**2024-02-07 SB139 (Support).pdf** Uploaded by: Adam Spangler Position: FAV

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#### STATE OF MARYLAND OFFICE OF THE ATTORNEY GENERAL

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February	7, 2024
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TO:	The Will Smith Chair, Judicial Proceedings Committee
FROM:	Adam Spangler Legislative Aide, Legislative Affairs, Office of the Attorney General
RE:	SB139 Driver's Licenses - Suspension for Child Support Arrearages - Exception- <b>Support</b>

The Office of Attorney General urges this Committee to favorably report Senate Bill 139 Senator Watson's bill would preclude the Child Support Administration from urging the Motor Vehicle Administration to suspend an individual's driver's license for non-payment of child support if the obligor's family income is not greater than three hundred percent (300%)<sup>1</sup> of the federal poverty level "unless the obligor has been judicially determined to be voluntarily impoverished under § 12-204" of the Family Law Article.

Senate Bill 139 is consistent with Attorney General Frosh's fines and fees advocacy and constitutional due process.<sup>2</sup> In *Bearden v. Georgia*, the United States Supreme Court held that

<sup>&</sup>lt;sup>1</sup> This amounts to less than \$39,000 annually.

<sup>&</sup>lt;sup>2</sup> In 2020, Attorney General Frosh introduced <u>HB0280</u> /<u>CH0149</u> (<u>SB0234</u>/<u>CH0150</u>) to repeal the MVA's authority to suspend the driver's license and vehicle registration of traffic fine and fee debtors and making such debtors eligible for payment plans. That legislation resulted in nearly 90,000 driver's license reinstatements and has avoided countless other driver's license suspensions in the ensuing years.

This bill letter is a statement of the Office of Attorney General's policy position on the referenced pending legislation. For a legal or constitutional analysis of the bill, Members of the House and Senate should consult with the Counsel to the General Assembly, Sandy Brantley. She can be reached at 410-946-5600 or sbrantley@oag.state.md.us.

imprisonment for unpaid fines or fees without a hearing to determine ability to pay is unconstitutional under the due process clause of the Fourteenth Amendment. 461 U.S. 660 (1983). Additionally, *Bearden* has been cited in cases in both the District Court of Maryland and in the Fourth Circuit. See *Miranda v. Barr*, 463 F.Supp. 3d 632 (2020); *see also United States v. Boyd*, 935 F.2d 1288 (1991). These cases have relied on Bearden to determine when it is justifiable for a defendant to not pay a fine or fee. As determined in *Bearden*, if a defendant has made all reasonable efforts to pay the fine and cannot do so through no fault of her or his own, it is unfair to revoke probation. *See Boyd*, 935 F.2d 1288.

Similarly, in the child support context, it is counterintuitive to suspend an obligor parent's driver's license merely because of indigence. Nearly fifty percent (50%) of Marylanders drive to another county to work and only nine percent (9%) of the work in the greater Baltimore metropolitan regain can be reached by public transit within an hour. Therefore, workers need a valid driver's license to secure and maintain employment. The more likely a parent obligor is to have gainful employment, the more likely she or he will be able to pay child support.

For the foregoing reasons, the Office of the Attorney General urges a favorable report of Senate Bill 139.

cc: Senator Watson Committee Members

## SB0139\_HB0813\_FAV\_AntoineGaines.pdf Uploaded by: Antoine Gaines



#### **TESTIMONY IN SUPPORT OF SENATE BILL 139/ HOUSE BILL 813**

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

TO: Members of the House Judiciary Committee and Senate Judicial Proceedings Committee.

TO: Hon. Members of the House Judiciary and Senate Judicial Proceedings Committee

FROM: Antoine Gaines

My name is Antoine Gaines, and I reside in District 44B. I support Senate Bill 139/ House Bill 813 to ensure that driver's license suspensions for inability to pay child support are only used in appropriate cases, not when it will harm families or cause parents to lose their jobs

On May 5th, 2007, I married my now ex-wife and, within two years, gave birth to two beautiful daughters. With her child from a previous relationship, we were a solid family of five until my work situation became fractious. I assumed everything would work out, but I was dead wrong. I discovered that she was cheating on me, and this ruined us. In June 2009, she filed for child support against me even though we were still living together. Seven days after she filed, when we were in court, we received joint physical and legal custody of our children. In November, I received notice that I had to pay child support, which has been that way ever since. From there, our relationship continued to destabilize.

We divorced in 2012, and a judge awarded her primary physical custody because I lived with my mother, while she had her apartment. The judge, however, did award us joint legal custody. I had visitation and still wanted to be an involved father. About a year later, she absconded with my children to another state against court orders and made it extremely difficult to see my children.

For over a decade, while paying child support, the Child Support Enforcement Agency (CSEA) suspended my license off and on. My license was suspended even while my wages were being garnished each month.

In 2020, during the pandemic, I discovered that my children were being abused by their new stepfather, so they returned to Maryland to live with me, and they have been living with me full-time ever since. I filed to modify both custody and child support in the Circuit Court but have had trouble serving their mother because I do not have her exact address, as she still lives out of state. Because of this, both motions are still pending. I updated CSEA of the change in custody, but I still had to pay child support and deal with on and off-license suspensions. CSEA knows my children are living with me but has done nothing to help me.



Most recently, I received another license suspension notice. I pleaded with CSEA not to suspend my license. They know my children live with me, and they know I drive UBER, so I need my driver's license for employment to care for my children financially. They said they would not lift the suspension unless I made a large lump sum payment. After speaking with Maryland Legal Aid, they helped to restore my license. I am incredibly grateful to Stacy of Legal Aid for advocating. The passage of this bill would help to end my struggle with this horrible child support system and allow me to raise my children in peace. I urge a favorable report on Senate Bill 139/ House Bill 813.

# SB0139\_HB0813\_FAV\_AprilleHamilton.pdf Uploaded by: Aprille Hamilton



#### **TESTIMONY IN SUPPORT OF SENATE BILL 139/ HOUSE BILL 813:**

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

TO: Members of the House Judiciary Committee and Senate Judicial Proceedings Committee

#### FROM: Aprille Hamilton

My name is Aprille Hamilton, a resident of District 8, and I support(s) Senate Bill 139/ House Bill 813 to ensure that driver's license suspensions for inability to pay child support are used in appropriate cases.

I have a 10-year-old daughter from a previous relationship and a 9-month-old I am raising alone. I left my previous relationship after surviving multiple domestic violence situations with my ex, the 9-year-old's father, and then moved out. It was not easy. I struggled to secure housing and ended up in a shelter.

