

SFA

BILL ANALYSIS

Senate Fiscal Agency

• Lansing, Michigan 48909

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Senate Bill 698 (as reported without amendment)

Senate Bill 715 (as reported with amendment)

Senate Bill 749 (as reported without amendment)

Sponsor: Senator Rudy J. Nichols (S.B. 698)

Senator Christopher D. Dingell (S.B. 715)

Senator Jack Welborn (S.B. 749)

Committee: Judiciary

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RATIONALE

Recent revisions in Federal regulations pertaining to income withholding pursuant to out-of-state support orders reportedly mandate that states adopt requirements that an employer ask a new employee whether he or she is subject to a court-ordered obligation to pay support; that each state designate a central registry for interstate support orders; and that the Office of the Friend of the Court (FOC) in the county in which the support order was entered or in which the obligee (i.e., a person due support payments) or obligor (i.e., a person required to pay support pursuant to a court order) lives request an agency in another jurisdiction to order income withholding. Some people feel that Michigan should amend its laws that relate to enforcement of out-of-state support to bring them into compliance with Federal regulations.

CONTENT

Senate Bills 698, 715, and 749 would amend the Interstate Income Withholding Act, the Revised Uniform Reciprocal Enforcement of Support Act, and the Support and Visitation Enforcement Act, respectively, as they pertain to the enforcement of out-of-state support orders.

Senate Bill 698

The bill would require that, when the FOC requested an agency in another jurisdiction to order the withholding of an obligor's income for

the purposes of enforcing a support order, the request be made by the FOC in the county in which the support order was entered or, if there were no such order, in the county in which the obligee or obligor lived. Any documentation relating to a request to order income withholding that was transmitted to an agency in another jurisdiction also would have to be filed with the clerk of the court. The bill also would require the FOC to receive, record, disburse, and monitor payments made under an order to withhold income. A court could not require the payment of a filing fee or other costs from the obligee.

MCL 552.675

Senate Bill 715

The bill would designate the Department of Social Services' (DSS) Office of Child Support as Michigan's "interstate central registry" and to authorize the FOC to coordinate support payments made pursuant to a foreign support order (i.e., one issued by a state other than Michigan). "Interstate central registry" would mean the entity designated pursuant to Federal regulations that was "responsible for receiving, reviewing, forwarding, and responding to inquiries about interstate child support actions".

Interstate Central Registry

Under the Revised Uniform Reciprocal Enforcement of Support Act, if a court in one state determines that a court of another state

may obtain jurisdiction of an obligor or the obligor's property, the initiating court must send a copy of the Act and three copies of the support petition to the court in the responding state. The bill, instead, would require that an initiating court send "a completed forms package" and a copy of the Act to the responding state's interstate central registry. The registry then would have to forward the documents to the proper court. In addition, the Act requires an obligee seeking to register a foreign support order in a Michigan court to transmit three copies of the order to the clerk of the Michigan court. The bill specifies that this transmittal would have to be done through the interstate central registry.

The bill also would delete from the list of duties and responsibilities of the Office of Child Support the requirement to compile an annual list of addresses of Michigan courts that have jurisdiction under the Act and to transmit that list to the state information agencies of other states that have adopted the Act or one substantially similar to it. The requirement that the Office maintain a register of similar lists received from other states and transmit those lists to Michigan courts would be replaced by a requirement to maintain a list of all the interstate central registries in the United States and provide that list to every Michigan prosecutor's office and FOC office.

Friend of the Court

If there were no Michigan support order, but a foreign support order existed, upon the request of either the obligee or the DSS if support had been assigned to it, the FOC in the Michigan county in which the obligee resided would have to "inform the source of the support payments to transmit the payments" to the FOC. The bill would require the FOC to receive, record, disburse, and monitor payments made pursuant to a foreign support order, and to file a copy of the foreign support order with the court clerk. The filing of the support order would not be considered a registration of the foreign support order by the obligee as is required under the Act.

MCL 780.153a et al.

Senate Bill 749

The bill provides that, at the time a person was

hired for employment, the employer would have to request a person to disclose whether he or she had a court-ordered obligation to pay support and if so, the local FOC where support was paid. A payer would have to disclose that information to his or her employer at the time of hiring. Upon the disclosure, the employer would have to notify the appropriate office of the FOC.

The bill also would require a payer's source of income to identify each withholding by the payer's name, social security number, and case number as well as the amount withheld and the date on which support was withheld from the payer's income. A source of income that was an employer would have to provide its Federal employer identification number to the FOC.

The Act defines "payer" as "a person who is ordered by the circuit court to pay support", and "source of income" as "an employer or successor employer or any other individual or entity that owes or will owe income to the payer".

MCL 552.611a and 552.614

FISCAL IMPACT

Senate Bills 698 and 749 would have no fiscal impact on State or local government. Senate Bill 715 would have a minimal fiscal impact on State and local units of government. According to the State Court Administrative Office, the implementation of this bill would result in a minimal increase in administrative costs to the Friend of the Court.

ARGUMENTS

Supporting Argument

The bills would bring Michigan into compliance with Federal regulations relating to the enforcement of foreign support orders and would improve the efficiency of the DSS and the FOC in enforcing such orders.

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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.