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Senate Bills 1424 and 1426 (as introduced 6-26-08)
Sponsor: Senator Mark C. Jansen (S.B. 1424)
Senator Valde Garcia (S.B. 1426)
Committee: Families and Human Services

Date Completed: 9-9-08

CONTENT

Senate Bill 1424 would amend the Support and Parenting Time Enforcement Act to do the following:

- Revise requirements for a support payer or payee to provide information to the Friend of the Court (FOC), and allow the court to impose a fee for failure to comply with the requirements.
- Permit the court to add a surcharge to past due amounts if a payer willfully failed to pay support, and delete provisions under which a surcharge must be added or may not be assessed.
- Require the amount withheld from a payer's income to include any costs, fines, and sanctions.
- Require the FOC to notify the Secretary of State (SOS) if a payer failed to request or attend a license suspension hearing, and require the SOS to suspend the payer's driver license; and otherwise revise provisions concerning license suspension.
- Permit the court, in a civil contempt hearing for violation of a support order, to order the payer's vehicle temporarily inoperable.
- Permit the court, in a civil contempt hearing for violation of a support order or parenting time order, to require the payer or parent to participate in certain counseling programs or other activities under the supervision of the FOC, and to commit the person to jail (as

currently provided) or an alternative to jail.

- Identify the FOC as the State Title IV-D agency, or the agency performing the functions under Title IV-D of the Social Security Act.
- Require support to be assigned to the funding county if a child for whom support was payable were placed in county-funded foster care.

The bill also would repeal Section 3d of the Support and Parenting Time Enforcement Act, which allows a party or the FOC to request a payment plan that discharges surcharges and waives future surcharges.

Senate Bill 1426 would amend the Michigan Vehicle Code to do the following:

- Require the Secretary of State to suspend a payer's license immediately upon notice from an FOC office that the payer had failed to appear for a hearing, comply with a repayment plan order, or respond to a license suspension notice.
- Require a suspension order to remain in effect until the person obtained a certificate from the FOC showing that he or she was complying with the custody, parenting time, or support order, had paid the circuit court clerk a \$45 driver license clearance fee, and (as currently required) paid the license reinstatement fee.

-- Require the circuit court clerk to transmit, for each driver license clearance fee, \$15 to the SOS, to defray the cost of processing license suspensions and reinstatements, and \$30 to the county treasurer, to be deposited in the county FOC fund.

The two bills are tie-barred to one another, and are described in detail below.

Senate Bill 1424

Support Order

Under Section 3 of the Support and Parenting Time Enforcement Act, except as otherwise provided, every support order that is part of a judgment issued by a Michigan court or that is an order in a domestic relations matter must include a statement that the order is a judgment on and after the date each support payment is due, with the full force, effect, and attributes of a judgment of the State, and is not, on or after the date it is due, subject to retroactive modification.

The bill also provides that no additional action would be necessary to reduce support to a final judgment.

The Act requires a support order to include substantially the statement described above, and a statement that a surcharge will be added to support amounts that are past due as provided under the Act. Under the bill, the statement would have to indicate that a surcharge may, rather than will, be added to past due support payments.

Currently, each support order that is an order in an FOC case must include all of the following:

- A requirement that within 21 days after the payer or payee changes his or her residential or mailing address, that individual report the new address and his or her telephone number in writing the FOC.
- A requirement that both the payer and payee notify the office of the FOC if he or she holds an occupational license and if he or she holds a driver license.
- The name, address, and telephone number of the payer's and payee's current source of income.

- A requirement that both the payer and payee inform the FOC office of his or her Social Security number and driver license number.

Under the bill, instead, each support order that was an order in an FOC case would have to require each party to give the FOC a single mailing address to which all notices and papers would be served, give the FOC the following information, and notify the FOC in writing within 21 days after any change to that information:

- Each party's telephone number and residential mailing address.
- Whether the payer or payee holds an occupational license, driver license, or recreational license.
- The name, address, and telephone number of the payer's and payee's current sources of income.
- The payer's and payee's Social Security number and driver license number.

As currently required, within 21 days after the payer or payee changed his or her residential or mailing address, that individual would have to report the new address and his or her telephone number in writing the FOC. A change of address reported to an entity other than the FOC would not be sufficient to change the address to which all notices and papers would be served.

The Act also requires each support order that is an order in an FOC case to include notice that an order for dependent health care coverage takes effect immediately and will be sent to the parent's current and subsequent employers if appropriate. The notice must inform the parent that he or she may contest the action by requesting a review or hearing concerning availability of health care coverage at a reasonable cost.

