

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. Luke Clippinger, Chair, and Members of the House Judiciary Committee

FROM: Job Opportunities Task Force

DATE: March 26, 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 lower-income 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.

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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:

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