

Michigan Department of Human Services News Release

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\$25 fee levied against child support payments *Fee mandated by federal legislation*

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Beginning in September 2008, some child support recipients will be required to pay an annual fee of \$25 to comply with a new federal law.

The Federal Deficit Reduction Act of 2005 requires this fee on all child support cases where the custodial parent has never received cash assistance and the family has received child support of at least \$500 during a one-year period. Most of the proceeds from the fee (66 percent) will be sent to the federal government to fund child support programs in Michigan and throughout the nation. The state of Michigan will retain the remaining third of the fee to offset the state costs of operating its program.

"We have no choice but to abide by the federal law," said Marilyn Stephen, director of the Department of Human Services' Office of Child Support. "We are grateful that the federal authorities created a lifetime exception for families that have received assistance in the past because child support is the safety net that keeps many children out of poverty."

Michigan will deduct the \$25 fee from the next child support payment after the first \$500 has been sent to the family. The average amount of child support received annually by parents who will pay the fee is approximately \$5,600, so the fee represents less than half of one percent of the total amount of child support received during a given year.

Working together, county prosecutors, friends of the court and DHS Office of Child Support staff provide valuable services to families. Key among these services are notices sent to employers every time a non-custodial parent starts a new job. The notice requires that child support be consistently withheld from the parent's wages. Last year, \$1.4 billion was collected for families through income withholding and other means of collections.

Michigan collected \$6.38 for every dollar spent to administer the program during fiscal year 2007, which demonstrates the program's commitment to provide efficient and effective service to children and families in the state.

For more information, please go to www.michigan.gov/childsupport