

Act No. 26  
Public Acts of 2019  
June 20, 2019  
Filed with the Secretary of State  
June 20, 2019  
EFFECTIVE DATE: June 20, 2019

**STATE OF MICHIGAN 100TH  
LEGISLATURE REGULAR  
SESSION OF 2019**

Introduced by Reps. Vaupel and Brixie

# ENROLLED HOUSE BILL No. 4304

AN ACT to amend 1982 PA 295, entitled "An act to provide for and to supplement statutes that provide for the provisions and enforcement of support, health care, and parenting time orders with respect to divorce, separate maintenance, paternity, child custody and support, and spousal support; to prescribe and authorize certain provisions of those orders; to prescribe the powers and duties of the circuit court and friend of the court; to prescribe certain duties of certain employers and other sources of income; to provide for penalties and remedies; and to repeal acts and parts of acts," by amending sections 2, 5a, and 26 (MCL 552.602, 552.605a, and 552.626), section 2 as amended by 2015 PA 256 and sections 5a and 26 as amended by 2002 PA 572.

*The People of the State of Michigan enact:*

Sec. 2. As used in this act:

(a) "Account" means any of the following:

- (i) A demand deposit account.
- (ii) A draft account.
- (iii) A checking account.
- (iv) A negotiable order of withdrawal account.
- (v) A share account.
- (vi) A savings account.
- (vii) A time savings account.
- (viii) A mutual fund account.
- (ix) A securities brokerage account.
- (x) A money market account.
- (xi) A retail investment account.

(b) "Account" does not mean any of the following:

- (i) A trust.
  - (ii) An annuity.
  - (iii) A qualified individual retirement account.
  - (iv) An account covered by the employee retirement income security act of 1974, Public Law 93-406.
  - (v) A pension or retirement plan.
  - (vi) An insurance policy.
- (c) "Alternative contempt track" means the alternative contempt track docket established under section 35a.

(d) “Cash” means money or the equivalent of money, such as a money order, cashier’s check, or negotiable check or a payment by debit or credit card, which equivalent is accepted as cash by the agency accepting the payment.

(e) “Custody or parenting time order violation” means an individual’s act or failure to act that interferes with a parent’s right to interact with his or her child in the time, place, and manner established in the order that governs custody or parenting time between the parent and the child and to which the individual accused of interfering is subject.

(f) “Department” means the department of health and human services.

(g) “Domestic relations matter” means a circuit court proceeding as to child custody, parenting time, child support, or spousal support, that arises out of litigation under a statute of this state, including, but not limited to, the following:

(i) 1846 RS 84, MCL 552.1 to 552.45.

(ii) The family support act, 1966 PA 138, MCL 552.451 to 552.459.

(iii) The child custody act of 1970, 1970 PA 91, MCL 722.21 to 722.31.

(iv) 1968 PA 293, MCL 722.1 to 722.6.

(v) The paternity act, 1956 PA 205, MCL 722.711 to 722.730.

(vi) The revised uniform reciprocal enforcement of support act, 1952 PA 8, MCL 780.151 to 780.183.

(vii) The uniform interstate family support act, 2015 PA 255, MCL 552.2101 to 552.2905.

(h) “Driver’s license” means license as that term is defined in section 25 of the Michigan vehicle code, 1949 PA 300, MCL 257.25.

(i) “Employer” means an individual, sole proprietorship, partnership, association, or private or public corporation, the United States or a federal agency, this state or a political subdivision of this state, another state or a political subdivision of another state, or another legal entity that hires and pays an individual for his or her services.

(j) “Financial asset” means a deposit, account, money market fund, stock, bond, or similar instrument.

(k) “Financial institution” means any of the following:

(i) A state or national bank.

(ii) A state or federally chartered savings and loan association.

(iii) A state or federally chartered savings bank.

(iv) A state or federally chartered credit union.

(v) An insurance company.

(vi) An entity that offers any of the following to a resident of this state:

(A) A mutual fund account.

(B) A securities brokerage account.

(C) A money market account.

(D) A retail investment account.

(vii) An entity regulated by the Securities and Exchange Commission that collects funds from the public.

(viii) An entity that is a member of the national association of securities dealers and that collects funds from the public.

(ix) Another entity that collects funds from the public.

(l) “Friend of the court act” means the friend of the court act, 1982 PA 294, MCL 552.501 to 552.535.

(m) “Friend of the court case” means that term as defined in section 2 of the friend of the court act, MCL 552.502.

(n) “Health care coverage” means a fee for service, health maintenance organization, preferred provider organization, or other type of private health care coverage or public health care coverage.

(o) “Income” means any of the following:

(i) Commissions, earnings, salaries, wages, and other income due or to be due in the future to an individual from his or her employer or a successor employer.

(ii) A payment due or to be due in the future to an individual from a profit-sharing plan, a pension plan, an insurance contract, an annuity, Social Security, unemployment compensation, supplemental unemployment benefits, or worker’s compensation.

