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The Maryland House of Delegates
ANNAPOLIS, MARYLAND 21401

March 7, 2020

Testimony in Support of House Bill 367 – Child Support – Multifamily Adjustment

Good afternoon Mr. Chairman and members of the committee. Thank you for the opportunity to speak to you on behalf of **House Bill 367 – Child Support – Multifamily Adjustment and Deviation From Guidelines.**

This measure is a piece of the legislative package recommended by the Child Support Commission that did not achieve passage in previous sessions. House Bill 367 seeks to establish a formula for use in the child support obligation worksheet that would calculate an allowance for support of other children in either household to whom a parent owes a duty of support.

Basically, it would work as follows: To calculate child support, the court would subtract an allowance for support for each child living in a parent's home for whom the parent owes a legal duty of support if the child is not subject to the support order. The bill establishes the following formula for calculating this deduction:

1. The basic support obligation for each additional child in the parent's home must be determined according to the guidelines, using only the income of the parent entitled to the deduction.
2. This amount is to be multiplied by 75%.
3. This amount is to be subtracted from the parent's actual income before the child support obligation is computed.

Material explaining how this would work is attached to my testimony.

I respectfully request that the Committee issue a favorable report for House Bill 367.

Maryland Child Support Guidelines:

The Revision Project

Presented by:
Cindy Callahan
Kathleen Dumais
Meg McKinney
Deborah Reiser

PROPOSED NEW MULTI-FAMILY ADJUSTMENT

Assumptions:

- Father has two children from 1st marriage, and one child from 2nd marriage.
- Two children from first marriage live primarily with their mother
- Father pays child support under the sole custody guidelines.
- One child from second marriage lives with father and his wife.
- Father's income is \$75,000 per year.
- Mother of children from first marriage earns \$60,000 per year.
- No child care, health insurance, or other extra costs in either family.

The "Dummy Order" - Calculation of Multi-Family Adjustment:

Dad's Monthly Income = \$6,250

Basic child support at \$6,250/month, 1 kid = \$1,007.00

X 75%

Amount deducted from Father's income \$ 755.25

Calculation of New Support Amount for Children from First Marriage:

	<u>Mother</u>	<u>Father</u>	<u>Combined</u>
Monthly Income	\$ 5,000.00	\$ 6,250.00	
Minus Multi-Family Adjustment		\$ (756.00)	
Monthly Adjusted Actual Income	\$ 5,000.00	\$ 5,494.00	\$ 10,494.00
Percentage of Shared Income	47.6%	52.4%	
Basic Child Support Obligation			\$ 1,993.00
Each Parent's Support Obligation	\$ 949.00	\$ 1044.00	
Recommended Support Obligation		\$ 1044.00	¹

¹ Amount due under 2010 Guidelines without Multi-Family Adjustment would be \$1,187.

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- Two children from first marriage live primarily with their mother
- Father pays child support under the sole custody guidelines.
- Two children from second marriage live with father and his wife.
- Father's income is \$75,000 per year.
- Mother of children from first marriage earns \$60,000 per year.
- No child care, health insurance, or other extra costs in either family.

The "Dummy Order" - Calculation of Multi-Family Adjustment:

Dad's Monthly Income = \$6,250

Basic child support at \$6,250/month, 2 kids = \$1,450.00

X 75%

Amount deducted from Father's income \$ 1,087.50

Calculation of New Support Amount for Children from First Marriage:

	<u>Mother</u>	<u>Father</u>	<u>Combined</u>
Monthly Income	\$ 5,000.00	\$ 6,250.00	
Minus Multi-Family Adjustment		\$ (1,088.00)	
Monthly Adjusted Actual Income	\$ 5,000.00	\$ 5,162.00	\$ 10,162.00
Percentage of Shared Income	49.2%	50.8%	
Basic Child Support Obligation			\$ 1,911.00
Each Parent's Support Obligation	\$ 940.00	\$ 971.00	
Recommended Support Obligation		\$ 971.00	¹

¹ Amount due under 2010 Guidelines without Multi-Family Adjustment would be \$1,187.