At this point, I lost custody of my daughter, and my ex then placed me on child support, where I had my wages garnished and my license suspended. My quality of life plummeted significantly, and I had to reach back out to him, my abuser, and plead with him to drop the order, which he eventually did. I am blessed that the situation worked the way that it did, but no one should have to plead with their abuser to repeal a child support case.

Years later, I moved to Alaska for waitress work on a cruise ship. During this time, he placed me on child support again for my daughter, and because I was not in the state, I did not receive the court order to push back. I owe him \$20,000 in arrears, and my license has been suspended since April last year. There is **no** way that I can pay down this debt.

I have been frantically searching for employment opportunities but am constantly denied due to not having a license. If this bill were to pass, my license would not be suspended and I can support my son. Please pass these bills!

## SB0139\_FAV\_CFUF.docx (2).pdf Uploaded by: Christopher Dews



#### **TESTIMONY IN SUPPORT OF SENATE BILL 139:**

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

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

FROM: Christopher Dews, Policy Consultant

DATE: February 7th, 2024

The Center for Urban Families (CFUF) advocates for legislative initiatives to strengthen urban communities by helping fathers and families achieve stability and economic success. CFUF supports Senate Bill 139 to repeal 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 <u>40% of</u> <u>Marylanders travel outside their county for employment</u>. This statistic is more pronounced for lower-income communities of color where there is a scarcity of jobs available by public transit. <u>Only</u> <u>8.5% of jobs in the Baltimore region can be reached within one hour, one way by public transit</u>. Thus, a valid driver's license and a vehicle are necessary for economic sustainability.

An Abell Foundation <u>report</u> 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, where CFUF services most of its clients, 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., <u>Transportation §16–303</u> 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, <u>a report cited</u> 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 who were able to find another job reported a decrease in income** (Voorhees, 2006).



<u>Federal Code 42 U.S.C.A. § 666 (a)</u> 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 <u>"appropriate cases" (16)</u>. No evidence suggests suspending an individual's driver's license improves arrears collection for persons making less than 250% of the Federal Poverty Level (FPL) or \$38k annually. However, Maryland continues to suspend lower-income obligors, arguing a need to comply with federal law.

CFUF believes that driver's license suspensions for workers who make less than \$38k 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 139 to repeal driver's license suspensions as a penalty for obligors who make less than \$38k per year (250% FPL) and ensure that the state is not preventing obligors from securing the employment needed to pay their child support payments. California passed similar provisions with <u>SB1055</u> (2022), eliminating license suspensions for obligors with a household income at or below 70% of the county's median income, which is far more expansive than our considerations.

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 contradicts the stated purpose of increasing compliance in child support payments and engagement with family where appropriate. It cripples the primary way the Child Support Enforcement Agency can collect (wage garnishments) by eliminating access to employment needed to pay down arrears. We urge a favorable report on Senate Bill 139 for these reasons and more.

## **Testimony SB 139 - 2.7.24 Daniel Hatcher.pdf** Uploaded by: Dan Hatcher



School of Law Saul Ewing Civil Advocacy Clinic 1420 N. Charles St. Baltimore, MD 21201-5779 T: 410.837.5706 F: 410.837.4776 law.ubalt.edu

#### **TESTIMONY IN SUPPORT OF SENATE BILL 139**

#### **Child Support - Suspension of Driver's Licenses**

TO: Members of the Senate Judicial Proceedings Committee

FROM: Daniel Hatcher, Professor of Law, University of Baltimore School of Law, Civil Advocacy Clinic,

DATE: February 6, 2024

RE: SB 139 – Support

Thank you for the opportunity to present testimony in support of SB 139. I am a law professor at the University of Baltimore, teaching the Civil Advocacy Clinic where students represent low-income clients. My research and scholarship focuses on improving programs and policies for vulnerable children and low-income adults, including the issues in this bill. Prior to UB, I was an assistant director of advocacy and also a staff attorney at the Legal Aid Bureau, representing adults in all areas of poverty law (including child support) and representing children in the foster care system. I was also a senior staff attorney for the Children's Defense Fund.

This bill would help reform harmful driver's license suspension practices that block low-income parents' ability to work and pay child support.

This bill is needed to reduce harm to low-income children and families. Currently, the Child Support Administration initiates the suspension process against *all* child support obligors as soon as they are behind on their child support. Many of these obligors are low-income and struggling with barriers to employment—and a license suspension often makes matters worse, harming the obligor, the custodial parent, and the children. The current suspension policy:

- makes it even harder for non-custodial parents to work and pay child support
- prevents noncustodial parents from driving their children to school, doctor's appointments, or other needed trips, and
- exacerbates systemic poverty and racial inequality

The current statute has disparate negative impacts on Maryland's Black families. The University of Baltimore School of Law's Legal Data and Design Clinic researched the extent and racial demographics of license suspensions in Maryland. Their research was provided in their testimony regarding a prior version of this bill, and is attached to this testimony. That research found that:

- Black Americans constituted 31.1% of Maryland's population in 2019, but were targeted for 71% of license suspensions from 2015 to 2020.
- In 2019, Black parents in Maryland were 5 times more likely to be subjected to a Child Support Administration suspension than other races.

In a 2019 Abell Foundation report, Vicki Turetsky, the former Commissioner of the Federal Office of Child Support Enforcement, explained the harm in Baltimore:

[T]he evidence is clear: higher orders and tougher enforcement will not increase collections when the barrier to payment is poverty. It does no good, and in fact, it does harm . . . Unrealistic child support policies and practices entangle poor African American men and their families in poverty and have become a destabilizing force in the Baltimore community.<sup>i</sup>

**Federal law embraces this bill.** This bill is consistent with federal law. Title 42 § 666(a) (16) of the United States Code simply requires that each state "has (and uses in appropriate cases) authority to withhold or suspend" driver's licenses of individuals with overdue child support payments, and this bill should be construed as consistent with that federal requirement.<sup>ii</sup>

**Information provided by DHS for the fiscal note is incorrect.** DHS incorrectly asserts that 29 new caseworkers will be necessary to determine income for whether obligors should be excluded from license suspensions. The child support agencies already have the income information, because the entire basis for how child support order amounts are determined are based on income from both parents.

### I therefore submit this testimony in support of SB 139 and respectfully request a favorable report.

<sup>&</sup>lt;sup>i</sup> Vicki Turetsky, "Reforming Child Support to Improve Outcomes for Children and Families," *The Abell Report*, Vol. 32, No. 5, June 2019, <u>https://abell.org/sites/default/files/files/Abell%20Child%20Support%20Reform%20-%20Full%20Report%202\_20\_2020%20edits%20v1\_3.pdf</u>. <sup>ii</sup> 42 USCA § 666(a)(16).



