

# HOUSE BILL No. 5511

May 1, 2014, Introduced by Reps. McCready, Kelly, Glardon, Kurtz and Hooker and referred to the Committee on Families, Children, and Seniors.

A bill to amend 1961 PA 236, entitled  
"Revised judicature act of 1961,"  
by amending section 6458 (MCL 600.6458), as amended by 2002 PA 429.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 6458. (1) In rendering ~~any~~**A** judgment against ~~the~~**THIS**  
2       state, or ~~any~~**A** department, commission, board, institution, arm, or  
3       agency **OF THIS STATE**, the court **OF CLAIMS** shall determine and  
4       specify in ~~that~~**THE** judgment the department, commission, board,  
5       institution, arm, or agency from whose appropriation ~~that~~**THE**  
6       judgment ~~shall~~**MUST** be paid.

7       (2) ~~Upon any~~**ON A** judgment against ~~the~~**THIS** state or ~~any~~**A**  
8       department, commission, board, institution, arm, or agency **OF THIS**  
9       **STATE** becoming final, or ~~upon~~**ON** allowance of ~~any~~**A** claim by the

1 state administrative board and ~~upon~~ certification **OF THE CLAIM** by  
 2 the secretary of the state administrative board to the clerk of the  
 3 court of claims, the clerk of the court **OF CLAIMS** shall certify to  
 4 the state treasurer ~~the fact that that~~ **THE** judgment was entered or  
 5 that the claim was allowed and **ON RECEIVING THE CERTIFICATION THE**  
 6 **STATE TREASURER SHALL PAY** the claim ~~shall thereupon be paid from~~  
 7 the unencumbered appropriation of the department, commission,  
 8 board, institution, arm, or agency if the state treasurer  
 9 determines the unencumbered appropriation is sufficient for the  
 10 payment. ~~In the event that funds are~~ **IF MONEY IS** not available to  
 11 pay the judgment or allowed claim **AS PROVIDED IN THIS SUBSECTION,**  
 12 the state treasurer shall instruct the clerk of the court of claims  
 13 to issue a voucher against an appropriation made by the legislature  
 14 for the payment of judgment claims and allowed claims. ~~In the event~~  
 15 ~~that funds are~~ **IF MONEY IS** not available to pay the judgment or  
 16 allowed claim **AS PROVIDED IN THIS SUBSECTION, THE STATE TREASURER**  
 17 **SHALL REPORT** that fact ~~, together with~~ **AND** the name of the  
 18 claimant, **THE** date of **THE** judgment ~~, date~~ **OR** of **THE** allowance of  
 19 **THE** claim by the state administrative board, and **THE** amount ~~shall~~  
 20 ~~be reported~~ **OF THE JUDGMENT OR ALLOWED CLAIM** to the legislature at  
 21 its next session, and **SHALL PAY** the judgment or allowed claim ~~shall~~  
 22 ~~be paid~~ as soon as money is available for that purpose. The clerk  
 23 **OF THE COURT OF CLAIMS** shall not certify ~~any~~ **A** judgment to the  
 24 state treasurer until the period for appeal from ~~that~~ **THE** judgment  
 25 ~~shall have~~ **HAS** expired, unless written stipulation between the  
 26 attorney general and the claimant or his or her attorney, waiving  
 27 any right of appeal or new trial, is filed with the clerk of the

1 court **OF CLAIMS**.

2 (3) The clerk **OF THE COURT OF CLAIMS** shall approve vouchers  
3 under the direction of the court for the payment of ~~the several~~  
4 judgments rendered by the court. All warrants issued in  
5 satisfaction of ~~these~~ judgments **RENDERED BY THE COURT OF CLAIMS**  
6 shall be transmitted to the clerk **OF THE COURT OF CLAIMS** for  
7 distribution; and all warrants issued in satisfaction of claims  
8 allowed by the state administrative board shall be transmitted to  
9 the secretary of the state administrative board for distribution.