Under the bill, that provision would apply to each support order that was a part of a judgment issued by a Michigan court or that was an order in a domestic relations matter.

(The Act defines "domestic relations matter" as a circuit court proceeding as to child custody or parenting time, or child or spousal support, that arises out of litigation under a statute of the State. The bill would refer to "spousal support in conjunction with child support", rather than spousal support.)

The bill provides that the FOC office would be the Title IV-D agency responsible for maintaining and updating, when appropriate, the address for each party. The bill would require service of notices or other papers under the Act and under the FOC Act to be made by first class mail, postage prepaid. Except as otherwise provided by law or court rule, the address provided by the party to the FOC would be the address to which notices and other papers were served. If mail were returned as undeliverable from that address, the FOC could change the address under guidelines established by the State Court Administrative Office (SCAO) or the Supreme Court.

If mail were returned from an address described above, and a new address had not been established within 21 days after the mail was returned, the party would waive his or her right to notice, and the FOC would not be obligated to serve any notice or other paper until the party submitted a written change of address to the FOC or until the FOC had changed the address as provided in the bill.

If a person failed to comply with the requirements of Section 3, the court could impose a fee set under Supreme Court rule or SCAO policy. A fee ordered under this provision would have to be deposited in the FOC Fund.

Currently, "title IV-D agency" means the agency in the State performing the functions under Title IV-D of the Social Security Act (which deals with child support) and includes a person performing those functions under contract, including an office of the FOC, or a prosecuting attorney.

Under the bill, that term would mean an agency in the State performing the functions under Title IV-D under a statute of the State, including the Office of Child Support, the FOC, or a prosecuting attorney when performing functions assigned to another agency under an agreement authorized under a statute of the State.

Surcharge

Currently, for an FOC case, as of January 1 and July 1 of each year, a surcharge must be added to support payments that are past due as of those dates. Under the bill,

instead, the court could order a surcharge to be added on those days if the court determined that the payer had failed to pay support under a support order and the failure was willful. The surcharge would apply until abated by the court.

The bill would delete a provision under which a surcharge may not be added to support ordered under the Paternity Act for the time period to the date of the support order.

Currently, a surcharge must be assessed on a semiannual cycle on January 1 and July 1 of each year, except that a surcharge may not be assessed for the current semiannual cycle for any of the following:

- In cases in which the FOC is collecting on a current child support obligation, if the payer has paid 90% or more of the most recent semiannual obligation during the cycle.
- For any period of time a support order did not exist when support is later ordered for that period.
- If the surcharge is waived or abated under a court order under Section 3d of the Act.

The bill would remove those provisions.

Support for Child over 18

The Act permits a court to order support for a child after he or she reaches the age of 18, if the child is regularly attending high-school full-time with a reasonable expectation to graduate while residing on a full-time basis with the recipient of support or at an institution.

Under the bill, such a support order would have to include a provision that the support would terminate on the last day of a specified month, regardless of the actual graduation date.

Prorated Support

The Act provides that if a support order takes effect on other than the first day of the month, the monthly amount must be prorated based on the daily amount for that month. A monthly order amount must be prorated for the last month in which the order is in effect. Under the bill, the last month's amount could not be prorated.

Overpayment of Support

Under the Act, if the Title IV-D agency receives a support payment that, at the time of its receipt, exceeds a payer's support amount payable plus an amount payable under an arrearage payment schedule, the agency must apply the excess against the payer's total arrearage accrued under all support orders under which the payer is obligated. If a balance remains, the agency must do one of the following:

- If the payer designates the balance as additional support, immediately disburse that amount to the recipient of support.
- If, at the time the payment is received, the payer is obligated for a future support payment and the balance is less than or equal to the monthly support payment amount, retain the balance and disburse it to the recipient of support when the amount is payable.
- If, at the time the payment is received, the payer is not obligated for a future support payment, or the payer is obligated under a support order for a future support payment but the balance is greater than the monthly support order amount, return the balance to the payer.

Under the bill, those provisions would not apply to an abatement or credit that was due to the payer. An amount due to the payer because of an abatement or credit would have to be applied first to any support arrearage due in the case and then, if there were a balance remaining, to any support arrearage of the payer due in another case. Any balance after the application to support arrearages would have to be refunded to the payer.

