
To: Members of The House Judiciary Committee

From: Family & Juvenile Law Section Council (FJLSC)
by Ilene Glickman, Esquire and Daniel Renart, Esquire

Date: February 6, 2020

Subject: **House Bill 367:**
Child Support – Multifamily Adjustment

Position: **SUPPORT**

The Maryland State Bar Association (MSBA) FJLSC **supports House Bill 367 – Child Support – Multifamily Adjustment.**

This testimony is submitted on behalf of the Family and Juvenile Law Section Council (“FJLSC”) of the Maryland State Bar Association (“MSBA”). The FJLSC is the formal representative of the Family and Juvenile Law Section of the MSBA, which promotes the objectives of the MSBA by improving the administration of justice in the field of family and juvenile law and, at the same time, tries to bring together the members of the MSBA who are concerned with family and juvenile laws and in reforms and improvements in such laws through legislation or otherwise. The FJLSC is charged with the general supervision and control of the affairs of the Section and authorized to act for the Section in any way in which the Section itself could act. The Section has over 1,200 attorney members.

MULTIFAMILY ADJUSTMENT

WHAT IS THE MULTIFAMILY ADJUSTMENT?

HB367, the multifamily adjustment, addresses the problem under current child support law of how to calculate – consistently and predictably - child support for a payor parent when either parent has other dependent children, not the subject of a child support order, living in his/her home.

Under current law, the child support guidelines are presumed to be the correct amount of child support when the parents’ combined incomes equal or are less than \$15,000.00 per month. The

presumption may be rebutted (and therefore a deviation from the guidelines permitted) if that parent has, living in his/her home, "other children to whom that parent owes a duty of support and the expenses for whom that parent is directly contributing." See Section 12-202(2)(iii)(2) Family Law Article, Annotated Code of Maryland.

While an adjustment is allowed now, as a deviation from the guidelines, there is no statutory standard or formula for calculating the deviation. Calculation of a deviation under existing law can be inconsistent. So, the same facts in the same case could result in a different deviation (and so a different amount of child support) when decided by different judges within the same courthouse or across different jurisdictions.

HB367 fixes the uncertainty by providing a standard formula. The formula is a two-step process:

- 1) The first step is to calculate child support guidelines for each parent who supports children in his/her household, using the total number of children in that parent's household that are not the subject of any child support order. This calculation is made using only the income of the parent supporting the in-home child(ren). The resulting child support is then multiplied by 75%. The resulting sum equals the adjustment deducted from the parent's income input into the step two calculation.
- 2) The second step is to calculate child support for the children in need of support, using the parents' incomes, minus the adjustments from the step one calculation, and any other inputs normally included in the child support guidelines calculation. The resulting figure is the amount of child support owed between the parents.

To illustrate, attached are child support guidelines calculations in two sample cases: 1) the Smiths; and, 2) the Roberts. Each sample case shows the differences in child support with and without the multifamily adjustment.

The Smiths:

In the Smith case, the father (James) has two children (Don and Jane) from a prior relationship and for whom child support needs to be calculated. James also has a child (Michael) from a later relationship, who lives with James.

Attached are three child support guidelines worksheet demonstrating the calculation of James's child support for Don and Jane using the multifamily adjustment and not using the multifamily adjustment.

- A) The first worksheet is a "dummy" guideline worksheet for James's theoretical child support obligation for the in-home child (Michael) living with him. That number is \$852.00/month, which

is multiplied by 75% (so, $\$852.00 \times 75\% = \639.00), which equals the adjustment to be made to James's income in the second worksheet.

- B) The second worksheet is the child support guidelines worksheet calculating James's child support for Don and Jane using the multifamily adjustment from the first worksheet. The adjustment is reflected in James's income, which has been reduced by the adjustment determined in the first worksheet. Instead of using James's income of $\$5,000.00/\text{month}$, James's adjusted income of $\$4,361.00/\text{month}$ (calculated as: $\$5,000/\text{month}$ minus $\$639.00$ adjustment from first worksheet = $\$4,361.00$) is used in the second worksheet. James's resulting child support for Don and Jane is $\$1,006.00/\text{month}$.
- C) The third worksheet illustrates James's child support obligation for Don and Jane without the multifamily adjustment, which is $\$1,086.00/\text{month}$.

THE MULTIFAMILY ADJUSTMENT RESULTED IN A REDUCTION IN CHILD SUPPORT FOR JAMES OF $\$80.00$ PER MONTH.