School of Law Legal Data and Design Clinic 1420 N. Charles St. Baltimore, MD 21201-5779 T: 410.837.5706 F: 410.837.4776 law.ubalt.edu

#### MEMORANDUM

To: Hon. Luke Clippinger, Chair, House Judiciary Committee

From: The University of Baltimore School of Law Legal Data and Design Clinic

Date: February 9, 2020

Re: HB 580 Driver's Licenses – Suspension for Child Support Arrearages – Repeal (FAVORABLE-WITH AMENDMENTS)

#### I. INTRODUCTION

The University of Baltimore School of Law Legal Data and Design Clinic (LDDC) submits the following written testimony in favor of HB 580 with amendments. Though complete repeal of driver's license suspensions for child support arrearages (DLS-CSA) is unnecessary and could risk federal funding, current DLS-CSA practice desperately needs reform. As our analysis shows, current DLS-CSA law exacerbates racial inequality and cycles of poverty.

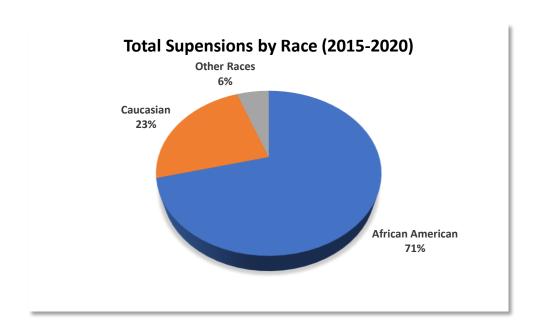
Our conclusions derive from 2015-2020 DLS-CSA data (disaggregated by race and zip code) provided by the Maryland Department of Transportation (MDOT) and the Office of the Attorney General (OAG). We also incorporated public census data on race and poverty levels in Maryland counties into our analysis. Our major conclusions are:

- 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 per zip code 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 counties that had lower and higher poverty rates than the state of Maryland's poverty average.

#### II. DISCUSSION

At the outset, it bears emphasis that the fundamental logic of DLS-CSA is flawed. No correlation exists between one's ability to drive competently and one's ability to pay child support. Suspension is thus a punitive measure wholly unrelated to safety on Maryland's roads and highways. Even worse, DLS-CSA actually makes it more difficult for people who owe child support to meet their obligations. This is because many Marylanders drive to work. Taking away the ability to drive thus deprives these Marylanders of the ability to make money. Given the absence of an adequate public transportation infrastructure, DLS-CSA risks contributing to a vicious cycle wherein a person goes deeper and deeper into debt because he has been deprived of a key means to make money to pay back that very debt.

With this context in mind, we turn to the problem of DLS-CSA seen through the lenses of race and poverty.





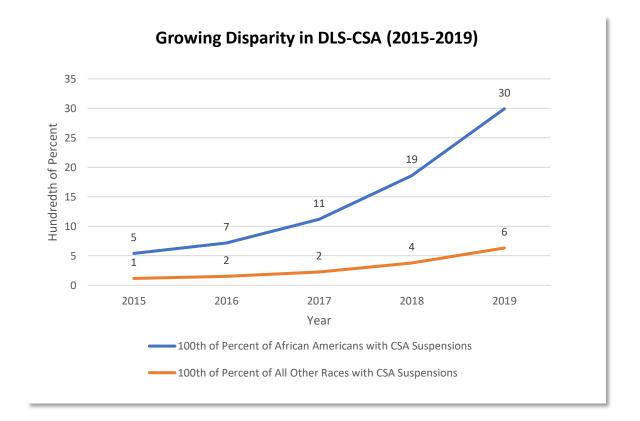
Although African Americans constituted 31.1% of Maryland's population in 2019, MDOT data shows that 71% of suspensions from 2015 to 2020 were of African Americans. By contrast, Caucasians constitute 58.5% of the population but only 24% of suspensions. The fact that approximately 3 times more African Americans than Caucasians suffered DLS-CSA shows the disproportionate impact.

	Calenda	r Year					
RACE	2015	2016	2017	2018	2019	2020	Grand Total
AFRICAN AMERICAN	987	1,321	2,073	3,475	5,621	5,465	18,942
CAUCASIAN	374	486	735	1,214	2,068	1,417	6,294
ASIAN	11	9	11	16	33	25	105
AMERICAN INDIAN	6	6	3	22	31	16	84
OTHER	69	113	140	245	384	339	1,290
NULL	1	1	2	3	5	4	16
TOTAL	1,448	1,936	2,964	4,975	8,142	7,266	26,731

#### License Suspensions for Child Support Non-Compliance as of 11/10/2020

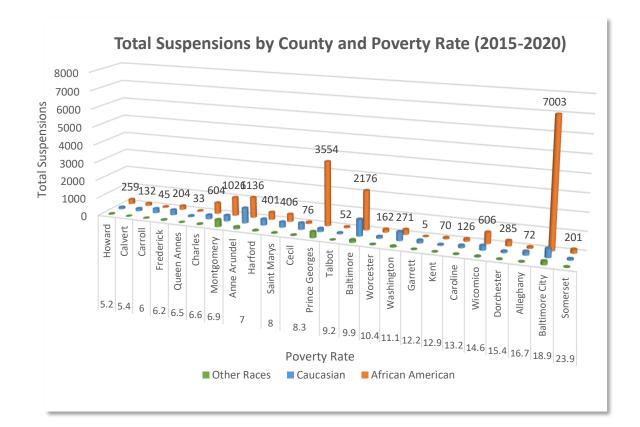
Figure 1 – Maryland Department of Transportation, Office of Data Management

This disparate impact has worsened over time. The chart below shows the percentage of all African Americans versus other races suffering DLS-CSA (Note: the chart show hundredths of one percent). The gap is clearly increasing. The estimated total population of 2020 was unavailable and therefore this analysis is conducted over the period of 2015 to 2019. By 2019, African Americans were 5 times more likely to have a CSA suspension than other races.



#### (b) POVERTY AND DLS-CSA

Our analysis shows that DLS-CSA disproportionately affects the poorest Marylanders. Using disaggregated zip code data provided by the MDOT, this can be easily visualized. The columns in the graphic below shows the total numbers of suspensions in each county by race. Counties are arranged by poverty rate: the counties with the lowest poverty rates are on the left of the graphic while the counties with the highest rates are on the right.