Support for Foster Child

The bill would require each support order the court entered or modified to include a provision that if a child for whom support was payable under the order were under court jurisdiction and placed in county-funded foster care, the support payable under the order would be assigned to the funding county.

The bill also would revise the definition of "recipient of support" to include the county, if the minor child were in county-funded foster care.

Payment Plan

Under the Act, a payer who has an arrearage under a support order may file a motion with the circuit court for a payment plan to pay arrearages and to discharge and abate arrearages. The court must approve the plan if it finds that the plan is in the best interest of the parties and children and meets certain other criteria. If the arrearage is owed to the State or a political subdivision of the State, the court must approve the plan if it will pay a reasonable portion of the arrearage over a reasonable period of time in accordance with the payer's current ability to pay, and other requirements are met.

A payment plan that does not pay the entire arrearage must require payments for at least 24 months, for a payer who has an income at or below the poverty level. For a payer who has an income over the poverty level, a payment plan must require payments for at least 24 months plus one additional month for each \$1,000 above the poverty level that the payer earns. The bill would delete these requirements.

Notice of Arrearage, Withholding

The Act requires the FOC office to send immediate notice to a payer by ordinary mail if income withholding is not effective immediately and the arrearage under a support order reaches an amount that requires the initiation of one or more support enforcement measures, or if the amount of income withholding is administratively adjusted for arrears. The notice must include the amount of the arrearage and either notice that the payer's income is subject to income withholding and the amount to be withheld, or notice that the payer's income withholding is being administratively adjusted and the amount of the adjustment, among other information.

The bill would delete a requirement that a copy of the notice be sent by ordinary mail to each recipient of support.

The Act requires a notice of income withholding to be served on the payer's sources of income. Under the bill, a labor organization that assigned a member to work would have to forward a copy of an income withholding notice served on the labor organization to the actual employer.

Under the Act, the notice must direct sources of income to withhold from income due the payer an amount sufficient to meet the payments ordered for support and service fees, and to defray arrearage payments and service fees due at the time the order of income withholding takes effect.

Under the bill, the amount withheld also would have to be sufficient to cover any fines, costs, and sanctions. As currently provided, the total amount withheld could not exceed the amount allowed under the Federal Consumer Protection Act.

The Support and Parenting Time Enforcement Act defines "source of income" as an employer or successor employer or another individual or entity that owes or will owe income to the payer. The bill would include a labor organization within that definition.

Tax Offset

For an FOC case, if a support arrearage has accrued, the Support and Parenting Time Enforcement Act allows the FOC office to request the Office of Child Support to initiate offset proceedings against the delinquent payer's State and Federal tax refunds.

Under the bill, the FOC could request the Office of Child Support to initiate offset proceedings only if the case had not been designated for offset proceedings by the Office of Child Support and the accrued arrearage met the minimum threshold established by State or Federal law, regulation, or rule, as applicable.

Lien on Property

The amount of past due support that accrues under a judgment made under the Act or under the law of another state constitutes a lien in favor of the recipient of support against the real and personal property of a payer.

Before a lien is perfected or levied, the Title IV-D agency must send a notice to the payer subject to the support order informing the payer of the imposition of liens by operation of law and that the payer's real and personal property can be encumbered or seized if an arrearage accrues in an amount that exceeds the amount of periodic support payments payable under the payer's support

order for the specified time period. The bill would delete this provision.

Under the bill, a lien could not be perfected or levied unless the payer had received notice that liens exist by operation of law and that the payer's real and personal property could be encumbered or seized if an arrearage accrued in an amount that exceeded the periodic support payments payable under the payer's support order for the time specified in the Act. Notice would be sufficient if it were in the payer's support order or if it were mailed to the payer at any time.

Suspension

Under the Act, for an FOC case, the office of the FOC may petition the court for an order to suspend a payer's occupational license, driver license, or recreational or sporting license, or any combination of the licenses if all of the following are true:

- An arrearage has accrued in an amount greater than the amount of periodic support payments payable for two months under the payer's support order.
- The payer holds an occupational license, driver license, or recreational or sporting license or the payer's occupation requires an occupational license.
- An order of income withholding is not applicable or has been unsuccessful in assuring regular payments on the support obligation and regular payments on the arrearage.

The bill would retain that provision, but would remove the second reference to a driver license, and the reference to a petition by the FOC.

Under the Act, an FOC office may not file a petition unless the office sends the payer notice of the amount of the arrearage and that the payer's occupational license, driver license, or recreational or sporting license, or combination of licenses may be subject to suspension. Under the bill, an FOC office would have to send the payer that notice before seeking the suspension of a license.

