

# JOTF JOB OPPORTUNITIES TASK FORCE

*Advocating better skills, jobs, and incomes*

## TESTIMONY IN SUPPORT OF SENATE BILL 0164:

### **Driver's Licenses - Suspension for Child Support Arrearages - Exception**

TO: Hon. Will Smith, Chair, and Members of the Senate Judicial Proceedings Committee

FROM: Christopher Dews, Policy Consultant

DATE: February 2nd, 2023

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that develops and advocates policies and programs to increase the skills, job opportunities, and incomes of low-skill, low-wage workers and job seekers in Maryland. JOTF supports Senate Bill 164 as means of repealing the punitive practice of driver's license suspensions for lower-income obligors.

Mobility is key in Maryland's regional economy. The Census Bureau reported that [almost 50% of Marylanders travel outside of their county](#) for employment. This statistic is more pronounced for lower-income communities of color where there is a scarcity of jobs available by public transit. In fact, only [9% of jobs in the Baltimore region can be reached within one hour, one way by public transit](#). Thus for economic sustainability, both a valid driver's license and a vehicle are necessary.

An Abell Foundation [report](#) found that across Maryland, 50 percent of noncustodial parents in the state child support program caseload were employed in 2017, and 43 percent of these earned minimum wages or less but owe an average of \$10,000 in unpaid arrearages. In Baltimore, 57 percent of noncustodial parents were employed and 47 percent earned the minimum wages or less but owed an average of \$13,300 in unpaid arrearages. They will never pay down this debt, especially when the current law magnifies the issue by crippling their mobility.

[Maryland Code Ann., Fam. Law § 10-119](#) states that upon 60 days of nonpayment of child support an obligor shall have their license or privilege to drive suspended. Beyond this, [Maryland Code Ann., Transportation §16-303](#) states that driving on an invalid license (suspended, canceled, or revoked) in Maryland is a crime punishable by up to (1) one year in jail, a \$1000 fine, or both. Until [recently](#), driving on a license suspended for child support came with similar penalties. As such, child support debt triggers a suspended driver's license, arrest, or hefty fines, further complicating the ability of low-wage workers to secure employment and make payments.

Additionally, [a report cited](#) by the Abell Foundation found that 42% of individuals who had their licenses suspended lost jobs as a result of the suspension, 45% of those who lost jobs could not find another job, and 88% of those that were able to find another job reported a decrease in income (Voorhees, 2006).

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Data suggests that this issue is racialized as well, adversely disrupting the lives of African-Americans. Although Blacks make up 31.1% of Maryland's population, [MDOT data suggests](#) that they made up 71% of the roughly 27,000 license suspensions between 2015 - 2020. If a disproportionately higher number of black Marylanders lack access to a valid driver's license due to license suspensions and are blocked from participating in a mobile economy, it stands to reason that current state policy is actively preventing them from making payments. In a recent study, the University of Baltimore also found that:

- On average, African American residents are almost **5 times more** likely to experience license suspension than their Caucasian counterparts.
- In areas with poverty rates lower than the state average, an average of 9.3 African Americans received license suspensions, a rate 3 times higher than Caucasian residents within similar areas.
- Unlike drivers of other races, African Americans were the only racial group to experience substantially higher license suspensions in both counties that had lower and higher poverty rates than the state of Maryland's poverty average.

There is **no** evidence that suggests suspending an individual's driver's license improves the collection of arrears for persons making less than 300% of the Federal Poverty Level (FPL) or \$41k annually. However, Maryland continues the practice of suspending lower-income obligors arguing a need to comply with federal law.

[Federal Code 42 U.S.C.A. § 666 \(a\)](#) demands that all States have laws that "increase the effectiveness of the [child support enforcement] program which the state administers" and allows the State to withhold, suspend, or restrict licenses of individuals owing child support in "[appropriate cases](#)" (16). Simply put, if Maryland does not have a suspension program for those who are non-compliant, the state could risk losing access to federal funds.

JOTF believes that driver's license suspensions for workers who make less than \$41k annually cannot be considered "appropriate" or increasing "effectiveness" as it (1) wastes taxpayer dollars in collections enforcement, (2) prohibits and eliminates access to employment for workers and job seekers, and (3) heightens tensions between the custodial parties which, in turn, decreases compliance rates. As such, Maryland should pass Senate Bill 164 to repeal driver's license suspensions as a penalty for obligors who make less than \$41k per year (300% FPL).

If Maryland truly wants to stay in compliance with federal statutes regarding child support enforcement, the most effective way to accomplish this would be to ensure that all non-custodial parents have the financial standing to remain in compliance with their obligation. Suspending licenses for lower-income obligors runs counter to the stated purpose of increasing compliance in child support payments and engagement with family where appropriate. In fact, it cripples the primary way the Child Support

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Enforcement Agency can collect (wage garnishments) by eliminating access to employment needed to pay down arrears. For these reasons and more, we urge a favorable report on Senate Bill 164.

**For more information, contact:**

Christopher Dews / Policy Consultant / [Christopher@jotf.org](mailto:Christopher@jotf.org) / 301-412-5399