The picture painted is clear. Citizens of poorer counties suffer more. In 2018, the state of Maryland's poverty rate was 9.1%. Twelve (12) counties experienced poverty at higher levels than the state poverty rate while 11 experienced lower poverty rates. Residents in counties with poverty rates higher than the 9.1% state rate were more likely to experience license suspension. However, African Americans received substantially higher numbers of license suspensions in counties on either side of the state rate. The averages of total suspensions per zip code, across all 23 counties, demonstrate a noticeable difference in license suspensions between African American and Caucasian residents. In counties with higher poverty rates, African Americans received an average of 24.3 license suspensions per zip code, a stark contrast from the average of 5.4 suspensions for Caucasian residents. In counties with lower poverty rates, there was an average of 9.3 suspensions per zip code for African Americans and 3.9 for Caucasians. Overall, on average, African American residents are almost 5 times more likely to experience license suspension than their Caucasian counterparts.

Average of Total Suspensions per Zip Code by Race and Poverty Level

Poverty Rate (2018)	African American	Caucasian	<b>Other Races</b>
Higher (above state rate)	24.3	5.4	2.0
Lower (below state rate)	9.3	3.9	2.2

#### III. CONCLUSION

Because DLS-CSA has obvious race and poverty impacts, the LDDC favors HB 580 with amendments. In light of the inequalities exacerbated by current practice, the LDDC recommends the ending automatic suspension of driver's licenses as a CSA penalty.

> Sincerely, Colin Starger, LDDC Supervising Attorney Kenbrielle Ard, LDDC Rule 19 Student Attorney Kala Fryman, LDDC Rule 19 Student Attorney Zhongyang Shi, LDDC Rule 19 Student Attorney Ché Star, LDDC Rule 19 Student Attorney

#### cc: Members of the House Judiciary Committee

## SB0139\_HB0813\_FAV\_SAMPLE (Public).pdf Uploaded by: Daryl Yoder

#### **TESTIMONY IN SUPPORT OF SENATE BILL 139/ HOUSE BILL 813:**

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

TO: Members of the House Judiciary Committee and Senate Judicial Proceedings Committee.

#### FROM: Daryl Yoder

**Daryl Yoder** supports SENATE BILL 139/ HOUSE BILL 813 to repeal 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 <u>40% of</u> <u>Marylanders travel outside their county for employment</u>. This statistic is more pronounced for lowerincome communities of color where there is a scarcity of jobs available by public transit. <u>Only 8.5% of</u> <u>jobs in the Baltimore region can be reached within one hour, one way by public transit</u>. Thus, a valid driver's license and a vehicle are necessary for economic sustainability.

In 2015, NPR reported that 62% of Marylanders who owe child support make less than minimum wage but owe <u>at least</u> \$10,000 in unpaid arrearages. They will never pay this debt, especially when the current law magnifies the issue by crippling their mobility. <u>Maryland Code Ann., Fam. Law § 10-119</u> states that upon 60 days of nonpayment of child support, an obligor shall have their license or privilege to drive suspended. Beyond this, <u>Maryland Code Ann., Transportation §16–303</u> 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. 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.

Data suggests that this issue is racialized as well, adversely disrupting the lives of African Americans. Although Blacks comprise 31.1% of Maryland's population, <u>MDOT data suggests</u> they made up to 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.

SENATE BILL 139/ HOUSE BILL 813 ends suspending licenses for child support arrears of those making less than 250% of the Federal Poverty Level (FPL) or \$38k annually. No evidence suggests suspending an individual's driver's license improves arrears collection for persons at this income level in the long run. Suspending licenses for lower-income obligors contradicts the stated purpose of increasing compliance in child support payments and engagement with family where appropriate. It cripples the primary way the Child Support Enforcement Agency can collect (wage garnishments) by eliminating access to employment needed to pay down arrears. We urge a favorable report on SENATE BILL 139/ HOUSE BILL 813 for these reasons.

**testimony2024sb139ltr.pdf** Uploaded by: Franz Schneiderman Position: FAV



#### Testimony to the Senate Judicial Proceedings Committee SB 139 – Driver's Licenses – Suspension for Child Support Arrearages -- Exception Position: Favorable

The Honorable Will Smith Judicial Proceedings Committee 2 East, Miller Senate Building Annapolis, MD 21401 cc: Members, Judicial Proceedings Committee Feb. 7, 2024

#### Dear Chairman Smith and Committee Members,

I'm a consumer advocate and Executive Director of Consumer Auto, a non-profit group that works to foster safety, transparency, and fair treatment for Maryland drivers and car buyers.

We support **SB 139** because it will protect many low- and middle-income drivers who owe child support against the burdensome and counter-productive punishment of losing their right to drive – a sanction that not only can put lower-income Maryland drivers at risk of serious further punishment but undermines their ability to earn a living and, ultimately, to meet their child support obligations.

Paying child support is an important obligation. But for many lower-income, non-custodial parents, it's a difficult burden to meet. As a 2019 Abell Foundation report found, many noncustodial parents "struggle to find and maintain full-time work at sufficient wages to support themselves and pay their child support obligations."<sup>1</sup> With the median income of non-custodial parents statewide less than \$23,000 and 25% receiving supplemental food benefits (as the Abell report found in 2019<sup>2</sup>), it's not surprising that many parents fall behind in their child support payments.

And when they do, Maryland law makes it very easy for them to lose their licenses, allowing driver's licenses to be suspended when parents are 60 days behind in their payments. But when a parent loses the right to drive, that only makes it harder for him or her to get to work and access the job opportunities that could enable them to meet their needs and child support obligations. This is especially true in Baltimore City, where weak public transit systems and the movement of many job centers to the suburbs makes it very difficult and time-consuming to reach remunerative work without a vehicle.

Once a person's license is suspended, he or she is subject to a up to one year in jail and a 1,000 fine for driving on a suspended or revoked license. When people violate the law by driving – as many people do, in part because they need to do so to meet their obligations – that can extend a

<sup>&</sup>lt;sup>1</sup> https://abell.org/wp-content/uploads/2022/02/Child20Support20Report202\_20\_202020edits2020-20web20version.pdf



cycle of poverty and punishment that often leaves people with even greater legal difficulties, more deeply in debt – and less able to pay their child support and meet other needs.

Suspending the licenses of lower-income Marylanders who owe child support adds to their financial and legal challenges as it undermines their ability to pay their debts and to support themselves and their families.

That's part of the reason the Abell Foundation report recommends stopping the practice of suspending the driver's licenses of lower-income Marylanders who owe child support.<sup>3</sup> And why, as **SB 139** mandates, it makes good sense to end the practice of doing so for Marylanders who make 250% of federal poverty level wages or less.