The notice must include notice that the suspension order will be entered and sent to the licensing agency unless the payer responds by paying the arrearage or requesting a hearing within 21 days after

the notice was mailed. The bill would refer to a "suspension order or notice".

Within 21 days after the date on which notice is mailed to a payer, he or she may request a hearing on the proposed suspension. If the payer requests a hearing within that time, entry of the suspension order must be delayed pending the outcome of the hearing. Under the bill, a suspension order could not be entered and a suspension notice could not be sent pending the outcome of the hearing.

If the court determines that the payer has accrued an arrearage on his or her support order and that the payer has or could have the capacity to pay all or some of the amount due, the court must order the payment of the arrearage in one or more scheduled installments of a certain sum. Under the bill, if the court made this determination after a hearing, the court would have to order the payment of the arrearage "as reasonable" in one or more scheduled installments.

Under the Act, after 21 days after the date on which a notice of a proposed license suspension is sent, the court may order the suspension of the payer's occupational license, driver license, or recreational or sporting license, or any combination of the licenses included in the notice, under either of the following circumstances:

- The payer fails to pay the arrearage and fails either to request a hearing or to appear for a hearing after such a request.
- The payer fails to comply with an arrearage payment schedule ordered under the Act.

Under the bill, after 21 days after the date on which a notice of a proposed license suspension was sent, the FOC would have to notify the Secretary of State if the payer had failed to request a hearing or failed to attend a hearing on the proposed suspension. On receiving the notice, the SOS would have to suspend the payer's driver license.

The court could order the suspension of the payer's occupational license or recreational or sporting licenses under the circumstances described above. If the Court determined that the payer had failed to comply with an arrearage payment, it could direct the FOC to notify the Secretary of State of the

failure. On receiving that notice from the FOC, the SOS would have to suspend the payer's driver license as provided in the Michigan Vehicle Code.

Currently, if a payer is the subject of a suspension order under these provisions and has failed to respond in any manner to the notice given, the FOC office may not send the suspension order to the licensing agency until at least 14 days after the date the office first attempts to serve a copy of the order on the payer by personal service or by registered or certified mail, return receipt requested, with delivery restricted to the payer. The bill would remove this provision.

After entry of a suspension order, a payer may agree to and the court may order a schedule for the payment of the arrearage. Under the bill, the schedule for payment would have to be reasonable.

If the court orders a schedule for payment of the arrearage, the court must enter an order rescinding the suspension order. The bill also would require the FOC, on verification by the clerk of the court that the required driver license clearance fee had been paid, to provide a certificate to the payer stating that he or she was in compliance with the support order.

Contempt: Failure to Pay Support

Under the Act, if a person is ordered to pay support under a support order and fails or refuses to do so, and if an income withholding order is inapplicable or unsuccessful, a recipient of support or the FOC may commence a civil contempt proceeding in the circuit court, by filing a petition for an order to show cause why the delinquent payer should not be held in contempt. If the payer fails to appear in response to a show cause order, the court may take one or more of several actions, including applying an enforcement remedy authorized under the Act or the FOC Act for the nonpayment of support. Under the bill, such a remedy would include suspending the payer's occupational license, driver license, or recreational or sporting license.

In addition, the court could enter an order that a law enforcement agency render any vehicle owned by the payer temporarily inoperable, by booting or other similar method, subject to release on deposit of an

appropriate bond. The court also could place the payer under the supervision of the FOC office for a term fixed by the court with reasonable conditions, including one or more of the following: participating in a parenting program, drug or alcohol counseling, or a work program; seeking employment; participating in other counseling; continuing compliance with a current support or parenting time order; or entering into and complying with an arrearage payment plan.

Under the Act, the court may find a payer in contempt if it finds that he or she is in arrears and is satisfied that the payer has the capacity to pay out of currently available resources all or part of the amount due under the support order. Upon finding a payer in contempt, the court, among other options, may enter an order that commits the payer to the county jail, or commits the payer to the county jail with the privilege of leaving during specified hours for employment purposes. Under the bill, the court also could commit the payer to an alternative to jail.

The bill also would give the court the option to enter an order that placed the payer under the supervision of the FOC office for a term fixed by the court with reasonable conditions, including one or more of the following: participating in a parenting program, drug or alcohol counseling, or a work program; seeking employment; participating in other counseling; continuing compliance with a current support or parenting time order; or entering into and complying with an arrearage payment plan.

