Legislative Analysis



REFERENCES TO MODEL UNIFORM INTERSTATE FAMILY SUPPORT ACT

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

Senate Bill 518 as passed by the Senate

Analysis available at http://www.legislature.mi.gov

Sponsor: Sen. Peter MacGregor

Senate Bill 519 as passed by the Senate

Sponsor: Sen. Judy K. Emmons

House Committee: Judiciary Senate Committee: Judiciary

Complete to 12-7-15

SUMMARY:

Senate Bills 518 and 519 amend different acts to change references to the current Uniform Interstate Family Support Act to the Uniform Interstate Family Support Act (2015). Each bill is tie-barred to House Bill 4742/Senate Bill 517, which are virtually identical and which repeal the current version of the UIFSA and replace it with an updated version adopted by the Uniform Law Commission that incorporates provisions established by the 2007 Hague Convention on the International Recovery of Child Support and Other Forms of Family Maintenance. The bills take effect January 1, 2016.

<u>Senate Bill 518</u> amends the Friend of the Court Act (552.502). It is analogous to House Bill 4745.

<u>Senate Bill 519</u> amends the Office of Child Support Act (MCL 400.233). It is an analogous to House Bill 4743.

[For more information, see the House Fiscal Agency analysis of House Bills 4742-4745 at http://www.legislature.mi.gov/documents/2015-2016/billanalysis/House/pdf/2015-HLA-4742-67061FB8.pdf]

FISCAL IMPACT:

These two Senate bills are part of a package of bills. The main bills are House Bill 4742 and Senate Bill 517. Those bills would repeal the current Uniform Interstate Family Support Act (UIFSA), which requires Michigan to work with other states for the collection of court-ordered child support payments, and replace it with an expanded version of this act that establishes uniform procedures for the processing of international child support cases. House Bills 4743-4745 and Senate Bills 518-520 would amend other related statutes referring to the act.

The bills would likely increase costs initially to the Michigan Department of Health and Human Services by an indeterminate amount which would be dependent, in part, upon the number of foreign support orders that are received. Additional expenditures due to

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expenses such as the translation of foreign language orders and currency conversion calculations may increase the Department's costs initially. These additional costs are not expected to be significant, however, and would be funded by current department appropriations.

Currently, Michigan receives many more support orders from other states or countries establishing payments to Michigan residents than the number of support orders that are processed to send payments out from Michigan residents to other states or countries. In 2014, Michigan processed 1,369 support orders establishing payments from Michigan residents to other states and countries, while the state sent 6,377 support orders requesting payments to collect support for Michigan residents from other states and countries.

The federal Preventing Sex Trafficking and Strengthening Families Act that was enacted in September 2014 requires all states to enact the new modified UIFSA in the 2015 legislative session as a condition to continue receiving federal funding for state child support programs. In FY 2015-16, Michigan is anticipated to receive and expend \$175.1 million in federal funding for child support programs. The state risks losing this federal funding if a bill that embodies the modified UIFSA, such as HB 4742, is not enacted in 2015. In addition, the federal government requires that the state have an approved federal Title IV-D plan for its child support program in order to be eligible to continue receiving Temporary Assistance for Needy Families (TANF) block grant funding. In order for a state plan to be approved, it would need to include the provisions of the new UIFSA act. Michigan receives approximately \$775.4 million TANF funding annually. If Michigan does not enact the new modified UIFSA act, this TANF funding could be at risk as well.

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House Fiscal Agency

[■] This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.