

Department of Legislative Services  
 Maryland General Assembly  
 2025 Session

FISCAL AND POLICY NOTE  
 Third Reader - Revised

House Bill 110  
 Judiciary

(Delegate Simpson, *et al.*)

Judicial Proceedings

Child Support - Suspension of Driver's Licenses

This bill extends, from 60 to 120 days, the period during which the holder of a noncommercial driver’s license may be out of compliance with a child support order before the Child Support Administration (CSA) is authorized to notify the Motor Vehicle Administration (MVA) to begin the process to suspend the obligor’s license. Among other provisions, the bill also (1) expands the grounds on which an obligor may request an investigation prior to a driver’s license suspension and (2) authorizes CSA to initiate a suspension by notifying MVA *only* if CSA has verified that suspension of an obligor’s driver’s license is appropriate because the obligor has the funds to pay but is making the free and conscious choice to withhold payment or is voluntarily impoverished, as specified.

Fiscal Summary

**State Effect:** State expenditures increase by \$403,200 in FY 2026 (of which 34% is general funds/66% is federal funds) for one-time programming costs at the Department of Human Services (DHS); future year expenditures reflect ongoing maintenance costs of approximately \$65,000 annually. Federal fund matching revenues correspondingly increase with federal fund expenditures. Minimal decrease in general fund fine revenues, as discussed below.

(in dollars)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
GF Revenue	(-)	(-)	(-)	(-)	(-)
FF Revenue	\$266,100	\$42,900	\$42,900	\$42,900	\$42,900
GF/FF Exp.	\$403,200	\$65,000	\$65,000	\$65,000	\$65,000
Net Effect	(-)	(-)	(-)	(-)	(-)

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

**Local Effect:** The bill is not anticipated to materially affect local government finances or operations.

**Small Business Effect:** Minimal.

## Analysis

### Bill Summary/Current Law:

#### *Applicable Period of Noncompliance – Driver’s License Suspensions*

Statute establishes procedures by which MVA is generally required to suspend an individual’s noncommercial driver’s license after receiving notice from CSA that the individual is at least 60 days out of compliance with the most recent court order in making child support payments (120 days for commercial licenses). The bill extends the applicable period of noncompliance to 120 days for noncommercial driver’s licenses.

#### *Procedural Requirements Prior to Suspensions*

Under current law, before providing any information to MVA, CSA must send *written* notice of the proposed suspension action to an obligor, including notice of the obligor’s right to request an investigation on any of the following grounds: (1) the information regarding the reported arrearages is inaccurate; (2) suspension of the obligor’s license or privilege to drive would be an impediment to the obligor’s current or potential employment; or (3) suspension of the obligor’s license or privilege to drive would place an undue hardship on the obligor because of the obligor’s inability to comply with the court order or a documented disability resulting in a verified inability to work. The bill specifies the notice from CSA must also be sent by electronic means. CSA is also prohibited from sending any information about an obligor to MVA if (1) CSA reaches an agreement with the obligor regarding a scheduled payment of child support arrearages (or a court issues an order for a scheduled payment) and (2) the obligor is complying with the agreement (or court order).

The bill alters and expands these grounds, instead authorizing an obligor to request an investigation based on the following grounds:

- the information regarding the reported arrearage is inaccurate;
- the minor child is residing primarily with the obligor;
- the obligor has a documented disability resulting in a verified inability to work;
- suspension of the obligor’s license or privilege to drive would be an impediment to current or potential employment;
- the obligor does not have the ability to pay and is making reasonable efforts to become or remain employed;
- CSA reached an agreement with the obligor, including through a payment incentive program, for a scheduled payment of the arrearages, or the court issued an order for

a scheduled payment of the arrearages, and CSA determines the obligor is complying with the agreement or order;

- suspension of the obligor’s license or privilege to drive would be an impediment to the obligor’s ability to assist with the transportation needs of the minor child; or
- suspension of the obligor’s license or privilege to drive would place an undue hardship on the minor child, the child support payment recipient, or the obligor.

Under current law, an obligor may appeal the results of an investigation to the Office of Administrative Hearings (OAH). If, after an investigation (or appeal), CSA finds that one of the circumstances specified above (under current law) exists, CSA may not send any information about the obligor to MVA. The bill (1) prohibits CSA (after an investigation or appeal) from sending information about the obligor to MVA if it finds that one of the aforementioned grounds exists and (2) authorizes CSA to send information *only if* CSA verifies that suspension of the obligor’s license or privilege to drive is appropriate because the obligor has the funds to pay but is making the free and conscious choice to withhold payment or is voluntarily impoverished, as defined below.