In addition, under the Act, the court may find a payer in contempt if it finds that the payer is in arrears and one of the following applies:

- The court is satisfied that by the exercise of due diligence, the payer could have the capacity to pay all or some of the amount due under the support order and that the payer fails or refuses to do so.
- The payer has failed to obtain a source of income and has failed to participate in a work activity after referral by the FOC.

Upon finding a payer in contempt under that provision, the court must, absent good cause to the contrary, order the payer to participate in a work activity and also may take one or more other actions, including

committing the payer to the county jail with the privilege of leaving the jail during specified hours for employment purposes. The bill also would permit the court to commit the payer to an alternative to jail, and would give the court the option to enter an order that placed the payer under the supervision of the FOC office for a term fixed by the court with reasonable conditions, including those described above.

Under the Act, if a payer is committed to jail with the privilege of leaving during specified hours for employment purposes and violates the conditions prescribed by the court, the court must commit the payer to the county jail without the privilege of leaving. If the payer fails to return to the place of confinement within the time prescribed, he or she is considered to have escaped from custody and is guilty of a misdemeanor, punishable by imprisonment for up to one year. Under the bill, those provisions also would apply to a payer who was committed to an alternative to jail.

Contempt: Parenting Time

Under the Act, if the FOC office determines that a procedure other than a civil contempt proceeding is unsuccessful in resolving a dispute concerning parenting time with a minor child, the FOC office must commence a civil contempt proceeding to resolve the dispute by filing with the circuit court a petition for an order to show cause why either parent who has violated a parenting time order should not be held in contempt.

If the court finds that either parent has violated a parenting time order without good cause, it must find that parent in contempt of court and may, among other options, enter an order that commits the parent to the county jail, or commits the parent to the county jail with the privilege of leaving during specified hours for employment purposes. The bill also would allow the court to commit the parent to an alternative to jail.

In addition, the bill would give the court the option to enter an order that placed the parent under the supervision of the FOC office for a term fixed by the court with reasonable conditions, including one or more of the following:

- Participating in a parenting program.

- Participating in drug or alcohol counseling.
- Participating in a work program.
- Seeking employment.
- Participating in other counseling.
- Continuing compliance with a current support or parenting time order.
- Entering into and complying with an arrearage payment plan.
- Facilitating makeup parenting time.

Under the Act, if a custodial parent is committed to jail with the privilege of leaving during specified hours for employment purposes and violates the conditions ordered by the court, the court must commit the parent to the county jail without the privilege of leaving. If the parent fails to return to the place of confinement within the time prescribed, he or she is considered to have escaped and is guilty of a misdemeanor, punishable by imprisonment for up to one year. Under the bill, those provisions also would apply to a custodial parent who was committed to an alternative to jail.

If a parent fails to appear in response to an order to show cause as described above, the court may order a bench warrant requiring the parent to be brought before the court without unnecessary delay to show cause why he or she should not be held in contempt. Unless good cause is shown, the court must order the parent to pay the costs of the hearing, the issuance of the warrant, the arrest, and further hearings.

Under the bill, if the hearing could not be held immediately after the parent was arrested, he or she could be released if a bond in the amount of the fines, costs, and sanctions imposed under the Act and any additional amount the court determined necessary to secure the parent's appearance were deposited with the court.

The Act provides that if the court finds that either parent has violated a parenting time order without good cause, and if the parent holds an occupational license, driver license, or recreational or sporting license, the court may condition the suspension of the license or any combination of the licenses upon noncompliance with an order for makeup and ongoing parenting time.

The court may order a makeup parenting time schedule if the parent demonstrates a

good faith effort to comply with the parenting time order. If the court orders a makeup parenting time schedule, it must enter an order rescinding the suspension order.

Under the bill, on verification by the clerk of the court that the driver license clearance fee had been paid (as proposed by Senate Bill 1426), the FOC would have to provide a certificate to the payer stating that he or she was in compliance with the support order.

Collection, Disbursement of Support

The Act requires the Department of Human Services (DHS), the State Disbursement Unit (SDU), and each office of the FOC to cooperate in the transition to the centralized receipt and disbursement of support and fees. An FOC office must continue to receive support and fees through the transition, based on the schedule developed as required under the Office of Child Support Act, and modifications to that schedule the DHS considers necessary.

The bill would delete those provisions, and specifies that the SDU would be responsible for the collection and disbursement of support. An FOC office could continue to receive support and fees.