(iii) An amount of money that is due to an individual as a debt of another individual, partnership, association, or private or public corporation, the United States or a federal agency, this state or a political subdivision of this state, another state or a political subdivision of another state, or another legal entity that is indebted to the individual.

(p) “Insurer” means an insurer, health maintenance organization, health care corporation, or other group, plan, or entity that provides health care coverage in accordance with any of the following acts:

(i) The public health code, 1978 PA 368, MCL 333.1101 to 333.25211.

(ii) The insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302.

(iii) The nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1101 to 550.1704.

(q) "Medical assistance" means medical assistance as established under title XIX of the social security act, 42 USC 1396 to 1396w-5.

(r) "Most recent semiannual obligation" means the total amount of current child support owed by a parent during the preceding January 1 to June 30 or July 1 to December 31.

(s) "Occupational license" means a certificate, registration, or license issued by a state department, bureau, or agency that has regulatory authority over an individual that allows an individual to legally engage in a regulated occupation or that allows the individual to use a specific title in the practice of an occupation, profession, or vocation.

(t) "Office of child support" means the office of child support established in section 2 of the office of child support act, 1971 PA 174, MCL 400.232.

(u) "Office of the friend of the court" means an agency created in section 3 of the friend of the court act, MCL 552.503.

(v) "Order of income withholding" means an order entered by the circuit court providing for the withholding of a payer's income to enforce a support order under this act.

(w) "Payer" means an individual who is ordered by the circuit court to pay support.

(x) "Person" means an individual, partnership, corporation, association, governmental entity, or other legal entity.

(y) "Plan administrator" means that term as used in relation to a group health plan under section 609 of title I of the employee retirement income security act of 1974, 29 USC 1169, if the health care coverage plan of the individual who is responsible for providing a child with health care coverage is subject to that act.

(z) "Political subdivision" means a county, city, village, township, educational institution, school district, or special district or authority of this state or of a local unit of government.

(aa) "Private health care coverage" means health care coverage obtained through an employer or purchased by an individual from an insurer.

(bb) "Public health care coverage" means health care coverage that is established or maintained by a local, state, or federal government such as Medicaid established under title XIX of the social security act, 42 USC 1396 to 1396w-5 or the state children's health insurance program established under title XXI of the social security act, 42 USC 1397aa to 1397mm.

(cc) "Recipient of support" means the following:

(i) The spouse, if the support order orders spousal support.

(ii) The custodial parent or guardian, if the support order orders support for a minor child or a child who is 18 years of age or older.

(iii) The department, if support has been assigned to that department.

(iv) The county, if the minor child is in county-funded foster care.

(dd) "Recreational or sporting license" means a hunting, fishing, or fur harvester's license issued under the natural resources and environmental protection act, 1994 PA 451, MCL 324.101 to 324.90106, but does not include a commercial fishing license or permit issued under part 473 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.47301 to 324.47362.

(ee) "Referee" means a person who is designated as a referee under the friend of the court act.

(ff) "Source of income" means an employer or successor employer, a labor organization, or another individual or entity that owes or will owe income to the payer.

(gg) "State disbursement unit" or "SDU" means the entity established in section 6 of the office of child support act, 1971 PA 174, MCL 400.236.

(hh) "State friend of the court bureau" means that bureau as created in the state court administrative office under section 19 of the friend of the court act, MCL 552.519.

(ii) "Support" means all of the following:

(i) The payment of money for a child or a spouse ordered by the circuit court, whether the order is embodied in an interim, temporary, permanent, or modified order or judgment. Support may include payment of the expenses of medical, dental, and other health care, child care expenses, and educational expenses.

(ii) The payment of money ordered by the circuit court under the paternity act, 1956 PA 205, MCL 722.711 to 722.730, for the necessary expenses connected to the mother's pregnancy or the birth of the child, or for the repayment of genetic testing expenses.

(iii) A surcharge under section 3a.

(jj) "Support order" means an order entered by the circuit court for the payment of support, whether or not a sum certain.

(kk) "Title IV-D" means part D of title IV of the social security act, 42 USC 651 to 669b.

(ll) "Title IV-D agency" means the agency in this state performing the functions under title IV-D and includes a person performing those functions under contract, including an office of the friend of the court or a prosecuting attorney.

(mm) "Work activity" means any of the following:

(i) Unsubsidized employment.

(ii) Subsidized private sector employment.

(iii) Subsidized public sector employment.

(iv) Work experience, including work associated with the refurbishing of publicly assisted housing, if sufficient private sector employment is not available.

(v) On-the-job training.

(vi) Referral to and participation in the PATH: partnership. accountability. training. hope. work partnership program or successor program prescribed in the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, or other job search and job readiness assistance.

(vii) A community service program.

(viii) Vocational educational training, not to exceed 12 months with respect to an individual.

