parent's current

1 and subsequent employers and insurers if appropriate. The notice  
2 shall inform the parent that he or she may contest the action by  
3 requesting a review or hearing concerning availability of health  
4 care coverage at a reasonable cost.

5 (7) A support order shall not accrue interest.

6 SEC. 5C. (1) A SUPPORT ORDER SHALL STATE THE AMOUNT OF SUP-  
7 PORT AS A MONTHLY AMOUNT. IF A SUPPORT ORDER DOES NOT STATE THE  
8 AMOUNT OF SUPPORT AS A MONTHLY AMOUNT, THE SUPPORT AMOUNT STATED  
9 IN THE ORDER SHALL BE CONVERTED TO A MONTHLY AMOUNT USING THE  
10 FORMULA ESTABLISHED BY THE STATE COURT ADMINISTRATIVE OFFICE. A  
11 SUPPORT ORDER SHALL PRESCRIBE THAT THE MONTHLY SUPPORT AMOUNT  
12 ACCRUES ON THE FIRST DAY OF EACH MONTH AND IS DUE AND PAYABLE  
13 BEFORE THE FIRST DAY OF THE FOLLOWING MONTH.

14 (2) IF A SUPPORT ORDER TAKES EFFECT ON OTHER THAN THE FIRST  
15 DAY OF A MONTH, THE MONTHLY AMOUNT IS PRORATED BASED ON THE DAILY  
16 AMOUNT FOR THAT MONTH. A MONTHLY SUPPORT ORDER AMOUNT SHALL NOT  
17 BE PRORATED FOR THE LAST MONTH IN WHICH THE ORDER IS IN EFFECT.

18 (3) IF THE IV-D AGENCY RECEIVES A SUPPORT PAYMENT THAT, AT  
19 THE TIME OF ITS RECEIPT, EXCEEDS A PAYER'S SUPPORT AMOUNT PAYABLE  
20 PLUS AN AMOUNT PAYABLE UNDER AN ARREARAGE PAYMENT SCHEDULE, THE  
21 IV-D AGENCY SHALL APPLY THE EXCESS AGAINST THE PAYER'S TOTAL  
22 ARREARAGE ACCRUED UNDER ALL SUPPORT ORDERS UNDER WHICH THE PAYER  
23 IS OBLIGATED. IF A BALANCE REMAINS AFTER APPLICATION AGAINST THE  
24 TOTAL ARREARAGE, THE IV-D AGENCY SHALL DO EITHER OF THE  
25 FOLLOWING:

1 (A) IF THE PAYER DESIGNATES THE BALANCE AS ADDITIONAL  
2 SUPPORT, IMMEDIATELY DISBURSE THAT AMOUNT TO THE RECIPIENT OF  
3 SUPPORT.

4 (B) RETAIN THE BALANCE AND DISBURSE IT TO THE RECIPIENT OF  
5 SUPPORT IMMEDIATELY WHEN THE AMOUNT IS PAYABLE AS SUPPORT.

6 Sec. 25a. (1) The amount of past due support that accrues  
7 under a judgment ~~pursuant to~~ AS PROVIDED IN section 3 or under  
8 the law of another state constitutes a lien in favor of the  
9 recipient of support against the real and personal property of a  
10 payer, other than financial assets pledged to a financial insti-  
11 tution as collateral or financial assets to which a financial  
12 institution has a prior right of setoff or other lien. The lien  
13 is effective at the time that the support is due and unpaid and  
14 shall continue until the amount of past due support is paid in  
15 full or the lien is terminated by the ~~support enforcement~~ IV-D  
16 agency.

17 (2) Liens that arise in other states shall be accorded full  
18 faith and credit when the requirements of section 25b OR 25C are  
19 met.

20 (3) A LIEN CREATED UNDER SUBSECTION (1) IS SUBORDINATE TO A  
21 PRIOR PERFECTED LIEN. ALL LIENS CREATED UNDER SUBSECTION (1) AND  
22 DESCRIBED IN SUBSECTION (2) HAVE EQUAL PRIORITY.

