

SENATE BILL No. 553

May 25, 2007, Introduced by Senators PAPPAGEORGE, HARDIMAN and GARCIA and referred to the Committee on Families and Human Services.

A bill to amend 1971 PA 174, entitled
"Office of child support act,"
by amending section 6 (MCL 400.236), as amended by 2004 PA 548.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) The state disbursement unit is established as the
2 direct responsibility of the office. The SDU shall use automated
3 procedures, electronic processes, and computer-driven technology to
4 the maximum extent feasible, efficient, and economical to receive
5 and disburse support and fees.

6 (2) The SDU is the single location to which a payer or source
7 of income subject to this section shall send a support or fee
8 payment. The SDU shall disburse a support payment to the recipient
9 of support within 2 business days after the SDU receives the
10 support payment. Not less than twice each calendar month, the SDU

1 shall disburse fees that it receives to the appropriate county
2 treasurer or office of the friend of the court.

3 (3) If a payer or source of income attempts to make a support
4 or fee payment to the SDU and the payment transaction fails due to
5 nonsufficient funds, the SDU may take actions to collect from the
6 payer or source of income the support or fee payment amount, plus
7 an amount for the expense of those actions.

8 ~~(4) By not later than 1 year after the effective date of the~~
9 ~~amendatory act that added this subsection, the SDU shall disburse~~
10 ~~support electronically, in not fewer than 3 counties in this state,~~
11 ~~to either the recipient of support's account in a financial~~
12 ~~institution or to a special account that may be accessed by the~~
13 ~~recipient of support by an electronic access card. By not later~~
14 ~~than 2 years after the effective date of the amendatory act that~~
15 ~~added this subsection, the~~ **THE** SDU shall disburse support
16 electronically either to the recipient of support's account in a
17 financial institution or to a special account that may be accessed
18 by the recipient of support by an electronic access card. This
19 subsection does not apply ~~under~~ **IF** any of the following
20 circumstances **EXIST**:

21 (a) ~~If electronic~~ **ELECTRONIC** transfer is not feasible to meet
22 federal requirements on the disbursement of child support payments.

23 (b) ~~If the~~ **THE** support payment is from a source that is
24 nonrecurring or that is not expected to continue in a 12-month
25 period.

26 (c) The recipient of support is a person with a mental or
27 physical disability that imposes a hardship in accessing an

1 electronically transferred payment.

2 (d) The recipient of support is a person with a language or
3 literacy barrier that imposes a hardship in accessing an
4 electronically transferred payment.

5 (e) The recipient of support's home and work addresses are
6 more than 30 miles from an automated teller machine and more than
7 30 miles from a financial institution where funds in the
8 recipient's account may be accessed.

9 (5) THE SDU SHALL OPERATE A SECURE SYSTEM BY WHICH A PAYER IN
10 A FRIEND OF THE COURT CASE IN WHICH AN ORDER OF INCOME WITHHOLDING
11 IS NOT IN EFFECT MAY PAY SUPPORT OVER THE INTERNET WITH A CREDIT OR
12 DEBIT CARD OR ELECTRONICALLY FROM AN ACCOUNT. THE SYSTEM SHALL
13 ALLOW A PAYER TO ACCESS AN ONLINE RECORD OF PAYMENTS MADE USING THE
14 SYSTEM.