

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 804

A bill to amend 1971 PA 174, entitled
"Office of child support act,"
by amending the title and sections 1, 2, 3, 3a, 4, and 5
(MCL 400.231, 400.232, 400.233, 400.233a, 400.234, and 400.235),
the title and sections 1, 2, 3, and 5 as amended by 1985 PA 209
and section 3a as amended by 1996 PA 3, and by adding sections
4a, 4b, and 4c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1

TITLE

2

An act to create the office of child support; and to pre-

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scribe certain powers and duties of the office, certain public

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AND PRIVATE agencies, and certain employers and former

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employers.

6

Sec. 1. As used in this act:

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1 (a) ~~"Absent parent" means the parent of a minor child who~~
2 ~~owes a financial obligation for the support of the minor child or~~
3 ~~a putative parent against whom a complaint has been filed.~~

4 "ACCOUNT" MEANS ANY OF THE FOLLOWING:

5 (i) A DEMAND DEPOSIT ACCOUNT.

6 (ii) A DRAFT ACCOUNT.

7 (iii) A CHECKING ACCOUNT.

8 (iv) A NEGOTIABLE ORDER OF WITHDRAWAL ACCOUNT.

9 (v) A SHARE ACCOUNT.

10 (vi) A SAVINGS ACCOUNT.

11 (vii) A TIME SAVINGS ACCOUNT.

12 (viii) A MUTUAL FUND ACCOUNT.

13 (ix) A SECURITIES BROKERAGE ACCOUNT.

14 (x) A MONEY MARKET ACCOUNT.

15 (xi) A RETAIL INVESTMENT ACCOUNT.

16 (B) "ACCOUNT" DOES NOT MEAN ANY OF THE FOLLOWING:

17 (i) A TRUST.

18 (ii) AN ANNUITY.

19 (iii) A QUALIFIED INDIVIDUAL RETIREMENT ACCOUNT.

20 (iv) AN ACCOUNT COVERED BY THE EMPLOYEE RETIREMENT INCOME
21 SECURITY ACT OF 1974, PUBLIC LAW 93-406, 88 STAT. 829.

22 (v) A PENSION OR RETIREMENT PLAN.

23 (vi) AN INSURANCE POLICY.

24 (C) "ADDRESS" MEANS THE PRIMARY ADDRESS SHOWN ON THE RECORDS
25 OF A FINANCIAL INSTITUTION USED BY THE FINANCIAL INSTITUTION TO
26 CONTACT AN ACCOUNT HOLDER.

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1 (D) "ADULT RESPONSIBLE FOR THE CHILD" MEANS A PARENT,
2 RELATIVE WHO HAS [PHYSICALLY CARED FOR] THE CHILD, PUTATIVE
FATHER, OR
3 CURRENT OR FORMER GUARDIAN OF A CHILD, INCLUDING AN EMANCIPATED
4 OR ADULT CHILD.

5 (E) "CURRENT EMPLOYMENT" MEANS EMPLOYMENT WITHIN 1 YEAR
6 BEFORE A FRIEND OF THE COURT REQUEST FOR INFORMATION.

7 (F) ~~(b)~~ "Department" means the ~~department of social~~
8 ~~services~~ FAMILY INDEPENDENCE AGENCY.

9 (G) "FINANCIAL ASSET" MEANS STOCK, A BOND, A MONEY MARKET
10 FUND, A DEPOSIT, AN ACCOUNT, OR A SIMILAR INSTRUMENT.

11 (H) "FINANCIAL INSTITUTION" MEANS ANY OF THE FOLLOWING:

12 (i) A STATE OR NATIONAL BANK.

13 (ii) A STATE OR FEDERALLY CHARTERED SAVINGS AND LOAN
14 ASSOCIATION.

15 (iii) A STATE OR FEDERALLY CHARTERED SAVINGS BANK.

16 (iv) A STATE OR FEDERALLY CHARTERED CREDIT UNION.

17 (v) AN INSURANCE COMPANY.

18 (vi) AN ENTITY THAT OFFERS ANY OF THE FOLLOWING TO A RESI-
19 DENT OF THIS STATE:

20 (A) A MUTUAL FUND ACCOUNT.

21 (B) A SECURITIES BROKERAGE ACCOUNT.

