

# Fiscal Analysis

## PAST DUE CHILD SUPPORT AMNESTY



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**Bill/Sponsor**                    **HOUSE BILL 4654 AS INTRODUCED**, Rep. Alexander C. Lipsey

**House Committee**            Family and Children Services

### **Analysis**

#### **Summary**

This bill would amend the Office of Child Support Act, Public Act 174 of 1971, to provide two types of amnesty from criminal and civil penalties for failure or refusal to pay past due child support. The first is available, upon written request for a waiver, without time limits, for individuals who make full payment. The second is available for a period designated by the Family Independence Agency Office of Child Support of not less than 30 days and not more than 60 days, and ending before February 1, 2004. The second type of amnesty is available, upon written request for a waiver, for individuals who pay 50% of the past due child support in a lump sum with the request for a waiver, plus an additional 50% in two equal installments due not later than December 15, 2003 and January 15, 2004. This bill further requires the Office of Child Support to provide reasonable notice of this amnesty program at least 30 days before the start of the designated amnesty period. Amnesty for the individuals paying in three installments will not apply to child support due after October 1, 2003.

#### **Fiscal Impact**

There is no significant fiscal impact on the Family Independence Agency (FIA). Notification of this amnesty program may be handled through normal communication channels with existing staff. However, FIA has concerns about the definition of "reasonable notice". If reasonable notice requires a special mass mailing, the cost is estimated to be \$975,000.00. This cost could be avoided entirely if reasonable notice can be provided through public service announcements in the mass media and adding text to existing mailings to delinquent individuals. Some reduction in administrative cost may result from a lesser number of past due amounts to collect, but the amount of such cost reduction is not determinable.

### **Analyst(s)**

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COMMITTEE ANALYSIS - 9/26/03

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