10 (4) **ON A JUDGMENT DESCRIBED IN SUBSECTION (2) BECOMING FINAL**  
11 **OR ON A CLAIM BEING ALLOWED AND CERTIFIED TO THE CLERK OF THE COURT**  
12 **OF CLAIMS AS DESCRIBED IN SUBSECTION (2), THE PLAINTIFF OR CLAIMANT**  
13 **SHALL PROVIDE TO THE CLERK OF THE COURT OF CLAIMS ANY INFORMATION**  
14 **REQUIRED BY THE STATE TREASURER TO IDENTIFY THE PLAINTIFF OR**  
15 **CLAIMANT OR, IF APPLICABLE, EACH INDIVIDUAL FOR WHOSE BENEFIT THE**  
16 **ACTION WAS BROUGHT OR THE CLAIM MADE, FOR PURPOSES OF COMPLYING**  
17 **WITH SUBSECTIONS (5) TO (7) OR TO PERFORM THE TREASURER'S DUTIES**  
18 **UNDER SUBSECTIONS (8) AND (9). THE STATE TREASURER SHALL NOTIFY THE**  
19 **CLERK OF THE COURT OF CLAIMS OF THE INFORMATION NEEDED FROM A**  
20 **PLAINTIFF OR CLAIMANT TO SATISFY THIS SUBSECTION.**

21 (5) **WHEN CERTIFYING A JUDGMENT OR ALLOWED CLAIM TO THE STATE**  
22 **TREASURER UNDER SUBSECTION (2), THE CLERK OF THE COURT OF CLAIMS**  
23 **SHALL PROVIDE TO THE STATE TREASURER THE NAME OF THE PLAINTIFF OR**  
24 **CLAIMANT AND THE IDENTIFYING INFORMATION PROVIDED UNDER SUBSECTION**  
25 **(4). IF THE PLAINTIFF OR CLAIMANT BROUGHT THE ACTION OR MADE THE**  
26 **CLAIM IN A REPRESENTATIVE CAPACITY, THE CLERK OF THE COURT OF**  
27 **CLAIMS SHALL PROVIDE TO THE STATE TREASURER THE NAME AND**

1 IDENTIFYING INFORMATION FOR EACH INDIVIDUAL FOR WHOSE BENEFIT THE  
2 ACTION WAS BROUGHT OR CLAIM MADE.

3 (6) THE STATE TREASURER SHALL NOT ISSUE A WARRANT IN THE  
4 SATISFACTION OF A JUDGMENT OR CLAIM UNTIL THE STATE TREASURER  
5 DETERMINES WHETHER THE PLAINTIFF OR CLAIMANT OR, IF APPLICABLE,  
6 INDIVIDUAL FOR WHOSE BENEFIT THE ACTION WAS BROUGHT OR CLAIM MADE,  
7 IS INDEBTED FOR ANY OF THE FOLLOWING:

8 (A) SUPPORT.

9 (B) AN AMOUNT DUE TO THIS STATE.

10 (C) AN AMOUNT DUE TO A SUBDIVISION OF THIS STATE.

11 (D) AN AMOUNT DUE UNDER A COURT ORDER FOR RESTITUTION, FINES,  
12 COSTS, FEES, REIMBURSEMENTS, PENALTIES, OR ASSESSMENTS.

13 (7) SUBJECT TO SUBSECTION (8), THE STATE TREASURER SHALL  
14 DEDUCT THE AMOUNT OF ANY INDEBTEDNESS DETERMINED UNDER SUBSECTION  
15 (6) FROM THE AMOUNT DUE UNDER THE JUDGMENT OR CLAIM AND ISSUE  
16 WARRANTS IN SATISFACTION OF THE INDEBTEDNESS AND A WARRANT TO THE  
17 PLAINTIFF OR CLAIMANT FOR THE DIFFERENCE BETWEEN THE INDEBTEDNESS  
18 AND THE JUDGMENT OR CLAIM. IF THE PLAINTIFF OR CLAIMANT HAS  
19 MULTIPLE OBLIGATIONS DESCRIBED IN SUBSECTION (6) AND IF THE  
20 JUDGMENT OR CLAIM IS INSUFFICIENT TO SATISFY THE OBLIGATIONS IN  
21 FULL, THE STATE TREASURER SHALL PAY THE OBLIGATIONS IN THE  
22 FOLLOWING ORDER:

23 (A) FIRST, TO SUPPORT.

24 (B) NEXT, TO ANY AMOUNT DUE UNDER A COURT ORDER.

25 (C) NEXT, PRO RATA TO ANY REMAINING AMOUNTS DUE.

