

Enforcement Impacts of Birth Expense Forgiveness

This table identifies each enforcement activity, the impact of state-owed birth expense elimination on in-progress activities, and whether MiCSES will respond automatically and/or manual intervention may be necessary. It also describes automatic and/or manual actions.

Enforcement Activity/Chain	Impact	System or Manual Action/Reaction	Action/Reaction Description
Show Cause/Bench Warrant (SCBW) ¹	Show Cause proceedings may no longer be appropriate after birth expense arrears are eliminated.	Manual	<p>Hearings</p> <p>MiCSES will not automatically close the SCBW chain or cancel/adjourn/reschedule hearings that are already scheduled.</p> <p>IV-D staff may need to manually cancel or reschedule hearings that are scheduled on a date after CM/MD forgiveness occurs for cases where CM/MD are the only arrears or the main portion of arrears.</p> <p>Bench Warrants</p> <p>MiCSES will not automatically dismiss bench warrants even if no support arrears remain after the CM/MD arrears are forgiven. The dismissing of a bench warrant is a manual process.</p> <p>MiCSES will not automatically update the bond amount on existing bench warrants. The court sets the bond when it orders the bench warrant. Adjusting the bond amount is a manual process.</p>

¹ Ref: [Section 6.39, "Civil Contempt \(Show Cause\)," of the Michigan IV-D Child Support Manual](#) and the [MiCSES Customer Information Guide: SCBW – Show Cause Activity Chain](#).

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			<p>The Office of Child Support (OCS) defers to and supports local preference for deciding whether to seek bench warrant dismissal. OCS recommends IV-D staff consult with their Friend of the Court (FOC) director and the court to determine whether it would be appropriate to pursue the dismissal of bench warrants entered prior to January 1, 2025 or to reduce cash performance bond amounts where the primary or only debt on a case is state-owed birth expenses.</p> <p>It may be appropriate to dismiss a bench warrant to prevent the non-custodial parent's (NCP's) arrest when the underlying CM/MD obligation no longer exists. However, OCS is not requiring the dismissal of warrants in deference to the court's existing order after the show cause hearing. While non-payment of support/state-owed birth expenses is the basis for the civil contempt action, bench warrants resulting from show cause hearings are due to the NCP's failure to appear. The court issues the warrant to require the payer to "be brought before the court without unnecessary delay for further proceedings in connection with the contempt proceedings."² If there is an existing bench warrant, the failure to appear already happened for a hearing that occurred before CM/MD arrears forgiveness.</p>

² Ref: Michigan Compiled Law (MCL) 552.631.

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Income Withholding (IIWO and UNEM) ³	The withholding amounts for current support and arrears may change or may need to be changed.	Both	<p>System</p> <ol style="list-style-type: none"> 1. MiCSES will automatically recalculate current support and arrears withholding amounts for “Guideline” (G-type) income withholding notices (IWNs) and may automatically issue an amended IWN. 2. MiCSES will automatically issue a termination IWN if no current support or arrears are remaining for other IWN-eligible obligations after CM/MD current charges are ended and arrears are forgiven. For example, if the only obligation remaining is Bench Warrant/Court Cost (BW), the IWN will automatically terminate because BW obligations are not eligible for the IWN. <p>As a general rule, MiCSES will not terminate income withholding if the only remaining obligations are Service Fees (SF)/Processing Fees (PF), unless there are other conditions that would normally cause it to terminate. For example, income withholding will terminate if the only obligations remaining are SF/PF and there is money on a receipt-level hold (such as a federal tax refund offset hold) that is greater than the amount owed for SF/PF.</p>

³ Ref: [Section 6.03, “Income Withholding,” of the Michigan IV-D Child Support Manual](#) for details about income withholding amounts, calculation methods, and automatic actions. Also refer to the [MiCSES Customer Information Guide: IIWO – Immediate Income Withholding Activity Chain](#) and [MiCSES Customer Information Guide: UNEM – Unemployment IWN Activity Chain](#).

