

Department of Legislative Services

Maryland General Assembly

2001 Session

FISCAL NOTE

House Bill 555 (Delegate Shriver)

Judiciary

Family Law - Child Support Arrearage - Child Support Enforcement Car Boot Pilot Program

This bill establishes a two-year child support enforcement car boot pilot program, administered by the Child Support Enforcement Administration (CSEA) in Anne Arundel and Baltimore counties and grants immunity to a sheriff from any civil liability or criminal penalty that may result from any good faith action taken to execute the provisions of this Act.

Fiscal Summary

State Effect: Total expenditures increase by \$137,500 in FY 2002 (\$46,750 general funds and \$90,750 federal funds), which includes a \$85,260 one-time cost for the purchase of equipment. Expenditures in 2003 increase with annualization and inflation. Potential special fund revenue increase to the extent that the bill's provisions lead to increased child support collections from Temporary Cash Assistance (TCA) recipients. The actual impact depends upon the amount of additional child support collected in vehicle immobilization cases and whether the payments are made on behalf of TCA recipients.

(in dollars)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
SF Revenue	-	-	-	-	-
GF Expenditure	137,500	70,400	0	0	0
Net Effect	(\$137,500)	(\$70,400)	\$0	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: Local sheriff's offices, at the direction of the local child support enforcement office, are required to place an immobilizing boot and a notice on the obligor's vehicle. The impact of this bill on local revenues, expenditures, and staffing

cannot be reliably determined at this time. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: Potential minimal to the extent that vehicle immobilization boots are purchased from small businesses.

Analysis

Bill Summary: The bill allows the director of the local child support enforcement offices or the director's designee to authorize placement of an immobilizing boot on an obligor's vehicle as a method of enforcement for child support arrearage. This action will be used when the obligor is 60 days or more out of compliance with the most recent support payment order and other conventional enforcement remedies have failed. The vehicle must be solely owned by the obligor, co-owned with the obligor's current spouse, or owned by a business where the obligor is the sole proprietor. Prior to having the boot placed, the office must verify ownership, record a lien, and send the obligor a notice of intent to boot the vehicle by certified mail. If the obligor contacts the enforcement office in response to the certified letter, negotiations on avoiding boot placement and a settlement for child support arrearage will begin. Failure to respond to the certified letter in the time allotted will result in the vehicle being booted. The certified letter will also inform the obligor of the date on which the boot shall be placed, the steps for boot removal, the payment of administrative fees, and the amount of time allowed to contact the office to begin negotiations for settlement of arrearage. If the obligor does not contact the enforcement office after the vehicle has been immobilized, the vehicle may be deemed abandoned and sold. The local child support enforcement office must establish regulations and standards of conformity for the implementation of these provisions.

The local child support enforcement office is required to assume the costs of boot purchase, maintenance, and repair in order to implement the provisions of this bill, and to supply boots to the sheriff's office.

On or before July 1, 2002, and annually thereafter, the Secretary of Human Resources is required to report to the Governor and the General Assembly on the operation and performance of the pilot program. This bill sunsets June 30, 2003.

Current Law: Nonpayment of child support and support payment arrearage may result in the suspension of driving privileges, suspension or denial of occupational licenses, earnings withholding, a lien on real or personal property, or fines and imprisonment. No provisions authorize the placement of an immobilizing boot on an obligor's vehicle.

Background: This bill uses license suspension as the model for successful child support payment enforcement by including many of the provisions used since 1996 in the CSEA Driver License Suspension Program. The CSEA license suspension program has led to increased child support collections. This bill has similar stipulations applied prior to completing the enforcement action, including 60 days or more of noncompliance and sending a written notice of intent that must present an opportunity for contact with the enforcement office for settlement prior to any enforcement action. The Department of Human Resources plans to use license suspension and vehicle immobilization simultaneously when conventional collection methods have failed. In fiscal 2000 Baltimore County had 1,164 license suspensions and Anne Arundel County had 923 license suspensions, for a total of 2,087 suspensions as a result of the program. The fiscal effect of this bill is based on 2,087 potential enforcement actions annually.

State Revenues: State special fund revenues could increase to the extent that the bill's provisions lead to increased child support collections. The true impact depends upon the amount of additional child support actually collected in cases where the obligor had a vehicle immobilized and the support payments are made for TCA recipients. TCA recipients must assign their support rights to the State and federal government as partial reimbursement for TCA payments made in support of the children. As a result, TCA child support collections are distributed 50% to the State and 50% to the federal government. The amount of any increase cannot be accurately quantified at this time, but is expected to be minimal.

State Expenditures: Total expenditures increase by \$137,539 in fiscal 2002, including \$46,763 in general funds for the 34% State share of child support enforcement costs. Federal matching fund expenditures will increase by \$90,776 in fiscal 2002 for the remaining 66% share of total cost.

This estimate assumes: (1) 2,087 referrals in fiscal 2002, or a maximum of 174 attachments per month, based on the number of driver's license suspensions in fiscal 2000; (2) the purchase of 174 vehicle-immobilizing boots at a cost of \$490 each for distribution to the local enforcement offices; (3) boot attachment will be conducted by the local sheriff's office for a placement cost of \$30 per boot; and (4) 2,087 notices sent by certified mail at \$3.40 each for postage. Out-year estimates reflect a constant number of obligors (2,087), annualization, and inflation.

Any increase in workload for administering the bill's provisions could be handled using existing resources.

Local Fiscal Effect: An increase in sheriff's office or local enforcement office personnel may be needed, depending on the number of vehicles to be immobilized, current

workloads, and current parking enforcement methods. The counties may be able to handle the increase in workload using the \$30 fee combined with existing personnel and resources.

Additional Information

Prior Introductions: A similar bill was introduced during the 2000 session as SB 558 and received an unfavorable report from the Senate Judicial Proceedings Committee.

Cross File: SB 502 (Senator Bromwell) – Judicial Proceedings.

Information Source(s): Department of Transportation, Department of Human Resources (Child Support Enforcement Administration), Department of Legislative Services

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