#### We support SB 139 and ask you to give it a FAVORABLE report.

Sincerely,

Franz Schneiderman Consumer Auto

## **SB 139 - Driver's Licenses - Suspension for Child** Uploaded by: Kam Bridges

### **JOTF** JOB OPPORTUNITIES TASK FORCE

### Advocating better skills, jobs, and incomes

#### **Testimony in Support of Senate Bill 139**

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

TO: Hon. William C. Smith, Jr, Chair, and Members of the Senate Judicial Proceedings Committee

FROM: Job Opportunities Task Force

DATE: February 7, 2024

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-wage workers and job seekers in Maryland. **JOTF supports Senate Bill 139, which repeals 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 40% of Marylanders travel outside their county for employment. This statistic is more pronounced for lowerincome communities of color where there is a scarcity of jobs available by public transit. Only 8.5% of jobs in the Baltimore region can be reached within one hour, one way by public transit. Thus, a valid driver's license and a vehicle are overwhelmingly critical for a noncustodial parent to maintain an income that can be used to make child support payments in the first place.

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). There is no evidence that suggests suspending an individual's driver's license improves the collection of arrears for persons making less than 250% of the Federal Poverty Level (FPL) or \$37k annually. However, Maryland continues the practice of suspending lower-income obligors arguing a need to comply with federal law.

### **JOTF** JOB OPPORTUNITIES TASK FORCE

### Advocating better skills, jobs, and incomes

JOTF believes that driver's license suspensions for workers who make less than the amended \$37k 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 \$37k per year (250% 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 Enforcement Agency can collect (wage garnishments) by eliminating access to employment needed to pay down arrears.

For these reasons, JOTF supports Senate Bill 139 and urges a favorable report.

**For more information, contact:** Kam Bridges / Senior Public Policy Advocate / Kam@jotf.org

# FFJC Testimony In Support of MD SB 139 SB 174.pdf Uploaded by: Mary Mergler



Fines and Fees Justice Center 1325 G St NW, Suite #500 Washington, DC 20005 www.finesandfeejusticecenter.org mmergler@ffjc.us (703) 919-3866

#### WRITTEN TESTIMONY IN SUPPORT OF

### MARYLAND SB 139 / HB 813 (Driver's Licenses - Suspension for Child Support Arrearages – Exception)

&

MARYLAND SB 174 / HB 311 (Child Support - Suspension of Driver's Licenses)

- TO: Members of the Maryland Senate Judicial Proceedings Committee Members of the Maryland House Judiciary Committee
- FROM: Mary Mergler, National Advocacy & Campaigns Deputy Director Fines and Fees Justice Center

DATE: February 6, 2024

Dear Members of the Maryland Senate Judicial Proceedings Committee and Members of the Maryland House Judiciary Committee:

We write in support of Senate Bill 139 / House Bill 813 and Senate Bill 174 / House Bill 311. These bills would make meaningful reforms to reduce the use of driver's license suspensions for unpaid child support in Maryland, preventing low-income people from becoming trapped in a cycle of debt and removing counterproductive barriers to employment.

The Fines and Fees Justice Center is a national hub for information, advocacy, and collaboration for the reform of fines and fees, including eliminating the onerous collateral consequences that result from nonpayment like driver's license suspensions. Not having a valid driver's license makes life nearly impossible for most people in Maryland, preventing them from going to work, getting a new job, taking their child to school or childcare, and going to medical appointments. Because most people require a car to access the most basic necessities, they have no choice but to continue driving. When they do, they risk additional fines and fees, as well as arrest and jail time for driving with an invalid license.

To accelerate reform nationwide to end debt-based driver's license suspensions, FFJC along with more than 130 ideologically diverse joined forces in 2019 to launch the Free to Drive Campaign.<sup>1</sup> This national campaign brings together policy advocates, research organizations, and businesses committed to the principle that restrictions on driving privileges should only be used for dangerous driving—not to coerce debt payment or to punish people who miss a court appearance.

<sup>&</sup>lt;sup>1</sup> For more information, visit <u>www.freetodrive.org</u>.

The same is true in Maryland as is true across the country: debt-based suspensions harm Black, Brown and low-income communities at disproportionate rates. In Maryland, Black people are nearly five times more likely to have their license suspended than white people.<sup>2</sup> Moreover, these racial disparities have worsened, rather than improved, over a period of five years analyzed.<sup>3</sup>

The Maryland legislature has already recognized the significant harms and inequities associated with debt-based suspensions with the passage of SB 234 in 2020, which ended certain suspensions for nonpayment of fines and fees in Maryland. The same principles, evidence and values that led the Mary legislature to end one form of debt-based driver's license suspension with the passage of SB 234 apply in the context of unpaid child support as well.

While federal law prevents any state from completely eliminating license suspensions in the child support context, the law is clear that the state may only impose those suspensions in "appropriate cases."<sup>4</sup> The legislation being considered would limit debt-based suspensions for child support and prevent them from being imposed inappropriately on people whose noncompliance is due to a lack of financial resources, not willfulness. Specifically, SB 139 / HB 813 would ensure that people who are low income do not have their licenses suspended for nonpayment of child support by prohibiting the suspension of licenses for those with an income less than 250% of the federal poverty level. SB 174 / HB 311 would require a hearing before suspension and prevent suspension in inappropriate circumstances, such as when the person owing child support has a disability or is unable to pay.

**Finally, there is no evidence that supports driver's license suspension as an effective method to collect debts, whether that debt is unpaid fines and fees or unpaid child support.** In fact, debt-based driver's license restrictions make it more difficult to pay one's fines and fees by reducing access to employment. Studies examining the impact on collection have found no significant difference in collection rates as a result of license suspensions and restrictions. In Texas, one study found that municipal courts that did *not* use driver's license restrictions as a collection tool collected \$45 *more* per case, on average, than courts that did use them.<sup>5</sup> In another study comparing data from the years Tennessee did suspend licenses for unpaid fines and fees with the years that Tennessee did not do so, researchers found no statistically significant difference in collection rates during the time periods despite the change in practice.<sup>6</sup>

Senate Bill 139 / House Bill 813 and Senate Bill 174 / House Bill 311 would advance fairness and equity, as well as remove barriers to work for people who lack the financial resources to resolve their child support debt. We urge the Committees to support these two important pieces of legislation.

Mary Mergler National Advocacy & Campaigns Deputy Director Fines and Fees Justice Center mmergler@ffjc.us

<sup>&</sup>lt;sup>2</sup> Testimony of Univ. of Baltimore School of Law Legal Data and Design Clinic in Support of Maryland HB 580 (2020), *available at* https://drive.google.com/file/d/1931YyasJqJz1E3L1XUMEALgRfDsPsaGU/view?usp=sharing.
<sup>3</sup> Id.

<sup>&</sup>lt;sup>4</sup> 42 U.S.C.A. § 666(a)(16).

<sup>&</sup>lt;sup>5</sup> Texas Fair Defense Project & Texas Appleseed, *Driven by Debt: The Failure of the OmniBase Program* (Aug. 2021), available at https://www.texasappleseed.org/sites/default/files/OmniBaseRevenueReport-Aug11-Final.pdf.

