

Date: March 2, 2023

Bill number: HB0800

Committee: House Judiciary Committee

Bill title: Execution on Judgment - Child Support Arrearage - Workers' Compensation

DHS Position: FAVORABLE

The Maryland Department of Human Services (DHS) thanks the Committee for the opportunity to provide written support for House Bill 800 (HB 800).

House Bill 800 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.

As currently drafted, House Bill 800 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 statute would allow the Child Support Administration to collect arrears for Maryland's children and families through workers' compensation claims. The Fourth National Incidence Study of Child Abuse and Neglect found that children in low socioeconomic households experienced a form of child maltreatment at a rate 5 times higher than other children.¹ One study found that an average increase of approximately \$100 more in child support per year resulted in a 10% reduction of being formally investigated by child protective services.² House Bill 800 supports the vision of DHS by increasing means for child support collection to enhance socioeconomic support to children.

Passage of House Bill 800 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 Courts and Judicial Proceedings §11-504 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 is grateful to offer our support for HB 800 and requests a favorable report.

¹ Sedlak, A.J., Mettenburg, J., Basena, M., Petta, I., McPherson, K., Greene, A., and Li, S. (2010). Fourth National Incidence Study of Child Abuse and Neglect (NIS-4): Report to Congress. Washington, DC: U.S. Department of Health and Human Services, Administration for Children and Families.

² Cancian, M., Yang, M., & Slack, K. (2013). The effect of additional child support income on the risk of child maltreatment. *Social Service Review*, 87(3), 417-437. [as cited in Transforming Child Welfare System Issue Brief. (2022). Casey Family Programs]