(ix) Job skills training directly related to employment.

(x) Education directly related to employment, in the case of an individual who has not received a high school diploma or a certificate of high school equivalency.

(xi) Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of an individual who has not completed secondary school or received such a certificate.

(xii) The provision of child care services to an individual who is participating in a community service program.

Sec. 5a. (1) For a friend of the court case, a child support order entered or modified by the court shall provide that each party shall keep the office of the friend of the court informed of both of the following:

(a) The name and address of his or her current source of income.

(b) Health care coverage that is available to him or her or that is maintained by him or her; the name of the insurance company, nonprofit health care corporation, or health maintenance organization; the policy, certificate, or contract number; and the names and birth dates of the persons for whose benefit he or she maintains health care coverage under the policy, certificate, or contract.

(2) If a child support order is entered, the court shall require that 1 or both parents obtain or maintain health care coverage that is accessible to the child and is available to the parent at a reasonable cost, for the benefit of the minor children of the parties and, subject to section 5b, for the benefit of the parties' children who are not minor children. The court shall utilize guidelines as provided for in the child support formula developed by the bureau under section 19 of the friend of the court act, MCL 552.519, to determine health care coverage that is accessible to the child and available at a reasonable cost. The court shall not require both parents to provide health care coverage under this subsection unless the parents already provide coverage or both parents agree to provide coverage. This subsection does not prevent the court from exercising its discretion to order health care coverage based on the child's needs and the parents' resources.

(3) A court may require either parent to file a bond with 1 or more sufficient sureties, in a sum to be fixed by the court, guaranteeing payment of child support.

Sec. 26. (1) For a friend of the court case, if a parent is ordered to pay support or obtain or maintain health care coverage through an employer, or both, the office will, when appropriate and within 2 business days after a new hire report is entered into the state directory of new hires, as created under section 453A of title IV-D, 42 USC 653a, or a payer's or parent's employer is otherwise identified, provide the new employer with a notice of income withholding or a notice of the order for dependent health care coverage, or both, on behalf of the parent who is subject to income withholding or a parent or payer who is required to provide dependent health care coverage.

(2) If the order for dependent health care coverage does not specify whether the health care coverage must be private health care coverage or public health care coverage, the office shall, when appropriate, provide an employer with the notice specified in subsection (1) unless 1 of the following applies:

(a) The parent or payer who is required to obtain health care coverage provides proof that health care coverage available through the employer is not accessible to the child or not available at a reasonable cost. Health care coverage is presumed to be accessible to the child and available at a reasonable cost if it meets the guidelines provided in the child support formula developed by the bureau under section 19 of the friend of the court act, MCL 552.519.

(b) The parent or payer who is required to provide health care coverage has obtained and maintained health care coverage that is accessible to the child and available to the parent at a reasonable cost.

(3) If an order for dependent health care coverage was entered before September 30, 2001, the office shall, at the time notice of the order is sent to the employer under subsection (1), provide the payer or parent with instructions on how to request a review or hearing to contest the availability of dependent health care coverage at a reasonable cost.

(4) Notwithstanding subsection (3), if a parent fails to obtain or maintain health care coverage for the parent's child as ordered by the court, the office of the friend of the court shall, as applicable, do either of the following:

(a) Petition the court for an order to show cause why the parent should not be held in contempt for failure to obtain or maintain dependent health care coverage that is available at a reasonable cost.

(b) Send notice of noncompliance to the parent. The notice shall contain all of the following information:

(i) That the office will notify the parent's employer to deduct premiums for, and to notify the insurer or plan administrator to enroll the child in, dependent health care coverage unless the parent does either of the following within 21 days after mailing of the notice:

(A) Submits written proof to the friend of the court of the child's enrollment in a health care coverage plan.

(B) Requests a hearing to determine the availability or reasonable cost of the health care coverage.

(ii) That the order for dependent health care coverage will be applied to current and subsequent employers and periods of employment.

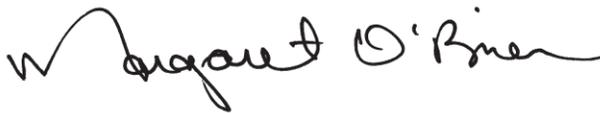
(iii) If the order for dependent health care coverage does not specify whether that coverage must be private health care coverage or public health care coverage, that the parent can obtain or maintain private health care coverage or public health care coverage. To the extent possible, the notice must provide contact information available to the public for local, state, or federal agencies that administer public health care coverage.

Enacting section 1. This amendatory act does not take effect unless House Bill No. 4305 of the 100th Legislature is enacted into law.

This act is ordered to take immediate effect.



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Clerk of the House of Representatives



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Secretary of the Senate

Approved .....

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Governor

**Compiler's note:** House Bill No. 4305, referred to in enacting section 1, was filed with the Secretary of State June 20, 2019, and became 2019 PA 27, Imd. Eff. June 20, 2019.