22 (C) A MONEY MARKET ACCOUNT.

23 (D) A RETAIL INVESTMENT ACCOUNT.

24 (vii) AN ENTITY REGULATED BY THE SECURITIES AND EXCHANGE
25 COMMISSION THAT COLLECTS FUNDS FROM THE PUBLIC.

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1 (viii) AN ENTITY THAT IS A MEMBER OF THE NATIONAL
2 ASSOCIATION OF SECURITIES DEALERS AND THAT COLLECTS FUNDS FROM
3 THE PUBLIC.

4 (ix) AN ENTITY THAT COLLECTS FUNDS FROM THE PUBLIC.

5 (I) ~~(c)~~ "Office" means the office of child support.

6 Sec. 2. The office of child support is established in the
7 department. ~~of social services.~~

8 Sec. 3. ~~(1)~~ The office shall DO ALL OF THE FOLLOWING:

9 (a) Serve as a state agency authorized to administer part D
10 of title ~~iv~~ IV of the social security act, ~~42 U.S.C. 651 to~~
11 ~~667~~ CHAPTER 531, 49 STAT. 620, 42 U.S.C. 651 TO 660 AND 663 TO
12 669b.

13 (b) Assist any governmental agency or department in locating
14 ~~an absent parent.~~ AN ADULT RESPONSIBLE FOR THE CHILD FOR ANY OF
15 THE FOLLOWING PURPOSES:

16 (i) TO ESTABLISH PARENTAGE.

17 (ii) TO ESTABLISH, SET THE AMOUNT OF, MODIFY, OR ENFORCE
18 SUPPORT OBLIGATIONS.

19 (iii) TO DISBURSE SUPPORT RECEIPTS.

20 (iv) TO MAKE OR ENFORCE CHILD CUSTODY OR PARENTING TIME
21 ORDERS.

22 (c) Coordinate any activity on a state level in a search for
23 an ~~absent parent~~ ADULT RESPONSIBLE FOR THE CHILD.

24 (d) Obtain information ~~which~~ THAT directly relates to the
25 identity or location of an ~~absent parent~~ ADULT RESPONSIBLE FOR
26 THE CHILD.

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1 (e) Serve as the information agency as provided in the
2 REVISED uniform reciprocal enforcement of support act, ~~Act No. 8~~
3 ~~of the Public Acts of 1952, as amended, being sections 780.151 to~~
4 ~~780.183 of the Michigan Compiled Laws~~ 1952 PA 8, MCL 780.151 TO
5 780.183, AND UNIFORM INTERSTATE FAMILY SUPPORT ACT, 1996 PA 310,
6 MCL 552.1101 TO 552.1901.

7 (f) Develop guidelines for coordinating activities of any
8 governmental department, board, commission, bureau, ~~or~~ agency,
9 OR COUNCIL, OR ANY PUBLIC OR PRIVATE AGENCY, in providing infor-
10 mation necessary for the location of ~~absent parents~~ AN ADULT
11 RESPONSIBLE FOR THE CHILD.

12 (g) Develop, administer, and coordinate with the state and
13 federal departments of treasury a procedure for offsetting the
14 state tax refunds and federal income tax refunds of ~~absent par-~~
15 ~~ents who owe arrearages under child support orders~~ A PARENT WHO
16 IS OBLIGATED TO SUPPORT A CHILD AND WHO OWES PAST DUE SUPPORT.
17 The procedure shall include a guideline that the office submit to
18 the state department of treasury, not later than November 15 of
19 each year, all requests for the offset of state tax refunds
20 claimed on returns filed or to be filed for that tax year.

21 (h) Develop and implement a statewide information system to
22 facilitate the establishment and enforcement of child support
23 obligations.

24 (i) Publicize through regular and frequent, nonsexist public
25 service announcements the availability of support establishment
26 and enforcement services.

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1 (J) DEVELOP AND IMPLEMENT IN COOPERATION WITH FINANCIAL
2 INSTITUTIONS A DATA MATCHING AND LIEN AND LEVY SYSTEM TO IDENTIFY
3 ASSETS OF AND TO FACILITATE THE COLLECTION OF SUPPORT FROM THE
4 ASSETS OF INDIVIDUALS WHO HAVE AN ACCOUNT AT A FINANCIAL INSTITU-
5 TION AND WHO ARE OBLIGATED TO PAY SUPPORT AS PROVIDED IN THIS
6 ACT.