26 (8) THE STATE TREASURER SHALL NOT DEDUCT ANY AMOUNT UNDER  
27 SUBSECTION (7) FROM THE PORTION OF THE JUDGMENT OR CLAIM THAT IS

1 OWED FOR ANY OF THE FOLLOWING:

2 (A) ATTORNEY FEES.

3 (B) COURT COSTS AND OTHER LITIGATION COSTS, INCLUDING, BUT NOT  
4 LIMITED TO, MEDICAL EXAMINATION COSTS, EXPENSES FOR REPORTS,  
5 DEPOSITION FEES, COURT REPORTER FEES, AND RECORD COPY FEES.

6 (C) THE MEDICAID PROGRAM UNDER THE SOCIAL WELFARE ACT, 1939 PA  
7 280, MCL 400.1 TO 400.119B, UNLESS MEDICAID IS SUBORDINATED TO  
8 SUPPORT UNDER FEDERAL LAW.

9 (D) MEDICAL SERVICES OR A REIMBURSEMENT FOR A PAYMENT MADE FOR  
10 MEDICAL SERVICES EITHER TO OR BY AN INSURER, HEALTH MAINTENANCE  
11 ORGANIZATION, OR NONPROFIT HEALTH CARE CORPORATION.

12 (E) OTHER COSTS RELATED TO THE ACTION OR CLAIM.

13 (F) VOCATIONAL REHABILITATION COSTS, REIMBURSEMENTS, OR  
14 CREDITS INCIDENTAL TO LONG- OR SHORT-TERM DISABILITY PROGRAMS OR TO  
15 PENSION OR WELFARE BENEFIT FUNDS.

16 (G) FOR A MEDICARE SET-ASIDE ACCOUNT FOR FUTURE MEDICAL CARE  
17 OR FOR FUTURE MEDICAID, UNLESS MEDICARE OR MEDICAID IS SUBORDINATED  
18 TO SUPPORT UNDER FEDERAL LAW.

19 (9) THE STATE TREASURER SHALL GIVE A PLAINTIFF OR CLAIMANT  
20 NOTICE BY REGULAR MAIL AND AN OPPORTUNITY FOR A HEARING BEFORE THE  
21 DEPARTMENT OF TREASURY OR ITS DESIGNEE WITH RESPECT TO ANY  
22 INDEBTEDNESS DETERMINED UNDER SUBSECTION (6) IF THE INDEBTEDNESS  
23 HAS NOT BEEN REDUCED TO JUDGMENT OR HAS NOT BEEN FINALIZED UNDER  
24 STATUTORY REVIEW PROVISIONS OF THE STATUTE UNDER WHICH THE  
25 LIABILITY AROSE. THE PLAINTIFF OR CLAIMANT MAY REQUEST A HEARING  
26 BEFORE THE DEPARTMENT OF TREASURY WITHIN 15 DAYS AFTER THE DATE OF  
27 THE NOTICE BY MAKING A WRITTEN REQUEST TO THE STATE TREASURER.

1           (10) SUBSECTIONS (4) AND (5) APPLY TO ALL JUDGMENTS AND  
2 CLAIMS, NOTWITHSTANDING ANY ORDER IN AN ACTION THAT PROHIBITS  
3 DISCLOSURE OF THE NAME OF A PLAINTIFF, CLAIMANT, OR INDIVIDUAL FOR  
4 WHOSE BENEFIT THE ACTION WAS BROUGHT OR CLAIM WAS MADE. IF SUCH A  
5 PROTECTIVE ORDER EXISTS, THE CLERK OF THE COURT OF CLAIMS SHALL  
6 NOTIFY THE STATE TREASURER OF THE ORDER WHEN PROVIDING THE NAME OF  
7 THE PLAINTIFF, CLAIMANT, OR INDIVIDUAL UNDER SUBSECTION (5), AND  
8 THE NAME AND IDENTIFYING INFORMATION OF THE PLAINTIFF, CLAIMANT, OR  
9 INDIVIDUAL IS EXEMPT FROM DISCLOSURE UNDER THE FREEDOM OF  
10 INFORMATION ACT, 1976 PA 442, MCL 15.231 TO 15.246.

11           (11) AS USED IN THIS SECTION, "SUPPORT" MEANS THAT TERM AS  
12 DEFINED IN SECTION 2A OF THE FRIEND OF THE COURT ACT, 1982 PA 294,  
13 MCL 552.502A.