23 (4) BEFORE A LIEN IS PERFECTED OR LEVIED UNDER THIS ACT, THE  
24 IV-D AGENCY SHALL SEND A NOTICE TO THE PAYER SUBJECT TO THE SUP-  
25 PORT ORDER INFORMING THE PAYER OF THE IMPOSITION OF LIENS BY  
26 OPERATION OF LAW AND THAT THE PAYER'S REAL AND PERSONAL PROPERTY  
27 CAN BE ENCUMBERED OR SEIZED IF AN ARREARAGE ACCRUES IN AN AMOUNT

1 THAT EXCEEDS THE AMOUNT OF PERIODIC SUPPORT PAYMENTS PAYABLE  
2 UNDER THE PAYER'S SUPPORT ORDER FOR THE TIME PERIOD SPECIFIED IN  
3 THIS ACT.

4 (5) THE IV-D AGENCY OR ANOTHER PERSON REQUIRED TO PROVIDE  
5 NOTICE UNDER THIS SECTION OR SECTIONS 25B TO 25I SHALL PROVIDE  
6 NOTICE BY PAPER, UNLESS THE PERSON TO BE NOTIFIED AGREES TO  
7 NOTICE BY OTHER MEANS. THE IV-D AGENCY OR OTHER PERSON PROVIDING  
8 NOTICE UNDER THIS SECTION OR SECTIONS 25B TO 25I SHALL COMPLETE  
9 AND PRESERVE PROOF OF SERVICE OF THE NOTICE IN A FORM SUBSTAN-  
10 Tially CONFORMING TO THE REQUIREMENTS FOR PROOF OF SERVICE UNDER  
11 THE MICHIGAN COURT RULES.

12 Sec. 25b. (1) ~~The office of the friend of the court~~ A  
13 REMEDY PROVIDED BY THIS SECTION IS CUMULATIVE AND DOES NOT AFFECT  
14 THE AVAILABILITY OF ANOTHER REMEDY UNDER THIS ACT OR OTHER LAW.

15 (2) EXCEPT FOR A FINANCIAL ASSET TO WHICH SECTION 25C  
16 APPLIES, THE IV-D AGENCY may perfect a lien created under  
17 section 25a upon the real or personal property of the payer when  
18 an arrearage has accrued in an amount that exceeds the MONTHLY  
19 amount of periodic support payments payable ~~for 1 year~~ under  
20 the payer's support order.

21 ~~(2) Before a lien is perfected in a case in which a support~~  
22 ~~order was issued before the effective date of this section, the~~  
23 ~~office of the friend of the court shall send a notice to the~~  
24 ~~payer subject to the support order informing the payer of the~~  
25 ~~imposition of liens by operation of law and that the payer's real~~  
26 ~~and personal property can be encumbered or seized if an arrearage~~

1 ~~accrues in an amount that exceeds the amount of periodic support~~  
2 ~~payments payable for 1 year under the payer's support order.~~

3 (3) If the arrearage under subsection (2) is reached and the  
4 ~~office of the friend of the court~~ IV-D AGENCY has determined  
5 that the delinquent payer holds real or personal property, OTHER  
6 THAN A FINANCIAL ASSET TO WHICH SECTION 25C APPLIES, the ~~office~~  
7 ~~of the friend of the court~~ IV-D AGENCY may perfect the lien.  
8 THE IV-D AGENCY SHALL PERFECT A LIEN ON PROPERTY TO WHICH THIS  
9 SECTION APPLIES IN THE SAME MANNER IN WHICH ANOTHER LIEN ON PROP-  
10 ERTY OF THE SAME TYPE IS PERFECTED.