The Roberts:

In the Roberts case, the father (James) has two children (Don and Jane) from a prior relationship and for whom child support needs to be determined. James also has a child (Michael) from a later relationship, who lives with James. Don's and Jane's mother (Linda) also has a child (Ron) from a later relationship, who lives with Linda:

- A) The first worksheet is a "dummy" guideline worksheet for James's theoretical child support obligation for the in-home child (Michael) living with him. That number is $\$852.00/\text{month}$, which is multiplied by 75% (so, $\$852.00 \times 75\% = \639.00), which equals the adjustment to be made to James's income in the third worksheet.
- B) The second worksheet is a "dummy" guidelines worksheet showing Linda's theoretical child support obligation for the in-home child (Ron) living with her. That number is $\$395.00/\text{month}$, which is multiplied by 75% (so, $\$395.00 \times 75\% = \296.25), which equals the adjustment to be made to Linda's income in the third worksheet.
- C) The third worksheet is the child support guidelines worksheet calculating James's child support for Don and Jane using the multifamily adjustments from the first and second worksheets. The adjustments are reflected in James's and Linda's incomes, both of which have been reduced by the appropriate adjustment ($\$639.00$ adjustment for James and $\$296.25$ adjustment for Linda). Instead of using James's income of $\$5,000.00/\text{month}$ and Linda's income of $\$2,000.00/\text{month}$, James's adjusted income of $\$4,361.00/\text{month}$ and Linda's adjusted income of $\$1,704.00/\text{month}$ are used in the third worksheet (calculated as: for James = $\$5,000 - \$639 = \$4,361$; for Linda = $\$2,000 - \$296.25 = \$1,073.75$, rounded to $\$1,074$). James's resulting child support for Don and Jane is $\$1,023.00/\text{month}$.
- D) The fourth worksheet illustrates James's child support obligation for Don and Jane without the multifamily adjustment, which is $\$1,086.00/\text{month}$.

THE MULTIFAMILY ADJUSTMENTS RESULTED IN A REDUCTION IN CHILD SUPPORT FOR JAMES OF $\$63.00$ PER MONTH.

The multifamily adjustment is necessary for consistency and predictability when calculating child support obligations of parents who also have dependent children from other relationships in their homes.

DEVIATION FROM GUIDELINES

In addition to the multifamily adjustment, HB367, proposes modifications to Section 12-202(2) of the Family Law Article, Annotated Code of Maryland as to when the presumption that the child support guidelines are correct may be rebutted. HB367 provides the Court with the ability to deviate when ANY FINANCIAL CONSIDERATION renders a deviation in the best interests of the child who is the subject of the child support order. The current law has a more limited approach that may bar the deviation for a child for whom deviation is appropriate that does not fit squarely in one of the currently listed considerations.

For the reason(s) stated above, the MSBA **supports House Bill 367 and urges a favorable committee report.**

Should you have any questions, please contact Ilene Glickman by e-mail at ilene@lawhj.com or by telephone at (410) 821-8718.

In the Circuit Court For Montgomery County, Maryland											
JAMES SMITH vs. Plaintiff Defendant)))))))	Civil no. 12345FL									
<table style="width:100%; border: none;"> <tr> <th style="width: 25%;">Children</th> <th style="width: 25%;">Date of Birth</th> <th style="width: 25%;">Children</th> <th style="width: 25%;">Date of Birth</th> </tr> <tr> <td style="text-align: center;">Michael Smith</td> <td style="text-align: center;">08/08/2012</td> <td></td> <td></td> </tr> </table>				Children	Date of Birth	Children	Date of Birth	Michael Smith	08/08/2012		
Children	Date of Birth	Children	Date of Birth								
Michael Smith	08/08/2012										
		Mother	Father	Combined							
1. Monthly Actual Income-Before Taxes			5000	5000							
a. Minus pre-existing child support payment actually paid b. Minus alimony actually paid c. Plus/minus alimony awarded in this case											
2. Monthly Adjusted Actual Income		0	5000	5000							
3. Percentage of Shared Income											
Apply line 2 combined to Child Support Schedule		0	100%								
4. Basic Child Support Obligation				852							
a. Work-Related Child care expenses Code FL,12-204(g)				0							
b. Health Insurance Expenses Code FL,12-204(h)(1)				0							
c. Extraordinary Medical Expenses Code FL,12-204(h)(2)				0							
d. Cash Medical Support, Code, FL, 12-102(c)(3)(ii)		0	0	0							
e. Additional Expenses				0							
5. Total Child Support Obligation				852							
6. Each Parents Child Support Obligation (line 3 times line 5)		0	852								
7. Recommended Child Support Obligation											
a. Income apportioned credit/debit from line 4.		0	0								
8. Recommended Child Support Order			852								

Comments or special adjustments, including any adjustment for certain third party benefits paid to or for the child of an obligor who is disabled, retired, or receiving benefits as a result of a compensable claim (see Code, Family Law Article, §12-204 (j)).

