## **HOUSE BILL No. 4245**

February 9, 2005, Introduced by Rep. Hummel and referred to the Committee on Judiciary.

A bill to amend 1982 PA 295, entitled "Support and parenting time enforcement act," by amending section 5c (MCL 552.605c), as added by 2002 PA 565.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- Sec. 5c. (1) All A support orders ORDER shall be stated in monthly amounts payable on the first of each month in advance. A support obligation not paid by the last day of the month in which it accrues is past due. If a support order does not state the amount of support as a monthly amount, the support amount stated in the order shall be converted to a monthly amount using the formula established by the state court administrative office.
  - (2) If payments under a support order are being made in the amount required —, through income withholding, pursuant to UNDER

00277'05 GWH

- 1 an installment payment order, or otherwise, and there are no
- 2 preexisting arrearages, the friend of the court shall not consider
- 3 the payer as having an arrearage if a periodic temporary arrearage
- 4 is created based upon BY the conversion of the monthly support
- 5 order to an income withholding order or other payment schedule and
- 6 which— THE TEMPORARY ARREARAGE results from a divergence between
- 7 the cycle of payments under the income withholding or payment
- 8 schedule and the cycle of charges.
- 9 (3) If a support order takes effect on other than the first
- 10 day of a month, the monthly amount is prorated based on the daily
- 11 amount for that month. A monthly support order amount shall be
- 12 prorated for the last month in which the order is in effect.
- 13 (4) If the title IV-D agency receives a support payment that,
- 14 at the time of its receipt, exceeds a payer's support amount
- 15 payable plus an amount payable under an arrearage payment schedule,
- 16 the title IV-D agency shall apply the excess against the payer's
- 17 total arrearage accrued under all support orders under which the
- 18 payer is obligated. If a balance remains after application against
- 19 the total arrearage, the title IV-D agency shall do 1 of the
- 20 following:
- 21 (a) If the payer designates the balance as additional support,
- 22 immediately disburse that amount to the recipient of support.
- 23 (b) If, at the time the payment is received, the payer is
- 24 obligated under a support order for a future support payment and
- 25 the balance is less than or equal to the monthly support order
- 26 amount, retain the balance and disburse it to the recipient of
- 27 support immediately when the amount is payable as support.

00277'05 GWH

- 1 (c) If, at the time the payment is received, the payer is not
- 2 obligated for a future support payment, or the payer is obligated
- 3 under a support order for a future support payment but the SUM OF
- 4 THE balance PLUS THE AMOUNT RECEIVED MONTHLY FROM THE PAYER UNDER
- 5 AN INCOME WITHHOLDING ORDER is greater than the monthly support
- 6 order amount, return the -balance EXCESS to the payer. THE AGENCY
- 7 IS NOT REQUIRED TO REFUND AN AMOUNT LESS THAN \$10.00, IF THE PAYER
- 8 REMAINS OBLIGATED FOR A FUTURE SUPPORT PAYMENT.