

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

Senate Bill 782 (Senator Bromwell)
Judicial Proceedings

Vehicle Laws - Child Support Obligor - Vehicle Registration

This bill prohibits the Motor Vehicle Administration (MVA) from registering or transferring a vehicle registration if the applicant's driver's license or privilege to drive has been suspended for being out of compliance with a court order to make child support payments.

Fiscal Summary

State Effect: Potential minimal increase in special fund revenues from increased child support collections. Potential minimal increase in Transportation Trust Fund (TTF) expenditures to modify the MVA registration system. Potential minimal decrease in TTF revenues from loss of registration fee revenue.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: There are ten circumstances listed in statute under which the MVA must refuse to register or transfer the registration of a vehicle, including if the vehicle is mechanically unfit or a warrant has been issued for the applicant's arrest. The MVA is required to suspend the license or privilege to drive of an obligor after notification from the Child Support Enforcement Administration (CSEA) that the person is 60 days or more out of compliance with a court-ordered child support payment obligation. The MVA may issue the obligor a work-restricted license or privilege. Suspension of the

applicant's driver's license or privilege to drive for failure to pay child support is not grounds for refusal to register a vehicle.

Background: At least six other states -- including North Carolina, Georgia, and the District of Columbia -- have enacted laws to cancel or refuse vehicle registration if the owner has failed to pay child support. Additionally, Georgia's statute allows for suspension of a person's driver's license for noncompliance with child support obligations. The CSEA advises that the bill will assist with what is typically a difficult enforcement process and will help increase child support collections. CSEA further advises that the threat of license suspension has proven to be extremely effective in increasing child support payments in Maryland, generating \$162 million in payments since 1996.

State Revenues: Child support collections could increase to the extent that the bill facilitates child support enforcement efforts. Any such increase cannot be quantified at this time due to the unavailability of data. Temporary Cash Assistance (TCA) recipients must assign their support rights to the State and federal government as partial reimbursement for TCA payments made on behalf of the children of the obligor; as a result, TCA child support collections are distributed 50% to the State and 50% to the federal government. Also, to the extent that registration fee revenues will not be collected from child support obligors, TTF revenues could decline.

State Expenditures: TTF expenditures may increase to the extent that the MVA must modify its computer system to meet the bill's requirements.

Additional Information

Prior Introductions: None.

Cross File: HB 1204 (Delegate Shriver, *et al.*) – Judiciary.

Information Source(s): Department of Human Resources, Department of Legislative Services

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Analysis by: Ann Marie Maloney

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510