Prepared by:

Date: **02/04/2015**

In the Circuit Court For Montgomery County, Maryland	
JAMES SMITH vs. Plaintiff Defendant	Civil no. 12345FL

Children	Date of Birth	Children	Date of Birth
Don Smith	06/06/2006		
Jane Smith	07/07/2008		

	Mother	Father	Combined
1. Monthly Actual Income-Before Taxes	2000	4361 ¹	6361
a. Minus pre-existing child support payment actually paid			
b. Minus alimony actually paid			
c. Plus/minus alimony awarded in this case			
2. Monthly Adjusted Actual Income	2000	4361	6361
3. Percentage of Shared Income			
Apply line 2 combined to Child Support Schedule	31.4%	68.6%	
4. Basic Child Support Obligation			1467
a. Work-Related Child care expenses Code FL, 12-204(g)			0
b. Health Insurance Expenses Code FL, 12-204(h)(1)			0
c. Extraordinary Medical Expenses Code FL, 12-204(h)(2)			0
d. Cash Medical Support, Code, FL, 12-102(c)(3)(ii)	0	0	0
e. Additional Expenses			0
5. Total Child Support Obligation			1467
6. Each Parents Child Support Obligation (line 3 times line 5)	461	1006	
7. Recommended Child Support Obligation			
a. Income apportioned credit/debit from line 4.	0	1006	
	0	0	
8. Recommended Child Support Order		1006	

Comments or special adjustments, including any adjustment for certain third party benefits paid to or for the child of an obligor who is disabled, retired, or receiving benefits as a result of a compensable claim (see Code, Family Law Article, §12-204 (j)).

* 1 \$5,000/month - \$639/month adjustment = \$4,361/month.

Prepared by:

Date: 02/04/2015

In the Circuit Court For Montgomery County, Maryland	
JAMES SMITH vs. Plaintiff Defendant	Civil no. 12345FL

Children	Date of Birth	Children	Date of Birth
Don Smith	06/06/2006		
Jane Smith	07/07/2008		

	Mother	Father	Combined
1. Monthly Actual Income-Before Taxes	2000	5000	7000
a. Minus pre-existing child support payment actually paid			
b. Minus alimony actually paid			
c. Plus/minus alimony awarded in this case			
2. Monthly Adjusted Actual Income	2000	5000	7000
3. Percentage of Shared Income			
Apply line 2 combined to Child Support Schedule	28.6%	71.4%	
4. Basic Child Support Obligation			1521
a. Work-Related Child care expenses Code FL, 12-204(g)			0
b. Health Insurance Expenses Code FL, 12-204(h)(1)			0
c. Extraordinary Medical Expenses Code FL, 12-204(h)(2)			0
d. Cash Medical Support, Code, FL, 12-102(c)(3)(ii)	0	0	0
e. Additional Expenses			0
5. Total Child Support Obligation			1521
6. Each Parents Child Support Obligation (line 3 times line 5)	435	1086	
7. Recommended Child Support Obligation			
a. Income apportioned credit/debit from line 4.	0	1086	
	0	0	
8. Recommended Child Support Order		1086	

Comments or special adjustments, including any adjustment for certain third party benefits paid to or for the child of an obligor who is disabled, retired, or receiving benefits as a result of a compensable claim (see Code, Family Law Article, §12-204 (j)).

Prepared by:

Date: **02/04/2015**

In the Circuit Court For Montgomery County, Maryland	
JAMES ROBERTS vs. Plaintiff LINDA ROBERTS Defendant	Civil no. 12345FL

Children	Date of Birth	Children	Date of Birth
Michael Roberts	08/08/2012		

	Mother	Father	Combined
1. Monthly Actual Income-Before Taxes a. Minus pre-existing child support payment actually paid b. Minus alimony actually paid c. Plus/minus alimony awarded in this case		5000	5000
2. Monthly Adjusted Actual Income	0	5000	5000
3. Percentage of Shared Income Apply line 2 combined to Child Support Schedule	0	100%	
4. Basic Child Support Obligation a. Work-Related Child care expenses Code FL, 12-204(g) b. Health Insurance Expenses Code FL, 12-204(h)(1) c. Extraordinary Medical Expenses Code FL, 12-204(h)(2) d. Cash Medical Support, Code, FL, 12-102(c)(3)(ii) e. Additional Expenses	0	0	852 0 0 0 0
5. Total Child Support Obligation			852
6. Each Parents Child Support Obligation (line 3 times line 5)	0	852	
7. Recommended Child Support Obligation a. Income apportioned credit/debit from line 4.	0 0	852 0	
8. Recommended Child Support Order		852	

Comments or special adjustments, including any adjustment for certain third party benefits paid to or for the child of an obligor who is disabled, retired, or receiving benefits as a result of a compensable claim (see Code, Family Law Article, §12-204 (j)).