<sup>&</sup>lt;sup>6</sup> ThinkTennesee, *Reducing the Harms of Court Debt: Driver's License Revocations are an Ineffective Policy for Increasing Court Collections* (Nov. 2022), available at https://www.thinktennessee.org/wp-content/uploads/2022/11/drivers-license-revocation-report.pdf.

## SB0139\_FAV\_MichaelRoss.docx.pdf Uploaded by: Michael Ross

#### **TESTIMONY IN SUPPORT OF SENATE BILL 139**

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

TO: Members of the House Judiciary Committee and Senate Judicial Proceedings Committee.

#### FROM: Michael Ross

**My name is Michael Ross.** I am a resident of **District 46** in Baltimore and support(s) SENATE BILL 139 to repeal the punitive practice of driver's license suspensions for lower-income obligors.

In 2009, my daughter was born to me and my then-girlfriend. We stuck it out together to raise our child until 2012, when it was discovered that she had severe mental health issues. Life happens to us all, but where it became painful was that she refused to let me see my daughter even though there was no hearing for custody. She placed me on child support for the sole purpose of securing state assistance which would have been fine if she had informed me of her plan and not led to garnishments in my wages. My license was suspended immediately since I was unaware of the payments, and my wages were garnished. Again, there was no court order or hearing that I was informed of, but before I knew it, I was driving illegally. In 2015, CPS picked up my daughter from her mother, stating that her mental state continued to deteriorate. At this point, I decided enough was enough and fought in court to receive custody of my daughter, which I achieved in October 2015.

I thought that would end the drama, but it did not. My wages continued to be garnished, and my license stayed suspended despite my having full custody of my daughter. My wages and taxes were intercepted through 2019, again, despite having full custody of my daughter. For years, I spoke with the child support administration to sort out my case - showing them that I have full custody of my daughter, but the suspension was never lifted. This put me in danger whenever I stepped outside to take her to the doctor, school, or even to visit her mother since it is illegal to drive on a suspended license.

In 2019, Maryland Legal Aid sorted out my situation and fought the Child Support Administration to lift my license suspension and receive the intercepted taxes. Stacy Bensky of Legal Aid has helped me secure \$4360 in tax intercepts and 4-5 backed child support payments, and we are still fighting for the rest. Child Support has been brutal - but my biggest concern was the loss of my license and wages. I'm currently a facilities manager at a high-rise building in Baltimore, but we travel often. I can't continue to risk losing access to my license. If I can't drive, then I can't work; if I can't work, NO ONE will take care of my daughter.

SENATE BILL 139 is an excellent move to help guys like me protect our access to employment for what can be a needlessly predatory system. It ends the practice of suspending licenses for child support arrears of those making less than 250% of the Federal Poverty Level (FPL) or \$38k annually. No evidence suggests suspending an individual's driver's license improves the collection of arrears for persons at this income level in the long run. I urge a favorable report on SENATE BILL 139 for these reasons and more.

## 2024 02 06, SB 139\_FLSC\_FAV.pdf Uploaded by: Michelle Smith



То:	Members of the Senate Judicial Proceedings Committee
From:	Family Law Section Council (FLSC)
Date:	February 6, 2024
Subject:	Senate Bill 139 Driver's Licenses - Suspension for Child Support Arrearages - Exception
Position:	FAVORABLE

The Maryland State Bar Association (MSBA) Family Law Section Council **supports Senate Bill 139.** 

This testimony is submitted on behalf of the Family Law Section Council ("FLSC") of the Maryland State Bar Association ("MSBA"). The FLSC is the formal representative of the Family Law Section of the MSBA, which promotes the objectives of the MSBA by improving the administration of justice in the field of family law and, at the same time, tries to bring together the members of the MSBA who are concerned with family law legal issues and in reforms and improvements in such laws through legislation or otherwise. The FLSC is charged with the general supervision and control of the affairs of the Section and authorized to act for the Section in any way in which the Section itself could act. The Section has over 1,200 attorney members.

Maryland Code, Family Law Article § 10-119 allows for the Maryland Child Support Enforcement Agency ("the Agency") to suspend driver's licenses if an obligor has been out of compliance with their child support order for more than 60 days. Driver's license suspension is an enforcement tool that carries enormous collateral consequences, such as the inability to go to work or participate in a child's life. While Federal law requires states to have procedures for suspending driver's licenses when there has been noncompliance with a child support order, it also cautions that this tool should be used only in "appropriate cases." 42 U.S.C. § 666(a)(16).

A 2019 Abell Foundation report authored by Vicki Turetsky, the former Commissioner of the Federal Office of Child Support Enforcement, noted that:

"When parents have sufficient resources to pay child support, but refuse to do so, the threat of driver's license suspension can be an effective enforcement tool for collecting support payments. However, when parents cannot afford to pay all of their child support, driver's license suspension carries serious ramifications



for parents, employers, and families, raising potential due process concerns . . . Data show that driver's license suspensions affect the poor to a much greater extent than other income groups.<sup>17</sup>

Suspending the driver's licenses of low-income obligors who are behind on their child support payments is counterproductive. Without the ability to drive, these obligors are less likely to find and maintain gainful employment, and, thus, less likely to catch up with their child support order. SB 139 would prohibit the Agency from referring obligors earning less than 250% of the Federal poverty threshold to the Motor Vehicle Administration ("MVA") for driver's license suspension. Exempting low-income obligors from this practice not only benefits low-income families, but also the State; the Agency will refer fewer cases to the MVA, and the MVA will spend less of its time and fewer resources on suspending and reinstating licenses.

As an enforcement tool, license suspension should be used only where it will actually make a difference to the collection of child support for minor children, not where it would be detrimental to that purpose. SB 139 ensures that driver's license suspension can be used where appropriate and effective, and it protects low-income families from potential harm.

For the reason(s) stated above, the MSBA Family Law Section Counsel **supports Senate Bill 139** and urges a favorable committee report.

Should you have any questions, please contact Michelle Smith at 410-280-1700 or <u>msmith@lawannapolis.com</u> or Lindsay Parvis at 240-399-7900 or <u>lparvis@jgllaw.com</u>.

<sup>&</sup>lt;sup>1</sup> <u>The Abell Report: Reforming Child Support to Improve Outcomes for Children and Families.</u> June 2019.

## Written Testimony SB 0139 - Maryland Legal Aid.pdf Uploaded by: Stacy Bensky





#### Senate Bill 0139

#### Driver's Licenses – Suspension for Child Support Arrearages – Exception In the Judicial Proceedings Committee Hearing on February 7, 2024 Position: FAVORABLE

Maryland Legal Aid (MLA) submits its written and oral testimony on SB 0139 in response to a request from Senator Watson.

