



Advocating better skills, jobs, and incomes

TESTIMONY IN SUPPORT OF HOUSE BILL 269:

Child Support - Shared Physical Custody

TO: Hon. Luke Clippinger., Chair, and Members of the Judiciary Committee

FROM: Christopher Dews, Policy Advocate

DATE: February 6, 2020

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that advocates for better jobs, skills training, and wages for low-income workers and job seekers in Maryland. We support House Bill 269 as a means to ensure that lower-income parents who have shared physical custody are being asked to pay a reasonable obligation based on their respective time spent with their children.

Low-income obligors are paying at least 35 percent of their income to comply with child support orders, in contrast to high-income obligors, who are only paying 12 percent. Additionally, obligors who have arrears can have up to 63% of their wages garnished to satisfy those arrearage amounts. The issue becomes somewhat divisive and contentious when factoring in obligors who have shared physical custody over their children.

Current law states that “Shared physical custody” means that each parent keeps the child or children overnight for more than 35% of the year and that both parents contribute to the expenses of the child or children in addition to the payment of child support. In these cases, the child support obligation is divided between the parents in proportion to their respective adjusted actual incomes. Interestingly, once a parent reaches the 35% threshold, the amount owed drops drastically leading to one or two overnight stays changing the entire dynamic of the agreement between the parents. This phenomenon known as the “The Cliff Effect.”

In 2017, a subcommittee was tasked with examining the “cliff effect” and found that. Due to the significant change in the support obligation, many conflicts often arose between parents during custody and child support cases. The subcommittee recommended an assumption of a linear rate of increased child expenses for the noncustodial parent as the number of overnights increases.

House Bill 269 lays out the subcommittee’s recommendations by first adjusting the shared physical custody rate to 25% instead of 35% and then specifying the amount owed with each successive percentage increase. This will eliminate the cliff effect which, in turn, reduces family tensions for lower-income workers. For these reasons, JOTF urges a favorable report on House Bill 269.