



Welfare Advocates

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Senate Bill 847 Child Support - Guidelines

Senate Judicial Proceedings Committee
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Support

Welfare Advocates is a statewide coalition of community-based organizations, advocacy groups, faith communities, and consumers, whose mission it is to educate ourselves and the wider community and to advocate for an adequate safety net and public policies that support families moving towards self-sufficiency. **Welfare Advocates supports SB 847**, which updates the child support guidelines to reflect current economic data and make transparent the self-support reserve within the child support guidelines schedule.

As a condition of receiving Temporary Cash Assistance, applicants must apply for child support and assign their child support to the state. This is required whether or not the parents already have an informal arrangement. The parties are then required to use the guidelines as a basis for determining child support. Maryland has not updated its guidelines since 2010, and those guidelines are based on economic data from 2008. This has negative consequences for the entire family as order amounts do not reflect current economic data as it relates to spending on a child or the amount a noncustodial parent needs to meet his/her basic needs after paying child support.

A self-support reserve is necessary to ensure low-income parents can meet their basic needs. The self-support reserve (SSR) is the minimum amount of income a parent needs to have in order to support themselves, after paying child support and taxes. Currently, there is an SSR built into the child support schedule, but it is “hidden” in the guidelines. SB 847 provides a definition of the SSR, allows the court to deviate from the guidelines if an obligor’s income does not meet the SSR and explicitly indicates in statute where the SSR is built into the schedule.

SB 847 would have a positive impact on both children and their noncustodial parents. By requiring the judiciary to obtain a complete picture of each parent’s financial situation before making decisions to establish child support order amounts, the child is more likely to receive child support payments.¹ If a low-income obligator is believed to be involuntary impoverished, the courts create a child support order based on a fictitious income amount that is often higher than the obligator’s actual earnings. These orders are rarely fulfilled. When child support orders account for the parents’ circumstances, the percent of support collected and median amount paid both increase.

For the reasons stated above, we respectfully urge a favorable report on SB 847.

Submitted by Lisa Klingenmaier, Chair

¹ [Child Support – Potential Income, Voluntary Impoverishment and No Support Order Fact Sheet](#). Created by the Family Welfare Research & Training Group for the Child Support Advisory Group.