7 ~~(2) Subdivisions (a), (h), and (i) shall not apply until~~
8 ~~March 1, 1986.~~

9 Sec. 3a. (1) Upon receipt of a request from the office of
10 the friend of the court under section 24 of the support and par-
11 enting time enforcement act, ~~Act No. 295 of the Public Acts of~~
12 ~~1982, being section 552.624 of the Michigan Compiled Laws~~ 1982
13 PA 295, MCL 552.624, the office of child support shall initiate
14 offset proceedings against ~~an absent parent's~~ THE state tax
15 refunds and federal income tax refunds OF A PARENT WHO IS OBLI-
16 GATED TO SUPPORT A CHILD AND WHO OWES PAST DUE SUPPORT.

17 (2) The office shall send to ~~an absent~~ A parent who is the
18 subject of a request under subsection (1) advance written notice
19 of the proposed offset. The notice shall inform the ~~absent~~
20 parent of the opportunity to contest the offset of his or her
21 state income tax refund on the grounds that the offset is not
22 proper because of a mistake of fact concerning the amount of
23 overdue support or the identity of the ~~absent~~ parent.

24 (3) The office shall provide for the prompt reimbursement of
25 an amount withheld in error or an amount found to exceed the
26 amount of overdue support.

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1 Sec. 4. (1) Upon request of the office OR THE STATE AGENCY
2 OF ANOTHER STATE THAT ADMINISTERS A PROGRAM UNDER PART D OF TITLE
3 IV OF THE SOCIAL SECURITY ACT, CHAPTER 531, 49 STAT. 620,
4 42 U.S.C. 651 TO 660 AND 663 TO 669b, ~~any~~ A governmental
5 department, board, commission, bureau, ~~or~~ agency, OR COUNCIL; A
6 PUBLIC OR PRIVATE ENTITY; OR A FINANCIAL INSTITUTION shall pro-
7 vide any information ~~which shall assist~~ OR RECORD THAT ASSISTS
8 in implementing ~~the provisions of~~ this act. THE INFORMATION
9 AND RECORDS INCLUDE, BUT ARE NOT LIMITED TO, ALL OF THE
10 FOLLOWING:

11 (A) INFORMATION ON THE CURRENT EMPLOYMENT, COMPENSATION, AND
12 BENEFITS OF AN INDIVIDUAL EMPLOYED AS AN EMPLOYEE OR AN INDEPEN-
13 DENT CONTRACTOR OF [THE] ENTITY INCLUDING A FOR-PROFIT, NONPROFIT,
14 AND GOVERNMENTAL EMPLOYER.

15 (B) A STATE OR LOCAL GOVERNMENT AGENCY RECORD INCLUDING, BUT
16 NOT LIMITED TO, ALL OF THE FOLLOWING:

17 (i) VITAL STATISTICS.

18 (ii) STATE OR LOCAL TAX AND REVENUE RECORDS INCLUDING INFOR-
19 MATION ON RESIDENCE ADDRESS, EMPLOYER, INCOME, AND ASSETS.

20 (iii) A REAL AND TITLED PERSONAL PROPERTY RECORD.

21 (iv) AN OCCUPATIONAL, PROFESSIONAL, RECREATIONAL, OR SPORT-
22 ING LICENSE RECORD.

23 (v) A RECORD ON THE OWNERSHIP AND CONTROL OF A CORPORATION,
24 PARTNERSHIP, OR OTHER BUSINESS ENTITY.

25 (vi) AN EMPLOYMENT SECURITY AGENCY RECORD.

26 (vii) A RECORD OF AN AGENCY ADMINISTERING A PUBLIC
27 ASSISTANCE PROGRAM.