11 ~~(4) The office of the friend of the court shall provide a~~  
12 ~~copy of the notice under subsection (2) to each of the~~  
13 ~~following:~~

14 ~~(a) A financial institution doing business in this state if~~  
15 ~~the payer has 1 or more accounts at that financial institution.~~

16 ~~(b) The appropriate agency of another state if the payer~~  
17 ~~holds assets in that other state.~~

18 ~~(5) The office of the friend of the court may provide notice~~  
19 ~~of the lien and subsequent notices by paper or automated means.~~

20 ~~(6) To perfect a lien created by section 25a, the office of~~  
21 ~~the friend of the court must record the lien with the register of~~  
22 ~~deeds in the county where the real property is located, or for~~  
23 ~~personal property, in the appropriate state or county office. A~~  
24 ~~lien recorded as provided in this subsection takes effect on the~~  
25 ~~date and at the time of that recording.~~

26 (4) ~~(7)~~ The ~~office of the friend of the court~~ IV-D  
27 AGENCY shall notify the payer when the ~~office of the friend of~~

1 ~~the court~~ IV-D AGENCY has perfected a lien against real or  
2 personal property of the payer. The notice shall be sent by  
3 ordinary mail to the payer's last known address, ~~—A—~~ AND A  
4 copy of the notice shall be sent by ordinary mail to the recipi-  
5 ent of support. ~~The~~ A notice UNDER THIS SUBSECTION shall  
6 include all of the following:

7 (a) The amount of the arrearage.

8 (b) That a lien is in effect on the real or personal prop-  
9 erty of the payer.

10 (c) That the property is subject to seizure unless the payer  
11 responds by paying the arrearage or requesting a review within  
12 ~~21~~ 14 days after the date of mailing the notice.

13 (d) That, at the review, the payer may object to the lien  
14 and TO proposed action based on a mistake of fact concerning the  
15 overdue support amount or the payer's identity.

16 (e) That, if the payer believes that the amount of support  
17 ordered should be modified because of a change in circumstances,  
18 the payer may file a petition with the court for modification of  
19 the support order.

20 (5) ~~(8)~~ Within ~~21~~ 14 days after the date on which the  
21 notice described in subsection ~~(7)~~ (4) is mailed to a payer,  
22 the payer may request a review on the lien and the proposed  
23 action. If the payer requests a review under this subsection,  
24 the ~~office of the friend of the court~~ IV-D AGENCY shall  
25 ~~schedule~~ CONDUCT the review within ~~14~~ 7 days after the date  
26 of the request.



1       (6) ~~-(9)-~~ If, at the review, the payer establishes that the  
2   lien is not proper because of a mistake of fact, the ~~office of~~  
3   ~~the friend of the court~~ IV-D AGENCY shall terminate the lien  
4   and, within 7 days, notify the applicable entity that the lien is  
5   terminated.

6       (7) ~~-(10)-~~ If the payer fails to request a review, to appear  
7   for a review, or to establish a mistake of fact, the ~~office of~~  
8   ~~the friend of the court~~ IV-D AGENCY may collect the arrearage by  
9   levy upon any property belonging to the payer as provided in this  
10   section. The ~~office of the friend of the court~~ IV-D AGENCY  
11   shall notify the payer at the review or by written notice of its  
12   intent to levy.

13       ~~-(11) To enforce a lien under this section by levying~~  
14   ~~against an account at a financial institution, the office of the~~  
15   ~~friend of the court shall provide notice in the manner provided~~  
16   ~~by law for levying against an account at a financial~~  
17   ~~institution.~~

18       (8) ~~-(12)-~~ To enforce a lien on real property or personal  
19   property, ~~other than an account at a financial institution, the~~  
20   ~~office may order the sale of~~ THE IV-D AGENCY MAY SELL THE real  
21   property in the manner provided by law for the foreclosure of  
22   mortgage liens; ~~order execution of~~ APPLY TO THE CIRCUIT COURT  
23   FOR AN ORDER TO EXECUTE the judgment, ~~TO~~ TO appoint a receiver  
24   of the real and personal property subject to the lien, and TO  
25   order the property and its income to be applied to the amount of  
26   the judgment; or take any other appropriate action to enforce the  
27   judgment. The ~~office~~ IV-D AGENCY shall mail a copy of orders

1 under this subsection to the payer and recipient of support at  
2 his or her last known address.

3 ~~(13) A lien created under section 25a is subordinate to any~~  
4 ~~prior perfected lien.~~

5 (9) ~~(14)~~ A payer may request that the ~~office of the~~  
6 ~~friend of the court~~ IV-D AGENCY terminate a lien against the  
7 real and personal property of the payer on the basis that the  
8 payer is no longer in arrears. If the payer is no longer in  
9 arrears, the ~~office of the friend of the court~~ IV-D AGENCY  
10 shall terminate the lien ~~pursuant to~~ IN ACCORDANCE WITH law.