Repeal

The bill would repeal Section 3d of the Support and Parenting Time Enforcement Act, which permits a party or the FOC to file a motion with the court for a repayment plan order that provides for discharge of surcharges and for the waiver of future surcharge. The court must enter the repayment plan after notice and a hearing if the court finds that all of the following are true:

- The arrearage did not result from conduct by the payer engaged in exclusively for the purpose of avoiding a support obligation.
- The payer has no present ability, and will not have an ability in the foreseeable future, to pay the arrearage absent a repayment plan that waives or discharges amounts assessed as surcharge.
- The payer's plan is reasonable based on the payer's current ability to pay.
- The surcharge accrued or will accrue after the June 30, 2005.

If the court finds that the payer has failed substantially to comply with the repayment plan, the court must enter an order reinstating the surcharge and all or a portion of it that was discharged.

Senate Bill 1426

The Michigan Vehicle Code requires the Secretary of State to comply with a suspension order issued under the Support and Parenting Time Enforcement Act. The SOS must suspend the operator's or chauffeur's license of a licensee within seven business days after receiving the suspension order. The bill would replace these provisions.

Under the bill, if an FOC office notified the SOS that a licensee had failed to appear for a hearing, comply with a repayment plan order, or respond to a license suspension notice under the Support and Parenting Time Enforcement Act, the SOS would have to suspend the operator's or chauffeur's license of the licensee immediately and would have to notify the licensee of the suspension by ordinary mail at the licensee's last known address.

Currently, an order rescinding a suspension order is effective when the court enters it and the licensee pays the reinstatement fee required under Section 320e of the Vehicle Code. (That section requires a person whose operator's or chauffeur's license is suspended under these provisions to pay a fee of \$85 to the SOS before a license is issued or returned to the person.)

The bill would remove that provision. Instead, a suspension order would remain in effect until all of the following occurred:

- The person obtained a certificate from the FOC showing that the person was complying with the custody, parenting time, or support order, and provided that certificate to the SOS within 10 days.
- The person had paid to the circuit court clerk a \$45 driver license clearance fee.
- The person paid the reinstatement fee imposed under Section 320e.

As currently provided, unless a person's license otherwise was suspended, revoked, or invalid, it would be reinstated and valid immediately on satisfaction of the above requirements. The SOS would have to

reissue the operator's or chauffeur's license of a licensee whose suspension order was rescinded within seven business days after receiving the certificate from the FOC showing compliance with the custody, parenting time, or support order, and evidence of payment of the driver license clearance fee and the reinstatement fee.

If a person showed a law enforcement officer a copy of a certificate obtained from the FOC that was issued to the person within the previous 10 days, the officer could not arrest or issue a citation to the person for driving on a suspended or expired license or without a license on the basis of any matter resolved under the provisions described above, even if the SOS had not yet received or recorded the certificate.

For each driver license clearance fee received, the clerk would have to transmit the following amounts on a monthly basis:

- \$30 to the county treasurer, who would have to deposit the money in the county FOC fund.
- \$15 to the SOS, who would have to deposit the money in the State's General Fund.

The General Fund money would have to be spent to defray the expenses of the SOS in processing the suspension and reinstatement of driver licenses under these provisions.

MCL 552.602 et al. (S.B. 1424)
257.321c (S.B. 1426)

Legislative Analyst: Curtis Walker

FISCAL IMPACT

Senate Bill 1424

Provisions in the bill that would require support orders issued by the court to specify that support payments for children in county-supervised foster care would be assigned to the funding county, would lead to an indeterminate reduction in local and State Child Care Fund expenditure.

The proposed fee for failure to comply with information requirements would result in additional revenue. Changes to the driver license suspension process would result in administrative savings.

Senate Bill 1426

The bill would require a person who had his or her driver license suspended under the Support and Parenting Time Enforcement Act to pay a driver license clearance fee of \$45. The proposed fee would be in addition to the current \$125 license reinstatement fee. The Secretary of State currently receives \$85 of the current \$125 license reinstatement fee for costs associated with suspending a license and removing a suspension. Of the proposed additional \$45 fee, the SOS would receive \$15 to help with the costs associated with suspensions and removal of suspensions. In FY 2006-07, there were 2,115 transactions involving the reinstatement of driver licenses related to child support. Assuming an estimated 2,100 cases are reinstated each year, the additional revenue to the SOS from the proposed driver license clearance fee would be an estimated \$31,500 annually.

The bill would have no fiscal impact on local government.

Fiscal Analyst: Bill Bowerman
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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.