



STATE OF MICHIGAN

DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING

GRETCHEN WHITMER
GOVERNOR

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DIRECTOR

IV-D MEMORANDUM 2020-008

TO: All Friend of the Court (FOC) Staff
All Prosecuting Attorney (PA) Staff
All Office of Child Support (OCS) Staff

FROM: Erin P. Frisch, Director
Office of Child Support

DATE: March 12, 2020

SUBJECT: New Procedure for Sending Bankruptcy Notices to FOC Offices and Introduction of Section 6.15, "Bankruptcy," of the *Michigan IV-D Child Support Manual*

<p>UPDATE(S):</p> <p><input checked="" type="checkbox"/> Manual</p> <p><input type="checkbox"/> Form(s)</p>
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ACTION DUE: None

POLICY EFFECTIVE DATE: Upon receipt

PURPOSE:

This IV-D Memorandum announces a change to the bankruptcy notification procedures. OCS Central Operations staff will no longer mail a bankruptcy notice received from a trustee to the FOC office. Instead, Central Operations staff will scan the bankruptcy notice, upload it to the Michigan Child Support Enforcement System (MiCSES) *Historical Reprints* (FHST) screen, and notify the FOC bankruptcy contact via email.

This memorandum also introduces Section 6.15, "Bankruptcy," of the *Michigan IV-D Child Support Manual*. Section 6.15 incorporates existing bankruptcy policy from Michigan IV-D Action Transmittal (AT) 2008-014, *REVISED: The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (Bankruptcy Act)*. Policy in Section 6.15 does not include information regarding pre-October 2005 bankruptcy filings because it is no longer relevant.

Within Section 6.15, changes to the bankruptcy notification process and other significant updates are indicated by change bars in the right margin. Reorganized content and minor wording changes since the last publication of the policy are not identified with change bars.

Section 6.15 includes one exhibit, the Bankruptcy Notices Log (Exhibit 6.15E1). This

exhibit, which was formerly Attachment 1 of AT 2008-014, has been updated to include space for OCS Central Operations staff to record:

- The date they uploaded the notice to the MiCSES FHST screen; and
- The date they emailed the FOC.

Finally, this memorandum introduces an updated table of contents for the *Michigan IV-D Child Support Manual*. Section 6.15, "Bankruptcy," has been added to the table of contents, along with asterisks at the end of the section title to indicate the availability of this new manual section.

DISCUSSION:

A. Uploading Documents to the MiCSES *Historical Reprints* (FHST) Screen

OCS implemented functionality to upload and retrieve documents on the FHST screen in June 2018.¹ This functionality allows IV-D staff a secure way to upload and share documents in MiCSES without using encryption. Since the implementation of this functionality, OCS has improved IV-D staff access to case-related documents.

OCS Central Operations staff decided to improve the efficiency of the bankruptcy notification process by using the FHST functionality to upload bankruptcy notices. Central Operations staff will now upload notices to MiCSES and notify the FOC via email instead of mailing the notices to the FOC.

B. Updates to Policy in Section 6.15

Section 6.15 describes the child-support-related sections of the federal Bankruptcy Act of 2005² and provides instructions for handling child support cases when the non-custodial parent (NCP) has filed for bankruptcy. It also aids IV-D staff³ actions in bankruptcy cases. It does not directly address any IV-D rules or requirements. IV-D offices are encouraged to confirm their chosen course of action on bankruptcy cases with their own bankruptcy law experts.

1. Updates to Bankruptcy Notification Procedures

Upon receipt of a notice from a bankruptcy trustee, OCS Central Operations staff will scan the notice and upload it to the MiCSES FHST screen rather than copy it and mail it to the designated bankruptcy contact. Section 6.15 describes the information that Central Operations staff will select and enter into the FHST screen when uploading notices.

¹ Ref: [IV-D Memorandum 2018-005, *Uploading Documents to the Historical Reprints \(FHST\) Screen in the Michigan Child Support Enforcement System \(MiCSES\)*](#).

² Public Law (P.L.) 109-8 of 2005 amended 11 United States Code (USC) 101 to 1330.

³ IV-D staff include OCS, FOC and PA staff. Occasionally, PA staff may handle cases in which the NCP has filed for bankruptcy.

Central Operations staff will then send an email to the designated bankruptcy contact(s) at the affected FOC office(s) as listed on mi-support. Central Operations staff will not fax a copy of the notice to FOC offices.

Finally, Central Operations staff will complete the Bankruptcy Notices Log by entering the date they uploaded the notice to MiCSES and the date they emailed the FOC, along with their initials to indicate the task is complete.

2. Other Updates to Section 6.15

- The approximate percentage of bankruptcy petitioners who file under Chapter 7 has been updated;⁴
- Definitions were removed because they are listed in the [Michigan Child Support Program Glossary](#) on mi-support;
- The phone number for contacting Central Operations staff has been changed to 517-241-7800; and
- The OCS address to which Michigan bankruptcy trustees send required notices, pleadings and correspondence has been changed (the street address and building suite number were removed).

NECESSARY ACTION:

Review Section 6.15 of the *Michigan IV-D Child Support Manual*. For those maintaining a hard copy of the manual, print Section 6.15, Exhibit 6.15E1, and the updated table of contents and add them to the manual.

This policy obsoletes AT 2008-014 and its attachments:

- Attachment 1, Bankruptcy Notices Log; and
- Attachment 2, Bankruptcy Contacts List.

REVIEW PARTICIPANTS:

Enforcement Work Improvement Team
OCS Central Operations
Program Leadership Group

⁴ Ref: United States Courts, Judiciary News, [Bankruptcy Filings Continue to Decline](#), published April 22, 2019.

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CC:

None

SUPPORTING REFERENCES:

Federal
P.L. 109-8 of 2005

State
None

ATTACHMENTS:

Section 6.15: Bankruptcy

Exhibit 6.15E1: Bankruptcy Notices Log

Michigan IV-D Child Support Manual Introduction and Table of Contents

EPF/CPT