

Legislative Analysis



STATE DEPARTMENTS' COLLECTION DUTIES

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Senate Bill 891

Sponsor: Sen. Bill Hardiman

House Committee: Family and Children Services

Senate Committee: Families and Human Services

Complete to 12-11-06

A SUMMARY OF SENATE BILL 891 (S-2) AS PASSED BY THE SENATE 12-6-06

The bill would amend the Revenue Act (MCL 205.1 et al). to clarify the responsibility of the Department of Treasury for collecting past due amounts owed to the state, and to establish the collection duties of certain other state departments for money or accounts owed to the state.

Among other things, the bill would do the following:

- Require the Department of Treasury, *except as otherwise provided in the act*, to supervise the collection of all past due money owed to the state.
- Vest the Department of Human Services and its designees with all the powers, duties, functions, responsibilities, and jurisdiction of the Department of Treasury for the enforcement, investigation, and collection of child support owed the state.
- Authorize the DHS to settle and compromise claims and accounts and issue receipts for child support collections, subject to the authority granted to it by the federal Social Security Act, the state Office of Child Support Act, and the state Support and Parenting Time Enforcement Act.
- Import into the Revenue Act language from Public Act 375 of 1927 (MCL 14.133) that requires each state officer, department, institution, or commission from time to time to forward to the Department of Treasury statements of all delinquent money, specific taxes, and accounts owing or belonging to the state. Also imported is language that requires the treasury department to keep an accurate record and account of those statements; enforce payment and collection of those amounts; keep an accurate account of all money collected; report monthly all collections made to the department, commission, or institution to which the indebtedness had been incurred; and pay monthly to the state treasurer all money collected unless otherwise provided by law.

FISCAL IMPACT:

There would be no fiscal impact on the Department of Treasury. The bill is said to be designed to make the Revenue Act consistent with other statutes and current practice.

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