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			<p>3. If current support remains but no arrears remain on other obligations after CM/MD current charges are ended and arrears are forgiven, MiCSES will recalculate “Judicial” (J-type) IWNs and convert them to “Guideline” (G-type) IWNs for current support-only withholding.</p> <p>Manual</p> <ol style="list-style-type: none"> 1. “Specific” (S-type) IWNs may need manual adjustments. MiCSES does not automatically adjust S-type IWNs.⁴ 2. “Judicial” (J-type) IWNs and the associated IWN baseline amount may need manual adjustments. MiCSES does not automatically adjust J-type IWNs if arrears remain on other obligations after CM/MD current charges are ended and arrears are forgiven. 3. Automatic termination may occur for IWNs if the only obligation(s) remaining is not IWN eligible. If so, staff will need to manually issue a <u>Notice to Withhold Income for Fees and Costs (State Court Administrative Office [SCAO] form FOC 119)</u> to collect the remaining obligation(s).

⁴ IV-D staff may contact the Child Support Help Desk to request Ad Hoc Query 282946, which identifies orders with S-Specific and J-Judicial type IWNs. The Business Objects report AQ10010573, *State-Owed Birth Expenses (CM/MD)* also indicates the type(s) of active IWN(s) for the case.

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Credit Reporting (CRAR) ⁵	The NCP may no longer qualify for credit reporting.	Both	<p>System</p> <ol style="list-style-type: none"> 1. MiCSES will automatically submit the adjusted arrears balance and payment/account status to the credit reporting agencies (CRAs) when the monthly credit reporting update process runs after CM/MD arrears are forgiven.⁶ 2. MiCSES will automatically close the activity chain if no support arrears remain after CM/MD arrears are forgiven. The automatic closure occurs only after the notice of intent has been sent, an objection/request for administrative review has been received, or when awaiting a response to an administrative review decision. 3. The MiCSES Automated Case Closure process may close the case after birth expenses are forgiven but before the monthly credit reporting process submits the updated arrears amount to the CRAs. If this occurs, the MiCSES daily credit reporting process will recognize the closed case, submit a closed account status (13 – Closed – Current Account/Emancipated Child) to the CRAs, and stop the monthly reporting.

⁵ Ref: [Section 6.18, "Credit Reporting," of the Michigan IV-D Child Support Manual](#) and the [MiCSES Customer Information Guide: CRAR – Credit Reporting Activity Chain](#).

⁶ The monthly credit reporting batches are scheduled to submit updates on January 18, 2025.

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			Manual <ol style="list-style-type: none"> IV-D staff may need to manually cancel or reschedule/adjourn scheduled CRAR hearings. MiCSES will not automatically close the activity if a CRAR hearing has been scheduled or is pending.
Financial Institution Data Match / Multistate Financial Institution Data Match (FIDM/MSFIDM) (ADLV) ⁷	Removing birth expense arrears may result in arrears no longer meeting the threshold for FIDM/MSFIDM.	Both	System <ol style="list-style-type: none"> MiCSES will automatically submit an arrears amount update for matching after the CM/MD arrears are forgiven. If a FIDM match is already loaded into an ADLV chain and CM/MD forgiveness happens within seven days of it loading, MiCSES will automatically close the activity if the arrears remaining after CM/MD arrears are forgiven do not meet the threshold. If a notice was already sent to the financial institution and the obligor but the obligor's objection timeframe has not expired, MiCSES will automatically release the lien if the CM/MD forgiveness reduces the total arrears to \$0. Manual <ol style="list-style-type: none"> Sending the initial notice to the financial institution is a manual process, and IV-D staff must review the arrears to determine if the threshold has been

⁷ Ref: [Section 6.27, "Liens – FIDM/MSFIDM," of the Michigan IV-D Child Support Manual](#) and the [MiCSES Customer Information Guide: ADLV – Administrative Levy Activity Chain](#).

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			<p>met before sending a notice of lien to the financial institution.</p> <ol style="list-style-type: none"> 2. Sending the notice of levy to the financial institution is always a manual process and includes an opportunity to notify the financial institution of an amended levy amount. 3. IV-D staff may need to manually cancel scheduled lien/levy hearings and/or release the lien/levy. If the financial institution has already sent a notice to the NCP, the NCP objects, and a referee or judge hearing is scheduled for the NCP, the remaining arrearage may no longer meet the threshold for lien/levy. MiCSES will not automatically cancel the hearing if the arrears no longer meet the threshold after the CM/MD arrears are forgiven.
Insurance Match (IM), and the Debt Inquiry Service (DIS)	The arrears amount to report to DIS and IM for matching will change.	System	MiCSES will automatically submit an arrears amount update for these programs.
Federal Tax Refund Offset (FTRO) ⁸	<p>Arrears may no longer meet the threshold for FTRO, or the amount to offset may change.</p> <p>The NCP may have already received a Pre-Offset Notice with</p>	System	MiCSES will automatically submit an arrearage amount update or remove the NCP from federal offset if the arrearage no longer meets the FTRO threshold after the CM/MD arrears are forgiven. ⁹

⁸ Ref: [Section 6.21, "Tax Refund Offset," of the Michigan IV-D Child Support Manual.](#)

⁹ The Federal Tax Refund Offset batches are scheduled to submit updates on January 4, 2025.

