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Senate Bill 1001 (as introduced 3-1-12)
Sponsor: Senator Bruce Caswell
Committee: Judiciary

Date Completed: 3-26-12

CONTENT

The bill would amend the Support and Parenting Time Enforcement Act to allow an employer to charge and collect a \$2 fee from a payer of support for each pay period that income was withheld 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" (an order providing for the withholding of a payer's income to enforce a support order under the Act). A notice of income withholding 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 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 would allow a source of income to charge and collect from a payer a fee of \$2 for each pay period that income was withheld from the payer in response to a notice of income withholding. The bill specifies that charging or collecting the fee would not be a violation of the prohibition described above.

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.

Fiscal Analyst: Dan O'Connor

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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.