

DATE: February 13, 2020

BILL NUMBER: HB 647 **COMMITTEE:** Judiciary

BILL TITLE: Child Support – Reporting of Employment Information

DHR POSITION: Support with Amendments

PRESENTED BY: Kevin P. Guistwite, Executive Director Child Support Administration,
Department of Human Services

Good afternoon, Chairman Clippinger, Vice Chair Atterbeary and Members of the Committee. I am Kevin Guistwite, Executive Director for the Child Support Administration (CSA) within the Maryland Department of Human Services. Thank you for the opportunity to testify in support of House Bill (HB) 647 with amendments.

Federal and State law requires employers to report newly hired and re-hired employees in Maryland to the Maryland State Directory of New Hires. The purpose of this is to facilitate the matching of new hires against state and national child support records to locate parents, establish a child support order, or enforce an existing order. Currently, while the Child Support Administration of the Department of Human Services administers the State Directory of New Hires, statutory authority lies with the Department of Labor.

This proposed legislation will clarify existing statutory authority for the State Directory of New Hires by amending the Family Law Article. These changes to the Maryland Code simply codify the existing administrative framework. It does not create new obligations for either the Department of Labor or the Child Support Administration of the Department of Human Services.

Also, as more and more Marylanders enter the economy as Independent Contractors, it is critical that the existing statutes related to the State Directory of New Hires are updated to reflect the new reality. Hence, this proposed legislation would further amend Family Law Article § 10-101(c) to add subsection (3) to define earnings as monies received by an independent contractor as reported on the IRS Form 1099. It would require the reporting of these independent contractors to the State Directory of New Hires for the purpose of increasing child support collections for Maryland families.

The Department of Human Services worked with the Department of Labor in drafting this legislation. We are working with our sister agency to draft the necessary technical amendments. For example, due to drafting error, § 8-627 was incorrectly deleted from the Labor and Employment Article, and copied to Family Law. We are finalizing these technical corrections now. We deeply appreciate our partners at the Department of Labor, and the support they have shown for this bill that will positively impact Maryland children and families.

For these reasons, I strongly urge a favorable report by the Committee for HB 647. Thank you for the opportunity to testify in support of this bill and I am happy to answer any questions you may have.