

OFFICE OF CHILD SUPPORT ACT (EXCERPT)
Act 174 of 1971

400.238 Disposition of money received as support payment; interest; duties of contractor; audit; disclosure of information.

Sec. 8.

(1) While held by the state disbursement unit, money the SDU receives as a support payment is the money of the recipient of support, is not public revenue, and shall not be deposited in the state treasury. While held by the state disbursement unit, money the SDU receives as a support payment is not subject to levy, execution, garnishment, or offset.

(2) Interest that accrues on a payment after its receipt and before its disbursement is payable to the state general fund to offset program costs.

(3) If a contractor operates the state disbursement unit, the contractor is directly responsible to the office. The office shall not enter a contract for operation of the SDU until the state budget director approves each contract provision that governs the accounting system to be used by the contractor. In addition to auditing by a private sector accounting firm, the contractor operating the SDU is subject to audit by the state executive branch and by the auditor general or an independent public accounting firm appointed by the auditor general. The auditor general or an independent public accounting firm appointed by the auditor general shall conduct an audit of the SDU not less than 1 year, but within 2 years, after the effective date of the amendatory act that added this section and not less than every 2 years after that initial audit. The department shall cooperate with the auditor general.

(4) Except for disclosure in a manner authorized by law, rule, or regulation, a person shall not disclose information regarding a payer or recipient of support that is provided to the SDU for the purpose of receipt or disbursement of support or fees. A person that violates this subsection is guilty of a misdemeanor punishable by imprisonment for not more than 93 days or a fine of not more than \$500.00, or both.

(5) A contractor or subcontractor, or an officer or employee of a contractor or subcontractor, that operates the SDU who negligently discloses information regarding a payer or recipient of support is liable for actual damages or \$1,000.00, whichever is greater, plus costs and attorney fees. A contractor or subcontractor, or an officer or employee of a contractor or subcontractor, that operates the SDU who intentionally discloses information regarding a payer or recipient of support is liable for 3 times actual damages or \$3,000.00, whichever is greater, plus costs and attorney fees. Each negligent or intentional disclosure that gives rise to liability under this section is a separate cause of action for which separate damages may be awarded.

History: Add. 1999, Act 161, Imd. Eff. Nov. 3, 1999