## **JOTF** JOB OPPORTUNITIES TASK FORCE

## Advocating better skills, jobs, and incomes

## <u>TESTIMONY IN SUPPORT OF SB1006:</u> Child Support - Suspension of Payments and Arrears for Incarcerated Obligors -Modifications

TO: Hon. William Smith, Chair, and Members of the Senate Judicial Proceedings Committee

FROM: Christopher Dews, Policy Advocate

DATE: March 12, 2020

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that advocates for better jobs, skills training, and wages for low-income workers and job seekers in Maryland. JOTF supports Senate Bill 1006 as a means of eliminating the accrual of child support debt for individuals who are simply unable to pay.

Low-or-no-wage workers are paying 35% or more of their income to comply with child support orders, compared to only 12% for higher-income obligors. In 2015, NPR reported that 62% of Marylanders who owe child support make less than minimum wage, but owe at least \$10,000 in unpaid arrearages. They will never be able to pay off this debt. Studies show that non-custodial parents that accumulate arrearages have an estimated annual income of \$7,000. A University of Maryland School of Social Work study showed that custodial parents with the lowest income were 10 times more likely to have a payment retained by the State due to unpaid arrearages. Child support debt also triggers a suspended driver's license, arrest, or incarceration, which further complicates the ability for low-wage workers to secure and maintain employment.

Child support plays an invaluable role in the quality of a child's life and their trajectory toward a healthy and positive future. However, thousands of low-income, non-custodial parents have accumulated unpayable child support arrearages as a result of a change in their economic statuses, such as joblessness or incarceration. Paying child support while incarcerated is nearly impossible yet current law allows for arrearages to accrue for at least 18 months into the incarceration. Many formerly incarcerated citizens, an increasing number of whom are women, have accumulated unpayable arrears during their incarceration. Thus, upon release, obligors are facing crippling debt and have become disincentivized to make payments.

Senate Bill 1006 seeks to address this by dropping the arrears window down from 18 to six months, tremendously reducing the amount of unpayable arrears owed to the state by the obligor. This is a move in the right direction. JOTF acknowledges that the total negation of arrearage accrual at the time of sentencing should be the standard. This legislation would work wonders in incentivizing compliance as it is more realistic for the obligor. For these reasons, JOTF requests a favorable report on Senate Bill 1006.