

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 324
Judiciary

(Delegates Simpson and Taylor)

Family Law - Child Support - Assignment of Rights

This bill specifies that only in limited circumstances, where the Social Services Administration (SSA) (or its designee within the Department of Human Services (DHS)) finds it appropriate, may action be taken to secure an assignment to the State of any rights to support on behalf of a child receiving foster care maintenance payments. It may also take action, when appropriate, to discontinue an assignment of rights to support and terminate existing support orders for a child receiving foster care maintenance payments. The Secretary of Human Services must adopt rules and regulations to implement these provisions. Finally, the bill requires the court to terminate a child support order that was previously established or assigned for a child receiving a foster care maintenance payment, without a showing of material change of circumstances, on the filing for a termination by specified entities after SSA (or its designee) determines that the order is no longer appropriate.

Fiscal Summary

State Effect: General/federal fund expenditures for DHS increase by \$98,500 in fiscal 2027 only for one-time programming costs. Federal fund matching revenues increase by an estimated \$49,300. Special fund revenues decrease by approximately \$120,000 in FY 2027 and \$160,000 on an annual basis. Operational efficiencies are likely to be realized, as discussed below. The bill is not anticipated to materially affect the workload of the Judiciary.

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

Small Business Effect: None.

Analysis

Current Law:

Modifications of Child Support Awards

Generally, in a proceeding to establish or modify child support, whether *pendente lite* or permanent, the court is required to use the child support guidelines. The basic child support obligation is established in accordance with a schedule provided in statute. The schedule uses the combined monthly adjusted actual income of both parents and the number of children for whom support is required to determine the basic child support obligation.

The court may modify a child support award subsequent to the filing of a motion for modification and upon a showing of a material change of circumstance. The court may not retroactively modify a child support award prior to the date of the filing of the motion for modification.

Out-of-Home Placement and Foster Care – Generally

The local department of social services must provide 24 hour per day care and supportive services for a child who is committed to its custody or guardianship in an out-of-home placement on a short-term basis or placed in accordance with a voluntary placement agreement. A child may not be committed to the custody or guardianship of a local department of social services and placed in an out-of-home placement solely because the child's parent or guardian lacks shelter or has a disability or solely because the child's parents are financially unable to provide treatment or care for a child with developmental disability or mental illness.

Unless a court orders otherwise, reasonable efforts must be made to preserve and unify families (1) prior to the placement of a child in an out-of-home placement, to prevent or eliminate the need for removing the child from the child's home, and (2) to make it possible for a child to safely return to the child's home.

Foster Care Assistance/Maintenance Payments and Child Support

As a condition of receiving certain Title IV-E federal funds, states must have an approved plan that satisfies numerous requirements. This includes a requirement for a state's plan to provide, *where appropriate*, that all steps will be taken to secure an assignment to the state of any rights to support on behalf of each child receiving foster care maintenance payments, as specified

State Fiscal Effect: General and federal fund expenditures increase by a total of \$98,520 in fiscal 2027 only for necessary programming updates at DHS; federal fund matching revenues correspondingly increase by an estimated \$49,260

DHS advises that as of January 2026, there were a total of 2,428 out-of-home cases referred to the Child Support Administration (CSA) for child support enforcement. In federal fiscal 2025, CSA collected approximately \$160,000 in child support payments from parents of children in out-of-home care; as these payments are assigned to the State, they are special fund revenues. Assuming a constant rate of collection, special fund revenues therefore decrease by approximately \$120,000 in fiscal 2027, which reflects the bill's October 1, 2026 effective date, and by \$160,000 annually thereafter.

However, DHS also notes significant challenges in collecting child support payments from these parents and taking effective enforcement actions. Therefore, operational efficiencies are likely realized due to reduced staff time and effort needed for these cases.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years; however, similar provisions have been considered. For example, see HB 218 and SB 195 of 2025.

Designated Cross File: SB 319 (Senator Muse) - Judicial Proceedings.

Information Source(s): Judiciary (Administrative Office of the Courts); Department of Human Services; Department of Legislative Services

Fiscal Note History: First Reader - February 2, 2026
jg/jkb

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