Prepared by:

Date: **02/04/2015**

In the Circuit Court For Montgomery County, Maryland		
JAMES ROBERTS)	
vs. Plaintiff)	Civil no. 12345FL
LINDA ROBERTS)	
Defendant)	

	Children	Date of Birth	
Ron Roberts		08/08/2012	
	Mother	Father	Combined
1. Monthly Actual Income-Before Taxes a. Minus pre-existing child support payment actually paid b. Minus alimony actually paid c. Plus/minus alimony awarded in this case	2000		2000
2. Monthly Adjusted Actual Income	2000	0	2000
3. Percentage of Shared Income Apply line 2 combined to Child Support Schedule	100%	0	
4. Basic Child Support Obligation a. Work-Related Child care expenses Code FL, 12-204(g) b. Health Insurance Expenses Code FL, 12-204(h)(1) c. Extraordinary Medical Expenses Code FL, 12-204(h)(2) d. Cash Medical Support, Code, FL, 12-102(c)(3)(ii) e. Additional Expenses	0	0	395 0 0 0 0
5. Total Child Support Obligation			395
6. Each Parents Child Support Obligation (line 3 times line 5)	395	0	
7. Recommended Child Support Obligation a. Income apportioned credit/debit from line 4.	395 0	0 0	
8. Recommended Child Support Order	395		

Comments or special adjustments, including any adjustment for certain third party benefits paid to or for the child of an obligor who is disabled, retired, or receiving benefits as a result of a compensable claim (see Code, Family Law Article, §12-204 (j)).

Prepared by:

Date: **02/04/2015**

In the Circuit Court For Montgomery County, Maryland	
JAMES ROBERTS vs. Plaintiff LINDA ROBERTS Defendant	Civil no. 12345FL

Children	Date of Birth	Children	Date of Birth
Don Roberts	06/06/2006		
Jane Roberts	07/07/2008		

	Mother	Father	Combined
1. Monthly Actual Income-Before Taxes a. Minus pre-existing child support payment actually paid b. Minus alimony actually paid c. Plus/minus alimony awarded in this case	1704 ¹	4361 ²	6065
2. Monthly Adjusted Actual Income	1704	4361	6065
3. Percentage of Shared Income Apply line 2 combined to Child Support Schedule	28.1%	71.9%	
4. Basic Child Support Obligation a. Work-Related Child care expenses Code FL, 12-204(g) b. Health Insurance Expenses Code FL, 12-204(h)(1) c. Extraordinary Medical Expenses Code FL, 12-204(h)(2) d. Cash Medical Support, Code, FL, 12-102(c)(3)(ii) e. Additional Expenses	0	0	1423 0 0 0 0
5. Total Child Support Obligation			1423
6. Each Parents Child Support Obligation (line 3 times line 5)	400	1023	
7. Recommended Child Support Obligation a. Income apportioned credit/debit from line 4.	0 0	1023 0	
8. Recommended Child Support Order		1023	

Comments or special adjustments, including any adjustment for certain third party benefits paid to or for the child of an obligor who is disabled, retired, or receiving benefits as a result of a compensable claim (see Code, Family Law Article, §12-204 (j)).

* 2 \$5,000/month - \$639/month adjustment = \$4,361/month.

* 1 \$2,000/month - \$296.25 adjustment = \$1,073.75/month (rounded to \$1,704).

Prepared by:

Date: 02/04/2015

In the Circuit Court For Montgomery County, Maryland		
JAMES ROBERTS vs. Plaintiff LINDA ROBERTS Defendant)))))))	Civil no. 12345FL

Children	Date of Birth	Children	Date of Birth	
Don Roberts	06/06/2006			
Jane Roberts	07/07/2008			
		Mother	Father	Combined
1. Monthly Actual Income-Before Taxes		2000	5000	7000
a. Minus pre-existing child support payment actually paid				
b. Minus alimony actually paid				
c. Plus/minus alimony awarded in this case				
2. Monthly Adjusted Actual Income		2000	5000	7000
3. Percentage of Shared Income				
Apply line 2 combined to Child Support Schedule		28.6%	71.4%	
4. Basic Child Support Obligation				1521
a. Work-Related Child care expenses Code FL, 12-204(g)				0
b. Health Insurance Expenses Code FL, 12-204(h)(1)				0
c. Extraordinary Medical Expenses Code FL, 12-204(h)(2)				0
d. Cash Medical Support, Code, FL, 12-102(c)(3)(ii)		0	0	0
e. Additional Expenses				0
5. Total Child Support Obligation				1521
6. Each Parents Child Support Obligation (line 3 times line 5)		435	1086	
7. Recommended Child Support Obligation		0	1086	
a. Income apportioned credit/debit from line 4.		0	0	
8. Recommended Child Support Order			1086	

Comments or special adjustments, including any adjustment for certain third party benefits paid to or for the child of an obligor who is disabled, retired, or receiving benefits as a result of a compensable claim (see Code, Family Law Article, §12-204 (j)).

Prepared by: _____ Date: **02/04/2015**

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