MLA appreciates the opportunity to testify in support of SB 0139. This legislation would aid low-income families by tempering the harmful effects of the current arbitrary, automated driver's license suspension system used by the Maryland Child Support Enforcement Agency ("the Agency").

MLA is a private, nonprofit law firm that provides free legal services to thousands of low-income Maryland residents in civil matters. MLA's representation of non-custodial parents in child support cases has revealed significant inequities in the Agency's automated driver's license suspension system. The current system criminalizes poverty and disproportionately harms low-income families.

State and Federal laws authorize the use of driver's license suspension as an enforcement mechanism for non-custodial parents who are behind on their child support payments. Currently, the Agency automatically places any parent who has 60 days or more of arrears in a pool of people who may be randomly selected each month to be referred to the Motor Vehicle Administration ("MVA") for driver's license suspension. The MVA reported 20,512 driver's license suspensions for child support in calendar year 2023. Senate Bill 0139 would significantly reduce that number by creating an exception for those who are 250% below the Federal poverty guidelines.

#### MLA's clients are routinely harmed by driver's license suspensions.

MLA routinely assists low-income parents with driver's license suspensions. Through this work, MLA has found that parents have their licenses suspended:

- Even when custody has changed, and the child now lives with them;
- Even when they are making payments towards their arrearage balance pursuant to a payment agreement;
- Even when they need their driver's license for work;
- Even when the suspension causes them to lose their job;

- Even when they are disabled and unable to work and therefore unable to make payments; and
- Even when they need their license to be an involved and active parent.

MLA has also found that parents are denied driver's license reinstatement requests by the Agency:

- Even when they provide proof that custody has changed, and the child now lives with them;
- Even when they provide proof that they need their driver's license for work;
- Even when they provide proof that the suspension will cause them to lose their job; and
- Even when they provide proof of a pending or potential job opportunity that requires a valid driver's license.

The following are just a few examples of the many cases where MLA clients have suffered the harmful consequences of improper and inappropriate driver's license suspension:

- Mr. M is an MLA client who was granted custody of his son by the Circuit Court. Mr. M provided a copy of the new custody order to the Agency, showing that custody had changed and he is now the custodial parent. Yet, the Agency still suspended his license. Mr. M only discovered his license was suspended when he was pulled over for a minor traffic infraction in Virginia. Due to the suspended license, Mr. M's car was impounded and he was stranded outside in the pouring rain with his wife and children. Ultimately, Mr. M had to pay to get his car out of impound, and he was charged with driving on a suspended license.
- Mr. R is an MLA client who was granted sole custody of his daughter in the Juvenile Court, after the mother was found to be unfit due to abuse and neglect. He provided a copy of the custody order to the Agency, showing that custody had changed and he is now the custodial parent. Mr. R's driver's license was still suspended, which he learned only after being pulled over for a minor driving infraction. As a result, Mr. R received a criminal citation for driving on a suspended license.
- Mr. P is an MLA client who was granted sole custody of his son in the Circuit Court. The court also granted Mr. P's request to officially terminate his obligation to pay child support, in light of the change in custody. Mr. P provided copies of the court orders to the Agency, but **his driver's license was still suspended**. Mr. P drives trucks for a living, and he had no idea that his license had been suspended until he was out of the state, making a work delivery to a military base. The military base ran a routine background check on him, which revealed that his license had been suspended. As a result, Mr. P was unable to complete his work delivery, and **he was terminated from his job** with that trucking company.

• Mr. G is an MLA client whose children began residing with him full time a few years ago. Mr. G filed motions to modify both custody and child support, but these motions are still pending in the Circuit Court, as he has had trouble serving the mother, who moved out of state. Mr. G made the Agency aware of the change in custody and the pending court proceedings. Nevertheless, Mr. G received a letter informing him that **his license would be suspended**. Mr. G makes his living by driving for Uber, and he provided proof to the Agency that the suspension would cause him to lose his job, but the Agency refused to lift the suspension unless he made a large lump sum payment.

We at MLA know that child custody can change rapidly in low-income families. Sometimes neither parent has stable housing or employment, so custody might switch depending on which parent has more reliable housing or income at any given point in time. While a custody switch might happen overnight, a legal modification of a custody or child support order in the Circuit Court takes at minimum a year, and often longer. For lowincome parents who cannot afford attorneys, navigating the court system is extremely difficult. The current child support enforcement system does absolutely nothing to protect parents from having their driver's license suspended even in these situations where custody has changed and the former non-custodial parent is now the custodial parent.

Most parents we help have no idea their driver's license is suspended until they are pulled over. What would have been a minor traffic violation then turns into a criminal citation that carries with it collateral consequences ranging from their car being impounded, losing their job, missing shifts and losing wages, court dates, points on their license, increased insurance costs, and more. Further, a charge for "driving on a suspended license" acts as a subsequent conviction that will lock in earlier criminal charges on someone's record that otherwise would have been expungable, placing yet another barrier in the way of employment.

Creating this exception is in line with the controlling Federal law, 42 U.S.C. § states suspensions which that driver's license (along with 666(a)(16), professional/occupational and recreational/sporting license suspensions) should only be used "in appropriate cases" in order to "increase the effectiveness of the program." The purpose of the child support enforcement program is to increase economic stability for children and families, yet the Agency's current driver's license suspension system is the antithesis of the Federal requirement that this tool is to be used "in appropriate cases." As exemplified above, license suspensions are often not only not "appropriate"-but also harmful to children and families and counterproductive to obtaining and keeping steady employment. Further, the current system is in stark contrast to Md. Code Family Law § 10-118, which mandates that the Agency "shall promote and serve the best interests of the child."

This bill is in line with the 2020 legislation introduced by then-Attorney General Frosh and passed by the Maryland legislature that stopped the MVA from suspending driver's licenses for fines and fees. The logic behind the passage of those laws was simple: people need driver's licenses to secure and maintain employment so that they are able to pay their fines and fees. That simple logic applies here: parents, and low-income parents especially, need driver's licenses to secure and maintain employment so that they are able to pay their child support. Most child support is collected through wage garnishment and tax refund intercepts. Both of these collection mechanisms require the parent to have lawful, steady employment—to which driver's license suspension is an impediment.

Driver's license suspensions simply do not work as a child support enforcement mechanism for those who are living in poverty and do not have the ability to pay. They create an obvious barrier to employment and make it difficult to be an involved and active parent. Once the non-custodial parent's driver's license is suspended, they are unable to contribute in other ways—for example, picking the child up for visits, carpooling to school, doctor's appointments, etc.