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- 1 (viii) A MOTOR VEHICLE RECORD.
- 2 (ix) A CORRECTIONS RECORD.
- 3 (x) A WORKER'S COMPENSATION RECORD.
- 4 (C) INFORMATION FROM THE LAW ENFORCEMENT INFORMATION
5 NETWORK.
- 6 (D) INFORMATION FROM A FINANCIAL INSTITUTION AS PROVIDED IN
7 SECTION 4A.
- 8 (E) A PUBLIC UTILITY OR CABLE TELEVISION COMPANY RECORD.
- 9 (2) THE DIRECTOR OF THE OFFICE OR HIS OR HER DESIGNEE MAY
10 ISSUE AN ADMINISTRATIVE SUBPOENA TO REQUIRE AN ENTITY TO FURNISH
11 INFORMATION OR A RECORD IN THE POSSESSION OF THE ENTITY THAT PER-
12 TAINS TO A PARENT OR PUTATIVE FATHER [WHO IS OR WAS EMPLOYED BY OR
13 AN INDEPENDENT CONTRACTOR OF THE ENTITY] AND THAT IS DEMANDED BY THE
14 OFFICE FOR THE PURPOSE OF ADMINISTERING OR PROVIDING SERVICES
15 PURSUANT TO PART D OF TITLE IV OF THE SOCIAL SECURITY ACT, CHAP-
16 TER 531, 49 STAT. 620, 42 U.S.C. 651 TO 660 AND 663 TO 669b. THE
17 ENTITY'S OFFICERS OR EMPLOYEES SHALL FURNISH THE INFORMATION OR
18 RECORD WITHIN 15 DAYS AFTER THE SUBPOENA IS RECEIVED BY THE
19 ENTITY. [THIS SUBSECTION DOES NOT ABROGATE A CONFIDENTIALITY
20 PRIVILEGE ESTABLISHED BY LAW.]
- 21 (3) AN ENTITY IS NOT LIABLE UNDER A FEDERAL OR STATE LAW TO
22 ANY PERSON FOR A DISCLOSURE OF INFORMATION TO THE OFFICE OR THE
23 DESIGNEE OF THE OFFICE UNDER THIS ACT OR FOR ANOTHER ACTION TAKEN
24 IN GOOD FAITH TO COMPLY WITH THIS ACT.
- 25 (4) A GOVERNMENTAL DEPARTMENT, BOARD, COMMISSION, BUREAU,
26 AGENCY, OR COUNCIL OR ANY PUBLIC OR PRIVATE ENTITY OR FINANCIAL
27 INSTITUTION IS NOT LIABLE FOR A WRONGFUL DISCLOSURE OF INFORMA-
TION OR RECORDS IF THE GOVERNMENTAL DEPARTMENT, BOARD,
COMMISSION, BUREAU, AGENCY, OR COUNCIL OR PUBLIC OR PRIVATE

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1 ENTITY OR FINANCIAL INSTITUTION ACTED IN GOOD FAITH. A
2 GOVERNMENTAL DEPARTMENT, BOARD, COMMISSION, BUREAU, AGENCY, OR
3 COUNCIL OR ANY PUBLIC OR PRIVATE ENTITY OR FINANCIAL INSTITUTION
4 IS LIABLE FOR A NEGLIGENT WRONGFUL DISCLOSURE OF INFORMATION OR
5 RECORDS IN AN AMOUNT OF THE [] DAMAGES INCURRED OR \$1,000.00,
6 WHICHEVER IS GREATER. A GOVERNMENTAL DEPARTMENT, BOARD, COMMIS-
7 SION, BUREAU, AGENCY, OR COUNCIL OR ANY PUBLIC OR PRIVATE ENTITY
8 OR FINANCIAL INSTITUTION IS LIABLE FOR A WILLFUL WRONGFUL DISCLO-
9 SURE OF INFORMATION OR RECORDS IN AN AMOUNT OF 3 TIMES THE []
10 DAMAGES INCURRED OR \$3,000.00, WHICHEVER IS GREATER, TOGETHER
11 WITH ALL COSTS AND REASONABLE ATTORNEY'S FEES INCURRED. [FOR THE
PURPOSES OF THIS SUBSECTION, EACH VIOLATION GIVES RISE TO A SEPARATE
CAUSE OF ACTION FOR WHICH SEPARATE DAMAGES MAY BE AWARDED. FOR THE
PURPOSES OF THIS SUBSECTION, DAMAGES INCLUDE REASONABLE ATTORNEY
FEES.]

