

DATE: February 13, 2020

BILL NUMBER: HB 667 **COMMITTEE:** Judiciary

BILL TITLE: Child Support – Annual Collection Fee

DHR POSITION: Support – Departmental Bill

PRESENTED BY: Kevin P. Guistwite, Executive Director Child Support Administration,
Department of Human Services

Good afternoon Chairman Clippinger, Vice Chair Atterbeary and Members of the Committee. I am Kevin Guistwite, Executive Director for the Child Support Administration within the Maryland Department of Human Services. Thank you for this opportunity to testify in support of House Bill (HB) 667.

Passage of HB 667 is necessary to bring Maryland into compliance with current federal law. The Bipartisan Budget Act of 2018 amended Title 45 of the Code of Federal Regulation (45 CFR) 454(6)(B)(ii) by increasing the annual user fee from \$25 to \$35 for Child Support Enforcement services provided to families not receiving public benefits. Passage of this bill is essential for the Maryland Child Support Administration to continue to receive federal child support funding.

Legislation is needed to reflect the federal change fee amount. Without it, Maryland’s Title IV-D Child Support State Plan will be noncompliant under Title 42 of the United States Code (42 U.S.C.) § 654 (20). Without legislation, the State’s \$95 million grant and \$11 million child support incentives for funding the child support program may be jeopardized. Additionally, failure to pass this bill would render Maryland’s Title IV-A State Plan noncompliant with Title 42 U.S.C. § 602 (a)(2). This would put the State’s \$229 million Temporary Assistance to Needy Families (TANF) program block grant at risk as well.

The proposed legislation amends Family Law Article § 10-110 (a)(4) to read “deduct from child support payments an annual collection fee not to exceed that which is allowed under 45 CFR 454(6)(B)(ii).” This language makes future legislative amendments unnecessary if the federal annual collection fee amount were to change again.

Most importantly, this bill will not create an increase in the federal fee charged to Maryland’s families. Maryland currently collects only \$15 dollars from the child support client. The State pays the other \$10 dollars. With the proposed changes, the State would now pay \$20, to cover the additional federal fee.

For these reasons, I strongly urge a favorable report by the Committee for HB 667. Thank you for the opportunity to testify in support of this bill. I am happy to answer any questions you may

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