The current automated system for driver's license suspension is dysfunctional and perpetuates the cycle of poverty. On its face, the current law (Md. Code Family Law § 10-119) already has enumerated exceptions that limit when the Agency can suspend driver's licenses. The text of Md. Code Family Law 10-119 has exceptions for parents who are disabled, parents who are making consistent payments on their arrearage balance per a payment agreement, and parents who need their license for employment. In practice, however, the automated system is completely unfettered and operates as if those exceptions do not exist in the statute. MLA regularly sees clients who fit squarely into an exception, yet still have their driver's license suspended. This is because the automated system does not have any mechanism that removes parents who fit into an enumerated exception from the pool of people who can be randomly selected each month for license suspension.

If a parent falls under an exception, they can use it as a reason to request that the Agency reinstate their license. However, reinstatement, if granted by the Agency, is merely a temporary solution. If the parent still has an arrearage balance of 60 days or more, they are still in the pool of people who can be selected for license suspension each month, and they often will receive another license suspension notice a few months later. Further, license reinstatement does not make up for the damage that may have already been done; they might have already lost their job, been criminally charged with driving on a suspended license, or missed out on participating in an important event in their child's life because of their suspended license. Many parents are stuck in a perpetual cycle of threatened or actual license suspension, undoubtedly furthering the cycle of poverty.

If the Agency staff would not have to spend so much of their time and resources on handling reinstatements of inappropriate and erroneous license suspensions for those who cannot afford to pay, they could focus their resources on investigating those rare cases where the parent is purposefully hiding or withholding money, or voluntarily impoverishing themselves. If this legislation is implemented correctly, it would have long-term positive impacts on low-income communities and on Maryland's economy as a whole. However, given that the current automated system used by the Agency to suspend licenses presently does not have the ability to screen for whether they fall into one of the existing statutory exceptions, MLA has serious concerns about the Agency's ability to implement this bill and screen out those who are 250% below the Federal poverty guidelines from their automated system. Therefore, MLA urges the committee to give a favorable report to this bill, SB 0139, and also SB 0174. The two bills are complimentary, and, SB 0174, by removing the automated suspension system, will ensure this bill is properly implemented. Thank you for the opportunity to provide input on this important legislation.

If you have any questions, please contact:

Stacy Bensky, Esq. Staff Attorney, Maryland Legal Aid 410-951-7755 (Office Phone) 410-852-5204 (Cell Phone) sbensky@mdlab.org

## **SB0139\_FAV\_CFUF\_ZA.pdf** Uploaded by: Zachary Alberts



#### **TESTIMONY IN SUPPORT OF SENATE BILL 139:**

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

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

FROM: Zachary Alberts, Senior Manager of Strategic Initiatives at the Center for Urban Families

DATE: February 7th, 2024

Good afternoon, my name is Zach Alberts. I am a resident of district 46 and the Senior Manager of Strategic Initiatives at the Center for Urban Families, a workforce and family strengthening program in Baltimore City. We urge you to support Senate Bill 139, which repeals the punitive and self-defeating practice of suspending driver's licenses for obligors making less than 250% of the Federal Poverty guidelines.

At the Center for Urban Families, we help individuals that live in the most underserved, underrepresented, and disconnected areas in Baltimore City. As you have heard in previous testimonies for both this bill and others, 92% of jobs in the Baltimore Metro are take an hour or more to get to on public transportation - that's IF the busses come on time. As our clients climb their way up the economic ladder, a car is more often than not their first significant purchase as it opens up a world of economic and parenting possibilities. Jobs that require driver's licenses, like qualifying for your CDL-B and operating an 18-wheeler, are some of the most popular paths out of poverty for our members because they have relatively low barriers to entry and pay upwards of \$80,000. These license suspensions unnecessarily and unproductively block access to high wage-earning employment.

A 2020 study by the Baltimore Sun found that the average child support arrearages of 1,700 non-custodial parents in CFUF's 21217 Zip Code was \$16,500. That is 45% of that zip code's annual median income. CFUF's clients' arrears are even higher at \$24,000 and those same parents reported being out of work 18 of the previous 24 months. Our clients are doing the right thing. They are striving to be better parents, better community members and better citizens. Suspending their license because they cannot keep up with a debt that is almost half their income doesn't make it more likely that they'll pay it off, it makes it less.

The purpose of child support laws is to help Maryland families and children. This practice only hurts them. I urge a favorable vote for bill 139. Thank you.

**SB0139 - FWA - DHS.pdf** Uploaded by: Rachel Sledge Government Affairs Position: FWA



February 7, 2024

The Honorable William Smith, Chair Senate Judicial Proceedings Senate Office Building, 3 East Miller Annapolis, Maryland 21401

#### RE: TESTIMONY ON SB0139 - DRIVER'S LICENSES - SUSPENSION FOR CHILD SUPPORT ARREARAGES - EXCEPTION - POSITION: FAVORABLE WITH AMENDMENTS

Dear Chair Smith and Members of the Judicial Proceedings Committee:

The Maryland Department of Human Services (DHS) thanks the Committee for the opportunity to provide favorable support for Senate Bill 139 (SB139). With offices in every one of Maryland's jurisdictions, DHS assists Marylanders in economic need, provides preventive services, and protects children and adults. The Child Support Administration (CSA) within DHS implements the child support program which is affected by SB139.

SB 139 is a reintroduction from the 2023 session. DHS worked with Senator Watson on consensus amendments. The language in SB 139 is identical to the bill as passed by the House on third reader last year. This year's amendments are the addition of a preamble.

We respectfully request a favorable report with these sponsor amendments.

We believe that the committee should support this bill because it ensures noncustodial parents (NCPs) with incomes equal to or less than 250% of the federal poverty guidelines, do not have their driver's licenses suspended because they have not fully complied with paying a child support order. Driver's licenses are an essential credential for education, work, and parenting.

The overall goal of DHS is to promote parental responsibility so that children receive support from both parents even when they live in separate households. We support the goal of SB139 to distinguish between, and treat appropriately, NCPs who are unwilling to meet their child support obligations and those who are unable to pay child support. DHS understands that NCPs who are unable to pay should not be subject to the limitations a suspended license would place on their access to education, training, and employment necessary to provide regular, consistent, and timely child support payments.

While SB139 may result in an initial decrease in child support collections, we are committed to changes that will reduce the impact on collections. We are intent on enhancing the child support automated system and creating new and easier to understand notices to obligors. We are also committed to implementing new early intervention strategies to build trust and develop relationships with NCPs to help prevent arrearages. We will make these changes in partnership with community organizations to both enhance and increase outreach efforts as we better communicate with the NCPs we serve and support.

If you require additional information, please contact Rachel Sledge, Director of Government Affairs, at <u>rachel.sledge@maryland.gov</u>.

In service,

Rafael López Secretary