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## *The Maryland House of Delegates*

ANNAPOLIS, MARYLAND 21401

**February 20, 2020**

### **Testimony in Support of House Bill 946 – Child Support—Guidelines**

Good afternoon Mr. Chairman and members of the committee. Thank you for the opportunity to speak to you on behalf of **House Bill 946 – Child Support — Guidelines**.

This legislation combines two child support bills that were introduced during the 2019 session: HB 726, entitled Child Support – Potential Income, Voluntary Impoverishment, and No Support Order, and HB 732 – Child Support Guidelines – Revision. In melding the two, House Bill 946 aims to offer guidance to courts in reaching fair child support obligation decisions.

House Bill 946 establishes that calculations of the basic child support obligation must be made by considering the “self- support reserve.” The legislation defines “self-support reserve” as “the adjustment to a basic child support obligation ensuring that an . . . obligor maintains a minimum amount of monthly income, after payment of child support, federal and state income taxes, and Federal Insurance Contribution Act taxes, of at least 110% of the federal poverty level for an individual.” The bill authorizes the court to consider, when evaluating a just or appropriate outcome for a case, “whether an obligor’s monthly child support obligation would leave the obligor with a monthly actual income below the 2019 federal poverty level for an individual.” The bill also revises the schedule of basic child support obligations used to calculate child support amounts.

Additionally, this proposal adjusts the monthly income schedule. The schedule currently includes monthly incomes up to \$15,000. House Bill 946 expands the schedule to include monthly incomes up to \$30,000.

By making adjustments for the lowest income obligors, this proposal seeks to ensure those obligors retain resources necessary to subsist. By expanding the support schedule to include higher income levels, the measure accounts for current economic realities. Both of these changes help the court achieve child support obligation outcomes that are just and appropriate.

House Bill 946 advances its goal of promoting fairness, transparency and confidence by also addressing potential income, voluntary impoverishment, and no support orders. For clarification purposes and to reflect current economic realities, House Bill 946 alters the definition of “potential income.” The new definition aims for a comprehensive analysis of what a parent can be expected to contribute by considering employment and earning potential as well as assets and income from sources other than employment.

For circumstances where a parent improperly diminishes his or her financial resources in order to decrease or evade a child support obligation, the bill defines “voluntarily impoverished” and directs the court to make a finding as to whether the parent has voluntarily impoverished himself or herself. The bill establishes the potential income factors that must be attributed to the parent if the court, upon examining the circumstances in their totality, finds that the parent has committed voluntary impoverishment.

Finally, the bill stipulates criteria the court may consider in declining to issue a support obligation, or “no support order.” The criteria include whether the parent lives with and contributes to the support of the child; or is unemployed or otherwise lacks financial resources; is incarcerated or is institutionalized in a psychiatric care facility and is expected to remain incarcerated or institutionalized during the time period that the child would be legally entitled to support; is totally and permanently disabled, or cannot be gainfully employed because of criminal detainment, hospitalization, or participation in a rehabilitation treatment plan.

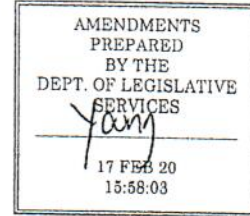
I am offering an amendment to correct a drafting error that resulted in an inconsistency regarding the percentage of the federal poverty guidelines that the court may consider.

This bill is based on the work of the Child Support Guidelines Advisory Committee. Upon enactment, this measure would apply prospectively, impacting only those cases filed on or after the effective date of October 1, 2021. I respectfully request a favorable report for House Bill 946.



HB0946/403727/1

BY: Delegate Dumais  
(To be offered in the House Judiciary Committee)



AMENDMENT TO HOUSE BILL 946  
(First Reading File Bill)

On page 6, in line 19, after "BELOW" insert "110% OF".