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# THE SENATE OF MARYLAND ANNAPOLIS, MARYLAND 21401

## **TESTIMONY IN SUPPORT OF SENATE BILL 174:**

Child Support - Suspension of Driver's Licenses

Good afternoon Chairman Clippinger, Madam Vice Chair Bartlett, and members of the Judiciary Committee. For the record, I am Senator Anthony Muse. I am here today presenting Senate Bill 174, which was drafted to minimize the negative systemic impacts of the Child Support Enforcement Agency's automated license suspension mechanism and ensure that this enforcement tool is used only in "appropriate cases."

Mobility is key in Maryland's regional economy. The Census Bureau reported that almost 40% of Marylanders travel outside their county for employment. This statistic is more pronounced for lower-income communities of color where there is a scarcity of jobs available by public transit.

- For example, only 8.5% of jobs in the Baltimore region can be reached within one hour, one-way by public transit.
- b. More concerning is that many employers in these communities won't hire individuals without a valid license as driving is central to the position (construction, UBER, Grubhub, door-to-door sales).
- c. Thus, a valid driver's license and a vehicle are necessary for economic sustainability.

### The Impact on Marylanders

The suspension mechanism is automated through the Child Support Enforcement Agency, and no determination is made as to whether a suspension would be appropriate. Maryland Legal Aid and the University of Baltimore have reported individuals who are disabled, not in arrears, or with primary custody of their children, having their licenses suspended. Child Support Debt Across Maryland, 50 percent of noncustodial parents in the state child support program caseload were employed in 2017, and 43 percent of these earned minimum wages or less but owe an average of \$10,000 in unpaid arrearages. They will never pay down this debt, especially when the current law magnifies the issue by crippling their mobility. Additionally, a report cited by the Abell Foundation found that 42% of individuals who had their licenses suspended lost jobs as a result of the suspension, 45% of those who lost jobs could not find another job, and 88% of those who were able to find another job reported a decrease in income.

Further, Senate Bill 174 seeks to resolve this by ensuring that before the Child Support Enforcement Administration notifies the MVA of an obligor in arrears, a circuit court hearing needs to be established to determine if the suspension is appropriate. It proceeds to determine that a suspension is not appropriate for the obligor if:

- The minor lives primarily with the obligor;
- The obligor is disabled and unable to work;

- Suspension would cause the obligor to be out of compliance with another court order;
- Suspension would ruin the ability to assist the custodial parent with the child's transportation needs;
- The suspension would risk the loss of employment or employment opportunities;
- The obligor could not pay or is making arrangements to pay;
- If the suspension would place an undue hardship on the obligor or the family;
- The reported arrearage amount is not accurate; or
- The Administration has agreed with the obligor through the payment incentive program.

I have been working with the House Sponsor on amendments that will restore the current notification process to the bill so that DHS can contact the obligor multiple times before the issue goes to court, **significantly reducing the fiscal note.** 

This is a rational approach to ensuring that the state is not needlessly endangering the well-being of families by limiting the obligor's access to employment and ability to support their child.

Below is a step-by-step process of how it would work as amended. The House Sponsor can speak about the amendments and process in detail.

In closing, SB 174 is a rational approach to ensuring that the state is not needlessly endangering the well-being of families by limiting the obligor's access to employment and quality time with their child.

For these reasons, I urge a favorable report as amended for SB 174.

#### **HB0311/SB174 Process Summary**

#### The goal of this Summary

To display how HB0311/SB174 with the sponsor amendments would work in current law.

**After** the Child Support Administration has accepted an assignment of support under § 5–312(b)(2) of the Human Services Article; and

**After** the Administration has tried to subject the obligor's funds to other support enforcement tools such as:

- Withhold child support from wages and unemployment benefits, Workers' Compensation claims, etc;
- Intercept federal and state tax refunds to pay child support arrears;
- Intercept Maryland lottery winnings to pay child support arrears; or
- Garnish accounts at financial institutions

HB311/SB174 would make changes to **Article – Family Law § 10–119** in accordance with <u>Federal Code 42 U.S.C.A. § 666 (a16)</u> to ensure that license suspension is only done in "appropriate cases."

HB311/SB174 *now* states that the suspension of a driver's license is only appropriate <u>IF</u> the court finds that an obligor who is 120 days or more out of compliance with the most recent order of the court in making child support payments after the following steps:

- 1. The Administration sends written notice of the proposed suspension to the obligor, including notice of the obligor's right to request an investigation on any of the grounds provided in **Family Law § 10–119 (c) (1) (i)**, and gives them 60 days to respond to the notification;
  - a. If the obligor requests an investigation:
    - i. the Administration sends an acknowledgment of the request for an investigation to the obligor by first-class mail and
    - ii. provides them 30 days to respond;
  - b. If the obligor does not request an investigation
    - i. proceed to Step #3
- 2. After receiving the request, The Administration:
  - a. conducts an investigation, considers the obligor's response, notifies the obligor of the results of the investigation and tries to reach an agreement;
  - b. If the Administration is unable to reach an agreement with the obligor regarding a schedule for payment of the obligor's child support arrearage;
    - i. proceed to Step #3
- 3. The Administration petitions the court and serves the obligor in accordance with the Maryland Rules;