

Fiscal Analysis

UNDISBURSED CHILD SUPPORT



Bill/Sponsor **HOUSE BILL 4635 AS INTRODUCED**, Rep. Michael C Murphy

House Committee Family and Children Services

Analysis

Summary

This bill would amend the Office of Child Support Act, PA 174 of 1971, to add provisions concerning undisbursed child support. The bill defines undisbursed child support as money paid as child support to the Friend of the Court or to the State disbursement unit that is reportable and payable to the Children's Trustee as required under the Uniform Unclaimed Property Act as amended by Representative Murphy's House Bill 4634.

Fiscal Impact

The bill could potentially increase Family Independence Agency and other state costs, as it requires the Office of Child Support (OCS) to (a) develop an electronic database capable of monitoring undisbursed child support both centrally and locally on a monthly basis, and (b) to assume additional administrative duties. It is unclear from the bill whether this database can be implemented within the statewide information system to facilitate the establishment and enforcement of child support obligations that is already mandated by PA 174, Section 3 (h). Additional administrative duties are imposed on the Office of Child Support to reduce the amount of undisbursed child support. These include improved monitoring of Friend of the Court activities; improved communications with federal and state agencies, employers and others; developing best practices to resolve the causes of undisbursed child support; developing training programs and performance standards; and creating and maintaining a payment history database of repeat unidentified payers. All duties of OCS would be repealed in three years. Additional staff may be needed to handle these administrative duties.

Analyst(s)

Richard Child

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Mitchell Bean, Director – House Fiscal Agency
124 N. Capitol Avenue, Lansing, MI 48909
Phone: (517)373-8080, Fax: (517)373-5874
<http://www.house.mi.gov/hfa>