Pursuant to the Family Law Article, “voluntarily impoverished” means that a parent has made the free and conscious choice, not compelled by factors beyond the parent’s control, to render the parent without adequate resources.

#### *Additional Notice Requirements – Motor Vehicle Administration*

Statute also requires, prior to a suspension, for MVA to send written notice of the proposed action to the obligor, including notice of the obligor’s right to contest the accuracy of the information. However, the challenge must be limited to the issue of mistaken identity. Similarly, an obligor may appeal a decision of MVA to suspend the license/privilege to drive; the issue at such a hearing must be limited to that of mistaken identity. The bill also requires MVA to make reasonable attempts to notify the obligor, as specified.

#### *Reinstatement and Expungement*

Under current law, CSA must notify MVA to reinstate the obligor’s license or privilege to drive if specified circumstances are applicable (*e.g.*, the obligor’s arrearage is paid in full). CSA may request that MVA expunge a record of a suspension of license or privilege to drive for failure to pay child support if an obligor is (1) enrolled in – and compliant with – an approved employment program or (2) the information reported by CSA that led to the suspension was inaccurate.

**State Fiscal Effect:** General and federal fund expenditures for DHS increase by \$403,200 in fiscal 2026 (of which 34% is general funds/66% is federal funds) for one-time programming costs to facilitate the collection of relevant information through the

Child Support Management System (CSMS); future year expenditures include ongoing maintenance costs of approximately \$65,000 annually. Federal fund matching revenues correspondingly increase with federal fund expenditures. Because the bill requires CSA to make a determination that suspension of an obligor's license is appropriate (and that the obligor has the funds to pay but is making the free and conscious choice to withhold payment or is voluntarily impoverished) before sending the obligor's information to MVA, CSA needs to collect additional information on obligors through CSMS. DHS advises the programming updates will (1) improve the tracking of obligors' efforts to become employed; (2) include tracking the residency or custody of the children in court orders; (3) modify the notices sent to obligors to make them more distinguishable; and (4) enhance the automation of notifications through CSMS. Otherwise, DHS can implement the bill using existing personnel resources.

The Judiciary, OAH, and the Maryland Department of Transportation can implement the bill using existing budgeted resources.

Because the bill extends the time during which an obligor may be out of compliance before CSA initiates suspension efforts – and establishes more stringent requirements that must be satisfied prior to the initiation – the number of citations issued to individuals driving with a suspended driver's license is likely to decline, at least minimally, with a corresponding decrease in general fund revenues. An individual convicted of driving with a license that is suspended due to nonpayment of child support is subject to a fine of up to \$500, may not prepay the fine, and must appear in court. Additionally, three points are assessed against the person's license.

MVA advises that it does not charge a fee for a driver's license reinstatement if a person shows they are in compliance after a suspension. Therefore, Transportation Trust Fund revenues are not materially affected by the bill.

**Additional Comments:** As a condition of receiving certain federal funding, states must have a process by which licenses are suspended in appropriate cases. More specifically, standards under the federal Title IV-D program, which provides significant funding for states to conduct child support services, require states to have certain laws to improve child support enforcement effectiveness, including the authority to withhold or suspend driver's licenses of individuals owing overdue child support. These elements – among others – are generally required as part of every state plan for child and spousal support. Further, as a condition of receiving federal Temporary Assistance for Needy Families funding, states must certify that they are operating a child support enforcement program under an approved state plan. The Department of Legislative Services (DLS) notes that the circumstances under which an obligor's license may be suspended vary widely among the states, according to a review of applicable statute. Further, nothing in the federal law or implementing rules appears to specifically provide that provisions within this bill would

violate such requirements; however, DLS notes that any such determination would be made by the federal Office of Child Support Services.

---

### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years; however, legislation with similar provisions has been proposed. For example, see HB 311 and SB 174 of 2024.

**Designated Cross File:** SB 106 (Senator Muse) - Judicial Proceedings.

**Information Source(s):** Montgomery County; Office of the Attorney General; Judiciary (Administrative Office of the Courts); Department of Human Services; Maryland Department of Transportation; Office of Administrative Hearings; Department of Legislative Services

**Fiscal Note History:** First Reader - February 14, 2025  
caw/jkb Third Reader - March 26, 2025  
Revised - Amendment(s) - March 26, 2025

---

Analysis by: Amanda L. Douglas

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510