11 (10) ~~(15)~~ An entity is not liable under any federal or  
12 state law to any person for any disclosure of information to the  
13 ~~office or the designee of the office~~ IV-D AGENCY under this  
14 section or for any other action taken in good faith to comply  
15 with the requirements of this section.

16 SEC. 25C. (1) IF A PAYER'S FINANCIAL ASSETS HELD BY A  
17 FINANCIAL INSTITUTION ARE SUBJECT TO A LIEN UNDER SECTION 25A AND  
18 AN ARREARAGE HAS ACCRUED IN AN AMOUNT THAT EXCEEDS THE MONTHLY  
19 AMOUNT OF PERIODIC SUPPORT PAYMENTS PAYABLE UNDER THE PAYER'S  
20 SUPPORT ORDER, THE IV-D AGENCY MAY LEVY AGAINST THE PAYER'S  
21 FINANCIAL ASSETS HELD BY A FINANCIAL INSTITUTION. TO LEVY  
22 AGAINST A PAYER'S FINANCIAL ASSETS, THE IV-D AGENCY SHALL SERVE  
23 THE FINANCIAL INSTITUTION HOLDING THE FINANCIAL ASSETS WITH A  
24 NOTICE OF THE LIEN AND LEVY, DIRECTING THE FINANCIAL INSTITUTION  
25 TO FREEZE THE PAYER'S FINANCIAL ASSETS HELD BY THE FINANCIAL  
26 INSTITUTION.

(2) THE OFFICE OF CHILD SUPPORT, IN CONSULTATION WITH THE STATE COURT ADMINISTRATIVE OFFICE, SHALL CREATE THE FORM THAT IS REQUIRED FOR THE NOTICE TO A FINANCIAL INSTITUTION UNDER SUBSECTION (1). THE FORM SHALL INCLUDE, OR PROVIDE FOR INCLUSION OF, AT LEAST ALL OF THE FOLLOWING:

(A) THE LEVY AMOUNT.

(B) INFORMATION THAT ENABLES THE FINANCIAL INSTITUTION TO LINK THE PAYER WITH HIS OR HER FINANCIAL ASSETS AND TO NOTIFY THE PAYER.

(C) INFORMATION ON HOW TO CONTACT THE IV-D AGENCY.

(D) STATEMENTS SETTING FORTH THE RIGHTS AND RESPONSIBILITIES OF THE FINANCIAL INSTITUTION AND PAYER.

(3) A IV-D AGENCY MAY WITHDRAW A LEVY UNDER THIS SECTION AT ANY TIME BEFORE THE CIRCUIT COURT CONSIDERS OR HEARS THE MATTER IN AN ACTION FILED UNDER SECTION 25F. THE IV-D AGENCY SHALL GIVE NOTICE OF THE WITHDRAWAL TO THE PAYER AND FINANCIAL INSTITUTION. UPON RECEIVING NOTICE OF A WITHDRAWAL OF A LEVY, THE FINANCIAL INSTITUTION SHALL IMMEDIATELY RELEASE THE PAYER'S FINANCIAL ASSETS.

SEC. 25D. (1) A FINANCIAL INSTITUTION INCURS NO OBLIGATION OR LIABILITY TO A DEPOSITOR, ACCOUNT HOLDER, OR OTHER PERSON ARISING FROM THE FURNISHING OF INFORMATION UNDER SECTIONS 25C TO 25I OR FROM THE FAILURE TO DISCLOSE TO A DEPOSITOR, ACCOUNT HOLDER, OR OTHER PERSON THAT THE NAME OF A PERSON WAS INCLUDED IN THE INFORMATION PROVIDED.

(2) A FINANCIAL INSTITUTION INCURS NO OBLIGATION OR LIABILITY TO THE IV-D AGENCY OR ANOTHER PERSON FOR AN ERROR OR OMISSION MADE IN GOOD FAITH COMPLIANCE WITH SECTIONS 25C TO 25I.