12 (5) IF AN ENTITY DOES NOT COMPLY WITH A SUBPOENA OR REQUEST
13 FOR INFORMATION OR RECORDS, THE DIRECTOR OF THE OFFICE OR HIS OR
14 HER DESIGNEE MAY PETITION THE CIRCUIT COURT IN THE COUNTY IN
15 WHICH THE INQUIRY IS BEING MADE TO REQUIRE THE PRODUCTION OF
16 BOOKS, PAPERS, AND DOCUMENTS. IN THE CASE OF REFUSAL TO COMPLY
17 WITH A SUBPOENA OR REQUEST FOR INFORMATION, THE CIRCUIT COURT MAY
18 ISSUE AN ORDER REQUIRING THE PERSON TO APPEAR AND TO PRODUCE
19 BOOKS, RECORDS, AND PAPERS. THE COURT MAY PUNISH A FAILURE TO
20 COMPLY WITH THE COURT ORDER AS CONTEMPT.

21 SEC. 4A. (1) THE OFFICE SHALL ENTER INTO AN AGREEMENT WITH
22 FINANCIAL INSTITUTIONS DOING BUSINESS IN THIS STATE TO COLLECT
23 THE NAME, ADDRESS, SOCIAL SECURITY NUMBER, AND ACCOUNT NUMBERS
24 FOR EACH PARENT WHO MAINTAINS AN ACCOUNT AT THE FINANCIAL INSTI-
25 TUTION AND WHO OWES PAST DUE CHILD SUPPORT AS IDENTIFIED BY THE
26 STATE.

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1 (2) NOT MORE THAN ONCE EACH CALENDAR QUARTER, THE OFFICE MAY
2 REQUEST FROM EACH FINANCIAL INSTITUTION THE NAME, ADDRESS, SOCIAL
3 SECURITY NUMBER, AND ACCOUNT NUMBER FOR EACH PERSON LISTED IN THE
4 REQUEST WHO MAINTAINS AN ACCOUNT AT THE FINANCIAL INSTITUTION.

5 (3) THE OFFICE'S REQUEST UNDER SUBSECTION (2) SHALL CONTAIN
6 THE NAME AND ONLY 1 SOCIAL SECURITY NUMBER FOR EACH PERSON LISTED
7 IN THE REQUEST.

8 (4) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE
9 OFFICE SHALL REMOVE AN INDIVIDUAL'S NAME AND SOCIAL SECURITY
10 NUMBER FROM A REQUEST TO A FINANCIAL INSTITUTION UNDER SUBSECTION
11 (2) IF THE INDIVIDUAL'S NAME OR SOCIAL SECURITY NUMBER WAS ON THE
12 REQUESTS TO THE FINANCIAL INSTITUTION IN THE 2 IMMEDIATELY PRE-
13 CEDING QUARTERS AND THE FINANCIAL INSTITUTION DID NOT FIND A
14 MATCH FOR THAT NAME OR SOCIAL SECURITY NUMBER FOR EITHER OF THOSE
15 REQUESTS. THE OFFICE MAY INCLUDE THE INDIVIDUAL'S NAME AND
16 SOCIAL SECURITY NUMBER ON A REQUEST TO THE FINANCIAL INSTITUTION
17 UNDER SUBSECTION (2) IN THE SUCCEEDING QUARTER, IF THE OFFICE
18 BELIEVES THAT THE INDIVIDUAL HAS OPENED AN ACCOUNT SUBSEQUENT TO
19 THE 2 SUCCESSIVE QUARTERS IN WHICH A MATCH WAS NOT FOUND.

20 (5) ALL REQUESTS MADE BY THE OFFICE UNDER SUBSECTION (2)
21 SHALL BE IN MACHINE READABLE FORM UNLESS THE FINANCIAL INSTITU-
22 TION EXPRESSLY ASKS THE OFFICE TO SUBMIT THE REQUEST IN WRITING
23 IN WHICH CASE THE OFFICE SHALL SUBMIT THE REQUEST AND ALL SUBSE-
24 QUENT REQUESTS TO THE FINANCIAL INSTITUTION IN WRITING UNTIL THE
25 FINANCIAL INSTITUTION ASKS THE OFFICE TO SUBMIT THE REQUEST IN
26 MACHINE READABLE FORM AFTER WHICH TIME THE OFFICE SHALL SUBMIT
27 THE REQUEST IN MACHINE READABLE FORM.