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	birth expense arrears included in the arrears amount and may contact IV-D staff with questions and/or request an administrative review.		
State Tax Refund Offset (STRO) ¹⁰ (State Lottery Intercept piggybacks on this)	Arrears may no longer meet the threshold for STRO, or the amount to offset may change. The NCP may have already received a Pre-Offset Notice with birth expense arrears included in the arrears amount and may contact IV-D staff with questions and/or request an administrative review.	System	MiCSES will automatically submit an arrearage amount update or remove the NCP from state offset if the arrearage no longer meets the STRO threshold after the CM/MD arrears are forgiven. ¹¹
Passport Denial ¹²	Arrears may no longer meet the threshold for passport denial.	System	MiCSES will automatically submit an arrearage amount update or remove the NCP from passport denial if the arrearage no longer meets the threshold for passport denial after the CM/MD arrears are forgiven.

¹⁰ Ref: Section 6.21 of the *Michigan IV-D Child Support Manual*.

¹¹ The State Tax Refund Offset batches are scheduled to submit updates on January 4, 2025.

¹² Ref: [Section 6.24, "Passport Denial/Restriction," of the Michigan IV-D Child Support Manual](#).

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	The NCP may have already received a Pre-Offset Notice when birth expense arrears were included in the arrears amount and may contact IV-D staff with questions.		<u>Note:</u> The NCP may contact IV-D staff if a Pre-Offset Notice was sent with the CM/MD arrears included before CM/MD forgiveness occurred.
License Suspension (LCSP) ¹³	It may be appropriate to rescind license suspension orders.	Both	<p>System MiCSES cannot automatically rescind license suspension orders that have already been sent to a licensing agency. However, <i>before</i> IV-D staff send a suspension order to a licensing agency, MiCSES will take these automatic actions if debts are paid:</p> <ol style="list-style-type: none"> 1. MiCSES will close the LCSP activity if the obligations are paid in full within 28 days after the notice of debt/proposed license suspension has been sent to the NCP. 2. MiCSES will close the LCSP activity if the obligations are paid in full within 28 days of sending notice to the NCP following a show cause hearing that resulted in an enforcement order with conditional license suspension. 3. If a conditional suspension order is entered, MiCSES will monitor the LCSP activity and close it if arrears are paid in full.

¹³ Ref: [MiCSES Customer Information Guide: LCSP – License Suspension Activity Chain](#) on mi-support.

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			Manual If a suspension order has been issued/sent to the licensing agency, and a IV-D worker determines that license suspension is no longer appropriate, the IV-D worker will manually file a motion/petition to the court for a rescission order and send the rescission order to the licensing agency.
Bond for Future Support (BOND) ¹⁴	The NCP may become fully compliant with the bond order, and the bond may no longer be appropriate after CM/MD charging stops.	Both	Enforcing through a bond for future support is an almost entirely manual process. IV-D staff may need to manually process the petition to release the bond. MiCSES will automatically monitor payment compliance, generate alerts to the IV-D worker, and queue a petition to release the bond when the case becomes paid and compliant with the bond order.
Qualified Domestic Relations Orders / Eligible Domestic Relations Orders (QDRO/EDRO) ¹⁵	The QDRO or EDRO may need to be modified.	Both	System MiCSES monitors obligation balances and payments and: <ol style="list-style-type: none"> 1. Automatically alerts a IV-D worker to review the QDRO/EDRO for modification when there are no longer any arrears and current support or if support becomes overpaid. 2. Automatically alerts a IV-D worker to contact the plan administrator when a payment has not been received in the last 45 days.

¹⁴ Ref: [MiCSES Customer Information Guide: BOND – Performance Cash/Surety Bond Activity Chain](#).

¹⁵ Ref: [MiCSES Customer Information Guide: QDRO – QDRO/EDRO Activity Chain](#).