(3) A FINANCIAL INSTITUTION INCURS NO OBLIGATION OR LIABILITY FOR BLOCKING, FREEZING, PLACING A HOLD UPON, FORWARDING, OR OTHERWISE DEALING WITH A PERSON'S FINANCIAL ASSETS IN RESPONSE TO A LIEN OR LEVY IMPOSED OR INFORMATION PROVIDED UNDER SECTIONS 25C TO 25I.

(4) A FINANCIAL INSTITUTION IS NOT OBLIGATED TO BLOCK, FREEZE, PLACE A HOLD UPON, FORWARD, OR OTHERWISE DEAL WITH A PERSON'S FINANCIAL ASSETS UNTIL SERVED WITH THE NOTICE OF LEVY IN ACCORDANCE WITH SECTION 25C. A FINANCIAL INSTITUTION THAT FORWARDS FINANCIAL ASSETS TO THE IV-D AGENCY IN RESPONSE TO A LEVY UNDER SECTION 25C IS DISCHARGED FROM ANY OBLIGATION OR LIABILITY TO THE DEPOSITOR, ACCOUNT HOLDER, OR OTHER PERSON WITH AN INTEREST IN THE FINANCIAL ASSETS THAT ARE FORWARDED TO THE IV-D AGENCY.

SEC. 25E. (1) WHEN A FINANCIAL INSTITUTION RECEIVES A NOTICE OF LEVY ON A PAYER'S FINANCIAL ASSETS HELD BY THE FINANCIAL INSTITUTION UNDER SECTION 25C, THE FINANCIAL INSTITUTION SHALL FREEZE THOSE FINANCIAL ASSETS. IF THE PAYER'S FINANCIAL ASSETS HELD BY A FINANCIAL INSTITUTION EXCEED THE LEVY AMOUNT, THE FINANCIAL INSTITUTION SHALL FREEZE THOSE FINANCIAL ASSETS UP TO THE LEVY AMOUNT. A FINANCIAL INSTITUTION SHALL EXECUTE THE FREEZE OF A PAYER'S FINANCIAL ASSETS UNDER THIS SECTION BY THE CLOSE OF BUSINESS ON 1 OF THE FOLLOWING DAYS:

1 (A) IF THE NOTICE IS RECEIVED BEFORE NOON, THE FIRST  
2 BUSINESS DAY AFTER THE BUSINESS DAY ON WHICH THE NOTICE IS  
3 RECEIVED.

4 (B) IF THE NOTICE IS RECEIVED AT NOON OR LATER, THE SECOND  
5 BUSINESS DAY AFTER THE BUSINESS DAY ON WHICH THE NOTICE IS  
6 RECEIVED.

7 (2) AFTER COMPLYING WITH SUBSECTION (1), A FINANCIAL INSTI-  
8 TUTION SHALL GIVE NOTICE OF THAT COMPLIANCE TO THE IV-D AGENCY  
9 AND THE PAYER. A FINANCIAL INSTITUTION'S NOTICE TO A PAYER UNDER  
10 THIS SUBSECTION SHALL INCLUDE A COPY OF THE IV-D AGENCY NOTICE TO  
11 THE FINANCIAL INSTITUTION.

12 SEC. 25F. (1) A PAYER WHOSE FINANCIAL ASSETS ARE LEVIED ON  
13 UNDER SECTION 25C MAY CHALLENGE THE LEVY BY SUBMITTING A WRITTEN  
14 CHALLENGE WITH THE IV-D AGENCY AT THE LOCATION SPECIFIED IN THE  
15 IV-D AGENCY NOTICE. A PAYER MUST SUBMIT A WRITTEN CHALLENGE  
16 UNDER THIS SECTION WITHIN 14 DAYS AFTER THE FINANCIAL INSTITUTION  
17 SENDS THE PAYER A COPY OF THE IV-D AGENCY NOTICE AS REQUIRED BY  
18 SECTION 25E. A CHALLENGE TO A LEVY UNDER SECTION 25C IS GOVERNED  
19 BY THIS ACT AND IS NOT SUBJECT TO CHAPTER 4 OF THE ADMINISTRATIVE  
20 PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.271 TO 24.287. A  
21 PAYER WHO SUBMITS A CHALLENGE UNDER THIS SUBSECTION MAY WITHDRAW  
22 THE CHALLENGE AT ANY TIME BY GIVING NOTICE OF THE WITHDRAWAL TO  
23 THE IV-D AGENCY.

