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**SFA****BILL ANALYSIS**

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House Bill 6011 (Substitute S-1 as reported)  
Sponsor: Representative Laura Toy  
House Committee: Family and Children Services  
Senate Committee: Families, Mental Health and Human Services

## **CONTENT**

The bill would amend the Friend of the Court (FOC) Act to specify that the parties to a domestic relations matter would not be required to have an FOC case opened or maintained for their domestic relations matter. Each FOC office would have to inform each party to a domestic relations matter that, unless one of them was required to participate in the child support program under Title IV-D of the Federal Social Security Act, they could choose not to have the FOC office administer and enforce obligations imposed in the matter.

The parties to a domestic relations matter could file a motion for the court to order that the FOC office not open an FOC case. The court would have to issue the order unless a party was eligible for Title IV-D services because of current or past receipt of public assistance; a party applied for Title IV-D services; a party requested that the FOC office open and maintain an FOC case; or there was evidence of domestic violence or uneven bargaining positions and that a party had chosen not to apply for Title IV-D services against the best interest of that party or his or her child.

The bill also would allow the parties to an FOC case to file a motion for the court to order the FOC office to close the case. The court would have to issue the order unless a party objected; a party was eligible for Title IV-D services because he or she was receiving public assistance; a party had received public assistance and an arrearage was owed to the governmental entity that provided the assistance; the case record showed that, within the previous year, there had been a child support arrearage or custody or parenting time order violation; within the past year, a party had reopened a case; or there was evidence of domestic violence or uneven bargaining positions and that a party had chosen to close the case against the best interest of that party or his or her child. An FOC office would have to reopen a closed case if a party to it applied for services from the FOC or applied for and received public assistance.

If the parties filed a motion for a case to be closed, or not to be opened, the FOC would have to advise them of the services that would not be provided, and the parties would have full responsibility for administering and enforcing the obligations imposed in the matter.

The Act requires that each FOC office initiate enforcement measures when certain events occur. The bill specifies that enforcement would not have to be initiated if, despite the existence of an arrearage, an order of income withholding were effective and payment were being made in the required amount; despite an arrearage, and even though an order of income withholding was not effective, payment were being made in the required amount; or, one or more enforcement measures had been initiated and an objection had not been resolved.

The bill is tie-barred to House Bill 6009, which would revise certain child support and parenting time enforcement provisions of the Act.

MCL 552.502 et al.

Legislative Analyst: Patrick Affholter

## **FISCAL IMPACT**

The bill would have an indeterminate impact on the State and local units of government. Standardization of criteria to opt out of the Friend of the Court system would result in a reduced caseload for local Friend of the Court offices. Revenue to the State and counties from service fees would decline based on the number of cases that opted out.

As of December 31, 2000, there were 837,364 active cases that included an order of child support. Service fees per case total \$39 annually. Of that amount, counties receive \$27 (69.2%) and the State Court Fund receives \$12 (30.8%). If 10% to 20% of cases opted out, the revenue loss would range from \$3.3 million to \$6.5 million.

The opt-out provision also would have an indeterminate impact on Federal incentive payments to the State, which are based on several performance factors regarding Friend of the Court cases. In FY 2000-01, the State received \$29.4 million in Federal incentive payments, of which an amount also is allocated to counties.

Date Completed: 6-12-02

Fiscal Analyst: Bill Bowerman

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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.