



Senate Fiscal Agency  
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## BILL ANALYSIS



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Senate Bill 1001 (Substitute S-1 as reported)  
Sponsor: Senator Bruce Caswell  
Committee: Judiciary

**CONTENT**

The bill would amend the Support and Parenting Time Enforcement Act to allow an employer to charge and collect a fee from a payer of support each time the employer withheld payment from the payer under a notice of income withholding.

The Act requires each support order entered or modified by the circuit court to provide for an order of income withholding, which must be served on sources of income and is binding upon a source of income seven days after service by ordinary mail or electronically. An order of income withholding has priority over all other legal process under State law against the same income. ("Source of income" means an employer or successor employer, a labor organization, or another individual or entity that owes or will owe income to a payer.)

The bill would allow a source of income, in response to a notice of income withholding, to charge and collect a fee from a payer as follows:

- \$1 each time income was withheld, but not more than \$2 per month, if income were withheld by electronic means.
- \$2 each time income was withheld, but not more than \$4 per month, if income were withheld by other than electronic means.

The fee would have to be collected separately from the income withheld for child support.

The Act prohibits a source of income from using a notice of income withholding as a basis for refusing to employ, discharging, disciplining, or penalizing a payer. The bill specifies that charging or collecting the fee would not be a violation of that prohibition.

MCL 552.623

Legislative Analyst: Patrick Affholter

**FISCAL IMPACT**

The bill would have no fiscal impact on the judiciary. To the extent that public bodies are the sources of income addressed under the Act and those public bodies chose to collect the proposed fee from their employees, State and local governments could realize a negligible, but positive fiscal impact.

Date Completed: 5-2-12

Fiscal Analyst: Dan O'Connor