24 (2) IF THE IV-D AGENCY RECEIVES A WRITTEN CHALLENGE FROM A  
25 PAYER WITHIN THE TIME LIMIT REQUIRED BY SUBSECTION (1), THE IV-D  
26 AGENCY SHALL NOTIFY THE FINANCIAL INSTITUTION ABOUT THE CHALLENGE  
27 AND, WITHIN 7 DAYS, SHALL REVIEW THE CASE WITH THE CHALLENGER.

1 THE IV-D AGENCY SHALL CONSIDER ONLY A MISTAKE IN THE PAYER'S  
2 IDENTITY OR IN THE AMOUNT OF THE PAYER'S PAST DUE SUPPORT, OR  
3 ANOTHER MISTAKE OF FACT, AS CAUSE TO RELEASE OR MODIFY THE LEVY.  
4 IF THE IV-D AGENCY DETERMINES THAT A MISTAKE OF FACT OCCURRED,  
5 THE IV-D AGENCY SHALL DO 1 OF THE FOLLOWING:

6 (A) IF THE MISTAKE IS THE PAYER'S IDENTITY OR THAT THE PAYER  
7 DOES NOT OWE PAST DUE SUPPORT IN AN AMOUNT EQUAL TO OR GREATER  
8 THAN THE PAYER'S MONTHLY SUPPORT AMOUNT UNDER A SUPPORT ORDER,  
9 NOTIFY THE FINANCIAL INSTITUTION AND THE PAYER THAT THE LEVY IS  
10 RELEASED.

11 (B) IF THE PAYER DOES OWE PAST DUE SUPPORT IN AN AMOUNT  
12 EQUAL TO OR GREATER THAN THE PAYER'S MONTHLY SUPPORT AMOUNT UNDER  
13 A SUPPORT ORDER, BUT THE AMOUNT IN THE NOTICE TO LEVY IS MORE  
14 THAN THE PAYER OWES, NOTIFY THE PAYER OF THE CORRECTED AMOUNT.

15 (C) IF THE MISTAKE CONCERNS A FACT OTHER THAN THOSE  
16 DESCRIBED IN SUBDIVISIONS (A) AND (B), TAKE ACTION APPROPRIATE TO  
17 THE MISTAKE.

18 (3) IF THE IV-D AGENCY FINDS NO MISTAKE OF FACT, THE IV-D  
19 AGENCY SHALL NOTIFY THE PAYER OF THAT FINDING.

20 (4) IF THE PAYER DISAGREES WITH THE IV-D AGENCY REVIEW  
21 DETERMINATION UNDER THIS SECTION, THE PAYER MAY CHALLENGE THE  
22 LEVY UNDER SECTION 25C BY FILING AN ACTION IN THE CIRCUIT COURT  
23 THAT ISSUED A SUPPORT ORDER THAT IS AN UNDERLYING BASIS FOR THE  
24 LEVY. A PAYER MUST FILE AN ACTION UNDER THIS SECTION WITHIN 14  
25 DAYS AFTER THE IV-D AGENCY SENDS NOTICE OF ITS REVIEW DETERMINA-  
26 TION AND SHALL GIVE NOTICE OF THE ACTION TO THE IV-D AGENCY.

(5) IF AN ACTION IS NOT FILED IN THE CIRCUIT COURT WITHIN THE TIME LIMIT REQUIRED BY SUBSECTION (4), THE IV-D AGENCY SHALL NOTIFY THE FINANCIAL INSTITUTION, DIRECTING THE FINANCIAL INSTITUTION TO ACT IN ACCORDANCE WITH THE IV-D AGENCY REVIEW DETERMINATION UNDER THIS SECTION. IF AN ACTION IS FILED IN THE CIRCUIT COURT WITHIN THE TIME LIMIT PRESCRIBED IN SUBSECTION (4), THE IV-D AGENCY SHALL NOTIFY THE FINANCIAL INSTITUTION, DIRECTING THE FINANCIAL INSTITUTION TO ACT IN ACCORDANCE WITH THE COURT DECISION.

