

Chapter 868

(Senate Bill 16)

AN ACT concerning

Child Support – Earnings Withholdings Limits

FOR the purpose of ~~specifying that the amount of earnings withholding or a wage withholding order for child support may not exceed a certain percentage of the obligor's disposable earnings under certain circumstances; requiring an earnings withholding order or earnings withholding notice sent to an obligor's employer to include information on certain limits on earnings withholding; *specifying that, for purposes of earnings withholding, the amount deducted from the obligor's earnings may not exceed a certain percentage of the obligor's disposable earnings under certain circumstances;*~~ authorizing an employee to contest the amount of an earnings withholding order based on certain limits; and generally relating to limits on the amount of earnings withholding for child support obligors.

BY repealing and reenacting, without amendments,
 Article – Family Law
 Section 10–101(a) and (b)
 Annotated Code of Maryland
 (2019 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, with amendments,
 Article – Family Law
 Section ~~10–122, 10–128~~ 10–129(a), ~~10–138~~, and 12–102.3
 Annotated Code of Maryland
 (2019 Replacement Volume and 2025 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 That the Laws of Maryland read as follows:

Article – Family Law

10–101.

(a) In this title the following words have the meanings indicated.

(b) “Administration” means the Child Support Administration of the Department of Human Services.

10–129.

(a) **(1)** [On] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION AND THE FEDERAL CONSUMER CREDIT PROTECTION ACT, ON receipt of a copy of an earnings withholding order or earnings withholding notice an employer shall, beginning with the next pay period after receipt of the earnings withholding order or earnings withholding notice:

[(1)] (I) deduct the amount of the withholding from the obligor's earnings on a regular basis; and

[(2)] (II) send the deducted net amount directly to the State disbursement unit within 7 days not including Saturday, Sunday, or a legal holiday after the day on which the earnings are paid to the obligor.

(2) THE AMOUNT DEDUCTED UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY NOT EXCEED 35% OF THE OBLIGOR'S DISPOSABLE EARNINGS IF THE OBLIGOR'S DISPOSABLE EARNINGS INDIVIDUAL INCOME FOR THE CURRENT YEAR ~~DO~~ DOES NOT EXCEED 250% OF THE FEDERAL POVERTY GUIDELINES FOR A FAMILY OF ONE, UNLESS THE OBLIGOR WAS DETERMINED TO BE VOLUNTARILY IMPOVERISHED AT THE TIME OF THE MOST RECENT COURT ORDER.

~~10-122.~~

~~(a) IN THIS SECTION, "DISPOSABLE EARNINGS" MEANS THAT PART OF THE EARNINGS OF AN INDIVIDUAL REMAINING AFTER THE DEDUCTION FROM THOSE EARNINGS OF ANY AMOUNTS REQUIRED BY LAW TO BE WITHHELD.~~

~~(B) The amount of the earnings withholding [shall]:~~

~~(1) SHALL be enough to pay the support and any arrearage included in the payments required by the support order; [and]~~

~~(2) SHALL include any arrearage accrued since the support order; AND~~

~~(3) MAY NOT EXCEED 25% OF THE OBLIGOR'S DISPOSABLE EARNINGS FOR THE COMBINED SUPPORT ORDER AND ARREARAGE IF THE OBLIGOR'S INDIVIDUAL INCOME FOR THE CURRENT YEAR DOES NOT EXCEED 250% OF THE FEDERAL POVERTY GUIDELINES, UNLESS THE OBLIGOR WAS DETERMINED TO BE VOLUNTARILY IMPOVERISHED AT THE TIME OF THE MOST RECENT COURT ORDER.~~

~~[(b)] (C) (1) (i) When arrearages under subsection [(a)(2)] (B)(2) of this section are part of an earnings withholding order or earnings withholding notice, the total arrearage withheld shall be in one lump-sum payment or apportioned over a period of time.~~

~~(ii) The amount of the arrearage withheld under subparagraph (i) of this paragraph shall be determined by the tribunal or, in a case in which the Administration is providing support services, by the Administration.~~

~~(2) The amount of arrears under subsection [(a)(2)] (B)(2) of this section apportioned to each payment shall be at least \$1 but not more than 25% of the current support payment.~~

~~[(e)] (D) If there is more than one earnings withholding order or earnings withholding notice against a single obligor, the Administration shall allocate amounts available for withholding, giving priority to current support, up to the limits imposed by the federal Consumer Credit Protection Act.~~

~~10-128.~~

~~(a) An earnings withholding order or an earnings withholding notice sent to the obligor's employer shall:~~

~~(1) be a separate document, and not include any other orders or pleadings; and~~

~~(2) include only the following information:~~

~~(i) the amount to be withheld from the obligor's earnings including explanation of the application of the federal Consumer Credit Protection Act limits OR THE LIMITS UNDER § 10-122 OF THIS SUBTITLE;~~

