



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 4792 (Substitute S-1 as reported)
Sponsor: Representative John Garfield
House Committee: Judiciary
Senate Committee: Families and Human Services

CONTENT

The bill would amend the Support and Parenting Time Enforcement Act to allow a person who had an arrearage under a child support order to establish an arrearage payment plan. The bill would take effect on February 28, 2005.

Specifically, a payer who had an arrearage could seek relief by complying with a support arrearage amnesty period (proposed by House Bill 4654), or filing a motion with the circuit court for a payment plan to pay arrearages and to discharge or abate arrearages. The court would have to approve the payment plan after notice and a hearing if it found that the plan was in the best interest of the parties and children, that the arrearage did not arise from the payer's conduct designed exclusively for the purpose of avoiding a support obligation, and that other criteria were met.

If the arrearage were owed to the State or a political subdivision, and the payer established that he or she plan would pay a reasonable portion of the arrearage over a reasonable period of time, a payment plan that did not pay the entire arrearage would have to require payments for at least 24 months, and, if the payer had an income in excess of the poverty level, one additional month for each \$1,000 above the poverty level that the payer earned.

If, after notice and hearing, the court found that the payer had completed the payment plan, the court would have to enter an order discharging the remaining arrearage, if any. If the court found that the payer had substantially completed the payment plan, the court could enter an order granting relief appropriate to the circumstances of the case.

A court could require conditions in the payment plan in addition to the payment of support that the court determined were in the best interests of a child, including participation in a parenting program; drug and alcohol counseling; and anger management classes or participation in a batterer intervention program.

Upon request of the Family Independence Agency (FIA), the Friend of the Court (FOC) would have to provide additional case information not available via the automated system to assist the FIA in considering the waiver and payment plan request.

Proposed MCL 552.605e

Legislative Analyst: Julie Koval

FISCAL IMPACT

It appears that the bill would have an indeterminate fiscal impact on the FIA. The provision of additional case information not available via the automated system could result in some small additional administrative costs. The FOC also could face increased administrative costs related to monitoring payment plans.

Date Completed: 5-20-04

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