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1 (6) EXCEPT AS PROVIDED IN SUBSECTION (10) OR (12), THE
2 FINANCIAL INSTITUTION SHALL FURNISH THE INFORMATION IN A MACHINE
3 READABLE FORM TO THE OFFICE UNLESS THE FINANCIAL INSTITUTION
4 ASKED THE OFFICE TO SUBMIT THE REQUEST IN WRITING, IN WHICH CASE
5 THE FINANCIAL INSTITUTION MAY FURNISH THE INFORMATION IN WRITING
6 OR IN MACHINE READABLE FORM. THE FINANCIAL INSTITUTION SHALL
7 FURNISH THE INFORMATION TO THE OFFICE WITHIN 45 DAYS AFTER
8 RECEIPT OF THE REQUEST FROM THE OFFICE. A FINANCIAL INSTITUTION
9 THAT FILES REPORTS UNDER THIS SUBSECTION IS NOT REQUIRED TO
10 COMPLY WITH SUBSECTION (10).

11 (7) THE FINANCIAL INSTITUTION MAY BASE ITS SEARCH OF ACCOUNT
12 RECORDS SOLELY ON THE SOCIAL SECURITY NUMBER THAT IS PROVIDED FOR
13 EACH PERSON INCLUDED IN THE REQUEST FROM THE OFFICE.

14 (8) A FINANCIAL INSTITUTION MAY RESPOND TO THE OFFICE THAT
15 THE NAME OR THE SOCIAL SECURITY NUMBER, OR BOTH, THAT WERE CON-
16 TAINED IN THE OFFICE'S REQUEST DO NOT CORRESPOND TO THE RECORDS
17 OF THE FINANCIAL INSTITUTION.

18 (9) A FINANCIAL INSTITUTION MAY CHOOSE ONLY TO FURNISH
19 INFORMATION ON AN ACCOUNT THAT HAS A BALANCE OF MORE THAN \$500.00
20 AT THE TIME THE REQUEST IS PROCESSED BY THE FINANCIAL
21 INSTITUTION.

22 (10) AS AN ALTERNATIVE TO SUBSECTION (6), WITHIN 45 DAYS OF
23 THE END OF THE FIRST CALENDAR QUARTER OF EVERY YEAR, A FINANCIAL
24 INSTITUTION MAY SUBMIT TO THE OFFICE, OR TO THE FEDERAL GOVERN-
25 MENT OR ITS DESIGNEE, A REPORT OF THE NAME, ADDRESS, SOCIAL
26 SECURITY NUMBER, AND ACCOUNT NUMBER OF EACH PERSON WHO MAINTAINS
27 AN ACCOUNT AT THE FINANCIAL INSTITUTION ON THE LAST DAY OF THE

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1 FIRST CALENDAR QUARTER. WITHIN 45 DAYS AFTER THE END OF EACH
2 SUBSEQUENT QUARTER OF THE CALENDAR YEAR, THE FINANCIAL INSTITU-
3 TION THAT ELECTS THE OPTION UNDER THIS SUBSECTION SHALL SUBMIT TO
4 THE OFFICE A REPORT OF THE NAME, ADDRESS, SOCIAL SECURITY NUMBER,
5 AND ACCOUNT NUMBER OF EACH PERSON WHO OPENS A NEW ACCOUNT DURING
6 THE QUARTER OR CLOSING AN ACCOUNT THAT HAD BEEN REPORTED IN A
7 PRIOR QUARTER DURING THE CALENDAR YEAR. THE FINANCIAL INSTITU-
8 TION MAY FURNISH THE REPORT IN A MACHINE READABLE FORM OR IN
9 WRITING TO THE OFFICE AT THE DISCRETION OF THE FINANCIAL
10 INSTITUTION. A FINANCIAL INSTITUTION THAT FILES REPORTS UNDER
11 THIS SUBSECTION IS NOT REQUIRED TO COMPLY WITH SUBSECTION (6).