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			Manual This activity is almost entirely a manual process. The QDRO or EDRO may need to be manually modified once the CM/MD obligation has been forgiven.
Topic Objection Fact Finding/Administrative Review (TOFF) ¹⁶	<p>The NCP may request an administrative review of tax refund offset after receiving a Pre-Offset Notice followed by a notice of birth expense forgiveness.</p> <p>It is not applicable for <i>National Medical Support Notice</i> (NMSN) objections.</p>	Both	System MiCSES will automatically close the TOFF activity if the NCP is removed from tax offset. Manual The process is entirely manual except for automatic closure when the NCP is removed from tax offset. If the activity has already been manually started, IV-D staff may need to inform the NCP and/or the other state that the reduced arrearages or removal from offset has been submitted and whether the challenge has been upheld in part or whole.
Criminal Non-Support	Reduced arrears may no longer meet IV-D criteria for criminal non-support.	Manual	<p>If the Attorney General (AG) or Prosecuting Attorney (PA) is investigating and has not already filed charges, the AG or PA will need to re-review the amount owed and consider the CM/MD forgiveness before deciding whether to file charges.</p> <p>If the AG or PA has already filed charges, the AG, PA, or NCP may need to acknowledge and/or attest to the reduced balance. The AG or PA might seek dismissal of the charges.</p>

¹⁶ Ref: [MiCSES Customer Information Guide: TOFF – Topic Objection Fact Finding Activity Chain](#).

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			If the criminal case has already been adjudicated, CM/MD forgiveness may benefit the NCP's compliance with the underlying support order.
Administrative Arrears Management Programs (AMPs) ¹⁷	No impact. State-owed birth expenses are not eligible for AMPs.	None	None
Statutory Arrears Payment Plan ¹⁸	CM/MD forgiveness will reduce the balance owed.	Both	<p>System MiCSES does not monitor statutory payment plans through an activity chain.</p> <p>MiCSES monitors payments through the <i>Support Order Entry</i> (SORD) screen. MiCSES does not include the CM/MD forgiveness arrears adjustment on the SORD screen or consider the adjustment/reduced balance while monitoring for payments.</p> <p>Manual 1. Once the NCP has complied with the payment plan, the NCP has to petition the court for an order to discharge debts that were included in the plan. While the payment plan may include a CM/MD obligation, the NCP does not need to file a petition to have the court discharge the CM/MD obligation. The NCP can attest to the remaining balance owed as well as the balance being reduced because the CM/MD debt has been forgiven.</p>

¹⁷ Ref: [Section 6.51, "Arrears Management," of the Michigan IV-D Child Support Manual.](#)

¹⁸ Ref: [Section 6.42, "Payment Plans," of the Michigan IV-D Child Support Manual.](#)

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			2. Any arrears adjustment needed for the discharge order is done manually regardless of the obligation debt types involved.
Enforcement Payment Plan ¹⁹ (order after show cause or license suspension hearing)	CM/MD forgiveness will reduce the balance owed.	Both	<p>System MiCSES automatically monitors the enforcement payment plan through the SCBW or LCSP activity chain and alerts the IV-D worker regarding compliance.</p> <p>MiCSES will automatically close the SCBW activity upon the payment plan's end date.</p> <p>Manual Manual action is necessary to take the next action upon compliance or non-compliance.</p>
Surcharge Payment Plans ²⁰	No impact. The CM/MD arrears are not subject to court-ordered surcharges.	None	None
Abatement (ABATE) ²¹	CM/MD abatement will not occur, or CM/MD charging will not be reinstated.	System	If CM/MD monthly charging has already been abated (set to \$0/month), CM/MD forgiveness will shut down the charging and clear the arrears. There will be no CM/MD charging to reinstate upon the NCP's release from incarceration.

¹⁹ Ref: Section 6.42 of the *Michigan IV-D Child Support Manual*.

²⁰ Ref: [Section 5.75, "Surcharge,"](#) and Section 6.42 of the *Michigan IV-D Child Support Manual*.

²¹ Ref: [Section 3.44, "Abatement,"](#) of the *Michigan IV-D Child Support Manual*.

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			<p>If CM/MD has not been abated yet, forgiveness will shut down the obligations, and they will not exist when abatement occurs.</p> <p>Arrears on remaining obligations will continue to remain after abatement; mandatory enforcement will continue. FOC staff will determine whether it is appropriate to continue discretionary enforcement activities.</p> <p>No automatic or manual chain moves exist for a change in the arrears balance.</p>