SEC. 25G. (1) A FINANCIAL INSTITUTION THAT RECEIVES A NOTICE OF LEVY UNDER SECTION 25C SHALL FORWARD MONEY IN THE AMOUNT OF PAST DUE SUPPORT AS STATED IN THE NOTICE, OR IN THE CORRECTED AMOUNT IF NOTIFIED OF A CORRECTED AMOUNT, TO THE STATE DISBURSEMENT UNIT, ALONG WITH INFORMATION NECESSARY TO IDENTIFY THE PAYER AS REQUIRED BY THE NOTICE.

(2) A FINANCIAL INSTITUTION SHALL FORWARD MONEY AS REQUIRED BY SUBSECTION (1) NO SOONER THAN THE NEXT DAY AND NO LATER THAN THE SEVENTH DAY AFTER 1 OF THE FOLLOWING TAKES PLACE:

(A) THE FINANCIAL INSTITUTION NOTIFIES THE PAYER AND THE IV-D AGENCY THAT THE PAYER'S FINANCIAL ASSETS ARE FROZEN AS REQUIRED BY SECTION 25E AND HAS NOT RECEIVED, WITHIN 21 DAYS AFTER THE DAY ON WHICH THE FINANCIAL INSTITUTION SENT THE NOTICES, A NOTICE FROM THE IV-D AGENCY THAT THE PAYER HAS SUBMITTED A CHALLENGE TO THE LEVY UNDER SECTION 25F.

(B) THE FINANCIAL INSTITUTION RECEIVES, WITHIN THE TIME LIMIT PRESCRIBED IN SUBDIVISION (A), A NOTICE FROM THE IV-D AGENCY THAT THE PAYER SUBMITTED A CHALLENGE TO THE LEVY AND

1 RECEIVES THE SUBSEQUENT IV-D AGENCY NOTICE REQUIRED BY SECTION  
2 25F, DIRECTING THE FINANCIAL INSTITUTION TO ACT IN ACCORDANCE  
3 WITH EITHER THE IV-D AGENCY REVIEW DETERMINATION OR THE CIRCUIT  
4 COURT DECISION.

5 (3) IF, IN ORDER TO FORWARD SUFFICIENT MONEY TO THE SDU, THE  
6 FINANCIAL INSTITUTION MUST CONVERT 1 OR MORE FINANCIAL ASSETS TO  
7 CASH, THE FINANCIAL INSTITUTION SHALL EXECUTE THE CONVERSION,  
8 ASSESSING A RESULTING FEE OR OTHER COST OR PENALTY AGAINST THE  
9 PAYER. IF THE PAYER'S FINANCIAL ASSETS ARE INSUFFICIENT TO PAY  
10 THE PAST DUE SUPPORT AMOUNT PLUS RESULTING FEES AND OTHER COSTS  
11 OR PENALTIES, THE FINANCIAL INSTITUTION MAY DEDUCT THE FEES,  
12 COSTS, AND PENALTIES BEFORE FORWARDING THE BALANCE OF THE MONEY.

13 SEC. 25H. (1) IF AN ACTION IS FILED IN CIRCUIT COURT WITHIN  
14 THE TIME LIMIT PRESCRIBED IN SECTION 25F, THE CIRCUIT COURT SHALL  
15 REVIEW THE MATTER DE NOVO. THE ACTION IS GOVERNED BY THIS SEC-  
16 TION AND THE MICHIGAN COURT RULES. THE CIRCUIT COURT REVIEW IS  
17 NOT LIMITED TO MISTAKES OF FACT.

18 (2) ALL OF THE FOLLOWING APPLY IN AN ACTION GOVERNED BY THIS  
19 SECTION:

20 (A) THE CIRCUIT COURT SHALL ONLY ADDRESS THE ISSUES OF THE  
21 PROPRIETY OF THE LEVY AND WHETHER THE LEVY AMOUNT IS CORRECT.