12 (11) UNLESS OTHERWISE REQUIRED BY LAW, A FINANCIAL INSTITU-
13 TION THAT FURNISHES A REPORT OR PROVIDES INFORMATION TO THE
14 OFFICE UNDER SUBSECTION (6) OR (10), OR TO THE FEDERAL GOVERNMENT
15 OR ITS DESIGNEE UNDER SUBSECTION (12), SHALL NOT DISCLOSE TO A
16 DEPOSITOR OR AN ACCOUNT HOLDER THAT THE NAME OF THE DEPOSITOR OR
17 ACCOUNT HOLDER HAS BEEN RECEIVED FROM OR FURNISHED TO THE OFFICE,
18 OR TO THE FEDERAL GOVERNMENT OR ITS DESIGNEE. HOWEVER, A FINAN-
19 CIAL INSTITUTION MAY DISCLOSE TO ITS DEPOSITORS AND ACCOUNT HOLD-
20 ERS AND OTHERS THAT THE OFFICE, OR THE FEDERAL GOVERNMENT OR ITS
21 DESIGNEE, HAS THE AUTHORITY TO REQUEST INFORMATION ON DEPOSITORS
22 OR ACCOUNT HOLDERS AND THAT THE FINANCIAL INSTITUTION MAY PROVIDE
23 THAT INFORMATION TO THE OFFICE.

24 (12) TO THE EXTENT PERMITTED BY FEDERAL LAW OR POLICY, A
25 FINANCIAL INSTITUTION MAY FURNISH INFORMATION TO THE FEDERAL GOV-
26 ERNMENT OR ITS DESIGNEE IN ACCORDANCE WITH DATA MATCHING
27 PROCESSES THE FEDERAL GOVERNMENT ESTABLISHES UNDER PART D OF

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1 TITLE IV OF THE SOCIAL SECURITY ACT, CHAPTER 531, 49 STAT. 620,
2 42 U.S.C. 651 TO 660 AND 663 TO 669b.

3 SEC. 4B. (1) A FINANCIAL INSTITUTION INCURS NO OBLIGATION
4 OR LIABILITY TO A DEPOSITOR, ACCOUNT HOLDER, OR OTHER PERSON OR
5 ENTITY ARISING FROM THE FURNISHING OF A REPORT OR INFORMATION TO
6 THE OFFICE, TO AN OFFICE AGENT OR REPRESENTATIVE, OR TO THE FED-
7 ERAL GOVERNMENT OR ITS DESIGNEE UNDER THIS ACT OR FROM THE FAIL-
8 URE TO DISCLOSE TO A DEPOSITOR, ACCOUNT HOLDER, OR OTHER PERSON
9 THAT THE NAME OF A PERSON WAS INCLUDED IN THE REPORT OR INFORMA-
10 TION PROVIDED.

11 (2) A FINANCIAL INSTITUTION INCURS NO OBLIGATION OR LIABIL-
12 ITY TO THE OFFICE OR ANOTHER PERSON OR ENTITY FOR AN ERROR OR
13 OMISSION MADE IN GOOD FAITH COMPLIANCE WITH THIS ACT.

14 (3) A FINANCIAL INSTITUTION INCURS NO OBLIGATION OR LIABIL-
15 ITY FOR BLOCKING, FREEZING, PLACING A HOLD UPON, SURRENDERING, OR
16 OTHERWISE DEALING WITH A PERSON'S OR ENTITY'S FINANCIAL ASSETS IN
17 RESPONSE TO A LIEN IMPOSED OR INFORMATION PROVIDED PURSUANT TO
18 THIS ACT.

19 (4) A FINANCIAL INSTITUTION IS NOT OBLIGATED TO BLOCK,
20 FREEZE, PLACE A HOLD UPON, SURRENDER, OR OTHERWISE DEAL WITH A
21 PERSON'S OR ENTITY'S FINANCIAL ASSETS UNTIL SERVED WITH AND
22 HAVING A REASONABLE OPPORTUNITY TO ACT UPON A SUBPOENA, SUMMONS,
23 WARRANT, COURT ORDER, ADMINISTRATIVE ORDER, LIEN, OR LEVY SERVED
24 UPON THE FINANCIAL INSTITUTION IN ACCORDANCE WITH THE LAWS OF
25 THIS STATE. A FINANCIAL INSTITUTION THAT SURRENDERS FINANCIAL
26 ASSETS TO THE FRIEND OF THE COURT IN RESPONSE TO A LIEN IMPOSED
27 UNDER STATE LAW IS DISCHARGED FROM ANY OBLIGATION OR LIABILITY TO

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1 THE DEPOSITOR, ACCOUNT HOLDER, OR OTHER PERSON OR ENTITY RELATED
2 TO THE FINANCIAL ASSETS THAT ARE SURRENDERED TO THE FRIEND OF THE
3 COURT.

