

DATE: March 31, 2022

BILL NUMBER: House Bill 650

COMMITTEE: Judicial Proceedings

BILL TITLE: Execution on Judgment - Child Support Arrearage - Workers' Compensation

DHS POSITION: Favorable

The Department of Human Services (the Department) respectfully offers this letter of support regarding House Bill 650 (HB650) as amended by the House of Delegates. This legislation specifies that 25% of the net recovery by the debtor on a claim for workers' compensation is subject to execution on a judgment for a child support arrearage.

House Bill 650 amends § 11-504 of the Courts and Judicial Proceedings Article to authorize the Child Support Agency (CSA) to execute a judgment on a claim for personal injury and workers' compensation insurance plans. The bill as amended would allow the CSA to collect workers' compensation, indemnity benefits, including any weekly benefits or settlement proceeds from a noncustodial parent for an arrearage.

Passage of House Bill 650 would establish that "twenty-five percent of the net recovery" by a debtor is subject to execution on a judgment for child support arrearage on a claim for personal injury with the Workers' Compensation Commission. This bill would clarify an existing ambiguity in Family Law for the Child Support Administration to use this collection source for payment of child support arrearages from noncustodial parents who are awarded settlements from personal injury through workers' compensation claims.

The Department appreciates the efforts of the sponsor and the work of the House Judiciary Committee to adopt the amendments recommended by the Department and requests a favorable report from the Judicial Proceedings Committee.