22 (B) THE CIRCUIT COURT SHALL NOT ADMIT EVIDENCE OR CONSIDER  
23 AN ISSUE THAT IS RELATED TO CUSTODY, PARENTING TIME, OR THE  
24 AMOUNT OF SUPPORT UNDER A SUPPORT ORDER AND THAT IS NOT RELATED  
25 TO THE LEVY AGAINST A PAYER'S FINANCIAL ASSETS.



1 (C) THE CIRCUIT COURT SHALL NOT MODIFY A SUPPORT ORDER. A  
2 COURT FINDING REGARDING A MONTHLY OR PAST DUE SUPPORT AMOUNT DOES  
3 NOT MODIFY THE UNDERLYING SUPPORT ORDER.

4 SEC. 25I. (1) IF, AFTER A FINANCIAL INSTITUTION FORWARDS  
5 MONEY TO THE STATE DISBURSEMENT UNIT, ALL OF THE FORWARDED MONEY  
6 IS RETURNED TO THE PAYER DUE TO A MISTAKE OF FACT OR COURT ORDER,  
7 THE IV-D AGENCY SHALL REIMBURSE THE PAYER FOR A FEE, COST, OR  
8 PENALTY THAT THE FINANCIAL INSTITUTION ASSESSED AGAINST THE PAYER  
9 UNDER SECTION 25G.

10 (2) IF THE TOTAL AMOUNT OF PAST DUE SUPPORT THE PAYER OWES  
11 UNDER ALL SUPPORT ORDERS SUBJECT TO LEVY UNDER SECTION 25C IS  
12 MORE THAN THE AMOUNT OF MONEY A FINANCIAL INSTITUTION FORWARDS  
13 THE SDU UNDER SECTION 25G, THE SDU SHALL ALLOCATE THE MONEY AMONG  
14 THOSE SUPPORT ORDERS BY MULTIPLYING THE TOTAL AMOUNT OF MONEY  
15 FORWARDED BY THE PERCENTAGES ARRIVED AT BY DIVIDING THE PAST DUE  
16 SUPPORT AMOUNT UNDER EACH OF THOSE SUPPORT ORDERS BY THE TOTAL OF  
17 THE PAST DUE SUPPORT AMOUNTS UNDER ALL OF THOSE SUPPORT ORDERS.

18 Sec. 28. (1) The COURT FAMILY SERVICES office ~~of the~~  
19 ~~friend of the court~~ may petition the court for an order to sus-  
20 pend a payer's occupational license, driver's license, or recrea-  
21 tional or sporting license, or any combination of the licenses,  
22 if all of the following circumstances are true:

23 (a) An arrearage has accrued in an amount greater than the  
24 amount of periodic support payments payable for ~~6 months~~ 1  
25 MONTH under the payer's support order.

1 (b) The payer holds an occupational license, driver's  
2 license, or recreational or sporting license or the payer's  
3 occupation requires an occupational license.

4 (c) An order of income withholding is not applicable or has  
5 been unsuccessful in assuring regular payments on the support  
6 obligation and regular payments on the arrearage.

7 (2) ~~An~~ A COURT FAMILY SERVICES office ~~of the friend of~~  
8 ~~the court~~ shall not file a petition as authorized under  
9 subsection (1) unless the office sends the payer a notice that  
10 includes all of the following information:

11 (a) The amount of the arrearage.

12 (b) That the payer's occupational license, driver's license,  
13 or recreational or sporting license, or any combination of the  
14 licenses, may be subject to an order of suspension.

15 (c) That the suspension order will be entered and sent to  
16 the licensing agency unless the payer responds by paying the  
17 arrearage or requesting a hearing within ~~21~~ 14 days after the  
18 date of mailing the notice.

19 (d) That, at the hearing, the payer may do either of the  
20 following:

21 (i) Object to the proposed suspension based on a mistake of  
22 fact concerning the overdue support amount or the payer's  
23 identity.

24 (ii) Suggest to the court a schedule for the payment of the  
25 arrearage.

26 (e) That, if the payer believes that the amount of support  
27 ordered should be modified due to a change in circumstances, the

1 payer may file a petition with the court for modification of the  
2 support order.