4 (5) A FINANCIAL INSTITUTION THAT SURRENDERS FINANCIAL ASSETS
5 TO THE FRIEND OF THE COURT MAY ASSESS THE ACCOUNT HOLDER A SERV-
6 ICE CHARGE NOT TO EXCEED 10% OF THE AMOUNT SURRENDERED TO THE
7 FRIEND OF THE COURT. THE SERVICE CHARGE SHALL BE IN ADDITION TO
8 ANY OTHER FEE OR CHARGE AUTHORIZED BY THIS ACT OR OTHERWISE NOT
9 PROHIBITED BY LAW.

10 SEC. 4C. THIS ACT DOES NOT PROHIBIT A FINANCIAL INSTITUTION
11 FROM DOING ANY OF THE FOLLOWING:

12 (A) ASSESSING AND COLLECTING FEES AND OTHER CHARGES FROM AN
13 ACCOUNT HOLDER OR DEPOSITOR INCLUDING, BUT NOT LIMITED TO, FEES
14 AND CHARGES FOR THE MAINTENANCE AND ACTIVITIES ON AN ACCOUNT.

15 (B) CHARGING BACK OR RECOUPING A DEPOSIT TO AN ACCOUNT.

16 (C) SETTING OFF A DEBT OWED TO THE FINANCIAL INSTITUTION
17 FROM AN ACCOUNT HELD BY THE FINANCIAL INSTITUTION.

18 (D) EXERCISING A BANKER'S LIEN ON AN ACCOUNT HELD BY THE
19 FINANCIAL INSTITUTION FOR A DEBT OWED TO THE FINANCIAL
20 INSTITUTION.

21 (E) DISCLOSING INFORMATION RECEIVED FROM THE OFFICE TO AN
22 EMPLOYEE, AGENT, OR REPRESENTATIVE OF THE FINANCIAL INSTITUTION
23 OR AN AFFILIATE OF THE FINANCIAL INSTITUTION FOR THE PURPOSE OF
24 COMPLYING WITH THIS ACT AND OTHERWISE DEALING WITH A CUSTOMER OR
25 ACCOUNT HOLDER OF THE FINANCIAL INSTITUTION OR AN AFFILIATE OF
26 THE FINANCIAL INSTITUTION.

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1 Sec. 5. (1) The information ~~which is~~ obtained by the
2 office shall ~~only~~ be available to a governmental department,
3 board, commission, bureau, agency, ~~or~~ political subdivision of
4 any state, A COURT OF COMPETENT JURISDICTION, OR THE FEDERAL
5 GOVERNMENT for purposes of administering, enforcing, and comply-
6 ing with state and federal laws governing child support AND
7 DOMESTIC RELATIONS MATTERS. UNLESS OTHERWISE PRECLUDED BY STATE
8 OR FEDERAL LAW, THE INFORMATION OBTAINED BY THE OFFICE IS ALSO
9 AVAILABLE FOR PURPOSES SPECIFIED IN 45 C.F.R. 303.21.

10 (2) THE OFFICE SHALL NOT RELEASE INFORMATION ON AN ADDRESS
11 OR OTHER INFORMATION CONCERNING AN ADULT RESPONSIBLE FOR A CHILD
12 TO ANOTHER ADULT RESPONSIBLE FOR THE CHILD IF THE RELEASE IS PRO-
13 HIBITED BY A COURT ORDER OR IF THE OFFICE HAS REASON TO BELIEVE
14 THAT RELEASE OF INFORMATION MAY RESULT IN PHYSICAL OR EMOTIONAL
15 HARM TO THAT ADULT OR TO THE CHILD. THE OFFICE SHALL NOTIFY THE
16 FEDERAL GOVERNMENT, AND COURTS AND AGENTS OF COURTS, ABOUT DOMES-
17 TIC VIOLENCE OR CHILD ABUSE UNDER PART D OF TITLE IV OF THE
18 SOCIAL SECURITY ACT, CHAPTER 531, 49 STAT. 620, 42 U.S.C. 651 TO
19 660 AND 663 TO 669b.

[Enacting section 1. This amendatory act takes effect July 1,
1998.]