~~(ii) that subject to further orders of the tribunal, the employer is required to withhold the stated amount on a regular and continuing basis commencing on the beginning of the next pay period after receipt of the earnings withholding order or the earnings withholding notice;~~

~~(iii) that the employer may deduct and retain from the employee's earnings an additional \$2 for each deduction made under the earnings withholding order or earnings withholding notice;~~

~~(iv) that the net amount withheld is to be sent promptly to the State disbursement unit; and~~

~~(v) any other information that the employer needs to comply with the earnings withholding order or earnings withholding notice.~~

~~(b) An earnings withholding order or earnings withholding notice is binding on each present and future employer of the obligor on whom a copy of the earnings withholding order or earnings withholding notice is served.~~

~~(e) Subject to federal law, an earnings withholding order or earnings withholding notice under this Part III of this subtitle has priority over any other lien or legal process.~~

~~(d) The copy of the earnings withholding order or earnings withholding notice served on the employer of the obligor shall contain a statement that upon willful violation of the earnings withholding order or earnings withholding notice the employer shall be subject to civil penalties.~~

~~10-138.~~

~~(a) Upon request of the obligor, the court shall immediately authorize service of an earnings withholding order.~~

~~(b) Notwithstanding any other provision of this Part III, a court may at any time issue an earnings withholding order, in a contempt or other proceeding, if:~~

~~(1) the recipient or the support enforcement agency has filed a petition that includes a request for an earnings withholding order; and~~

~~(2) the obligor is in arrears in support payments of more than 30 days.~~

~~(c) A hearing shall be held if the obligor appears and contests the issuance of the order.~~

~~(d) The amount of the wage withholding order entered under this subsection:~~

~~(1) shall be enough to pay the support as originally entered by the court;~~
~~[and]~~

~~(2) may include a part of the arrearage; AND~~

~~(3) MAY NOT EXCEED 25% OF THE OBLIGOR'S DISPOSABLE EARNINGS FOR THE COMBINED SUPPORT ORDER AND ARREARAGE IF THE OBLIGOR'S INDIVIDUAL INCOME FOR THE CURRENT YEAR DOES NOT EXCEED 250% OF THE FEDERAL POVERTY GUIDELINES FOR A FAMILY OF ONE, UNLESS THE OBLIGOR WAS DETERMINED TO BE VOLUNTARILY IMPOVERISHED AT THE TIME OF THE MOST RECENT COURT ORDER.~~

~~12-102.3.~~

~~(a) (1) This section applies to administrative contests of withholdings from an employee's earnings made by an employer for the purpose of complying with this title.~~

(2) Nothing in this section may be construed to limit an employee's right to judicially contest an underlying court order requiring the employee to provide health insurance coverage for the employee's child.

(b) (1) An employee may only contest a withholding under this section based on a mistake of fact.

(2) The only issues that may be contested are:

(i) the identity of the employee;

(ii) whether there is an underlying court order requiring the employee to provide health insurance coverage for the employee's child;

(iii) that the amount of the withholding exceeds the limits of the federal Consumer Credit Protection Act **OR THE LIMITS UNDER § ~~10-122~~ 10-129 OF THIS ARTICLE**; and

(iv) that the child for whom health insurance coverage is sought is emancipated.

(c) An employee may contest a withholding by sending a written request for an investigation to the Administration within 15 days after receiving notice of the withholding from the employer.

(d) If an employee requests an investigation, the Administration:

(1) shall conduct an investigation within 15 days after the request; and

(2) on completion of the investigation, shall notify the employee of the results of the investigation and the employee's right to appeal the decision of the Administration to the Office of Administrative Hearings.

(e) (1) (i) An employee may appeal the Administration's decision to the Office of Administrative Hearings by filing a written request for a hearing with the Administration or the Office of Administrative Hearings.

(ii) The request for a hearing shall be made:

1. on a form provided by the Administration; and

2. within 15 days after receiving the written results of the Administration's investigation.

(2) The only issues that may be contested in an administrative hearing are:

- (i) the identity of the employee;
 - (ii) whether there is an underlying court order requiring the employee to provide health insurance coverage for the employee's child;
 - (iii) that the amount of the withholding exceeds the limits of the federal Consumer Credit Protection Act **OR THE LIMITS UNDER § ~~10-122~~ 10-129 OF THIS ARTICLE**; and
 - (iv) that the child for whom health insurance coverage is sought is emancipated.
- (3) An appeal under this section shall be conducted in accordance with Title 10, Subtitle 2 of the State Government Article.
- (f) Enrollment of the employee's child may not be stayed or terminated until the employer receives written notice that the contest is resolved in the employee's favor.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, ~~2026~~ 2028.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 31, 2026.