## Maryland Legal Aid -Testimony Regarding HB 1045.pd Uploaded by: Amee Vora



#### House Bill 01045

#### Family Law - Child Support - Multifamily Adjustment

In the House Judiciary Committee Hearing on February 22, 2024

**Position: FAVORABLE** 

Maryland Legal Aid (MLA) submits its written and oral testimony on HB 01045 at the request of its sponsor, Delegate Charlotte Crutchfield.

MLA asks that the Committee report **favorably** on House Bill 01045, which would alter the State's child support guidelines by creating an income deduction for parents – both custodial and non-custodial — who are caring for additional children in their home to whom they owe a duty of support, but who are not the subject of an existing child support order. MLA is Maryland's largest private, civil non-profit law firm, providing free legal services to indigent Maryland residents. MLA assists low-income individuals and families in every Maryland county with a wide array of civil legal issues, including family law cases such as divorce, custody, child support, and domestic violence matters. In our family law cases, MLA represents mothers as well as fathers, and custodial as well as non-custodial parents.

HB 01045 recognizes that modern American families are complex and that many parents have children from other relationships.

A growing number of families across America are made up of children from multiple relationships. A study from the U.S. Census Bureau found that, in 2021, over 10% of adults had children with multiple partners.<sup>1</sup> As poverty is strongly correlated with multiple-partner fertility,<sup>2</sup> MLA attorneys regularly assist low-income parents who have biological children with more than one partner.

Yet, despite the increasingly complex nature of modern families, Maryland's current child support laws treat children as if they are each the products of neat, nuclear families. Indeed, under the existing child support guidelines, incomes of custodial and non-custodial parents are calculated as if the children at issue in the case are the parents' *only* children, ignoring the possibility that either or both parents have additional children at home for whom they are also responsible. HB01045 aims to remedy the law's

<sup>&</sup>lt;sup>2</sup> See Lindsay M. Monte, Multiple-Partner Fertility in the United States: A Demographic Portrait, 56 Demography 103 (2019); Pamela J. Smock & Christine R Schwartz, The Demography of Families: A Review of Patterns and Change, 82 JOURNAL OF MARRIAGE AND THE FAMILY 9 (2020).







<sup>&</sup>lt;sup>1</sup> See Brittany King & Tayelor Valerio, Multiple Partner Fertility Research Brief: 2021, U.S. Census Bureau (2023).

failure to acknowledge that parents in child support cases may have children with multiple partners by creating an income deduction based on the number of additional dependent children each parent has in their home. This approach is hardly novel; most other states' child support guidelines offer parents a similar income deduction,<sup>3</sup> meaning that Maryland is currently behind the curve on updating its child support laws to reflect the realities of modern families.

### HB 01045 is grounded in fairness and will lead to the establishment of more realistic and accurate child support orders.

HB 01045 would amend the child support guidelines to give *both* custodial and non-custodial parents credit for additional children they each may have in their homes. Given the frequently contentious and adversarial nature of family law cases, and particularly child support matters, HB 01045 promotes equity and fairness by treating both parents equally, refusing to prioritize the needs and expenses of one parent over those of the other.

Furthermore, the adoption of HB 01045 will lead to the entry of child support orders that are more accurately based on the actual finances of each parent. By accounting for the fact that parents may be supporting additional children in their households, HB01045 will calculate child support at a rate that realistically captures the amount of income that is actually at each parent's disposal. Research has shown that child support orders that are calculated realistically result in more frequent payments and fewer arrears.<sup>4</sup> On the other hand, unrealistically high child support orders lead to insurmountable debt that interferes with a child's ability to receive care and consistent financial support from their parents.<sup>5</sup>

Child support is an important tool in promoting the financial stability and well-being of children, but it is most effective when it is based on the actual financial circumstances of parents. The passage of HB 01045 will improve the fairness and efficacy of Maryland's child support program by bringing our state into line with the majority of others around country, in recognition of the changing nature of American families.

For these reasons, Maryland Legal Aid urges the Committee to issue a FAVORABLE report on HB 01045 and to support its ultimate passage. If you have any questions, please contact Amee Vora, (443) 604-6186, <a href="mailto:avora@mdlab.org">avora@mdlab.org</a>.

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<sup>&</sup>lt;sup>3</sup> See Jane C. Venohr, Child Support Guidelines and Guidelines Reviews: State Differences and Common Issues, 47 FAM. L.Q. 327 (2013).

<sup>&</sup>lt;sup>4</sup> See Vicki Turetsky, The Abell Report: Reforming Child Support to Improve Outcomes for Children and Families, The Abell Foundation (2019).

See id.

### **Del Charlotte Crutchfield Testimony for HB 1045 Fa**Uploaded by: Charlotte Crutchfield

CHARLOTTE A. CRUTCHFIELD, Esq.

Legislative District 19
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DEPUTY MAJORITY WHIP

Judiciary Committee

Subcommittees

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### THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

February 22, 2024

The House Judiciary Committee The Honorable Luke Clippinger 6 Bladen Street, House Office Building, Room 101 Annapolis, MD 21401

Re: House Bill 1045: Family Law-Child Support-Multifamily Adjustment

Dear Chairman Clippinger, Vice-Chair Bartlett and Committee Colleagues:

HB 1045 is the product of research and input from the Maryland Child Support Guidelines Advisory Committee, coordinated and chaired by the Maryland Department of Human Services.

This legislation will create a deduction for child support determinations. Specifically, a deduction may be given when determining a parent's income for child support purposes based on situations when a parent has an additional child(ren) who live(s) with the parent, and to whom that parent has a duty of support. This additional child(ren) may be born before or after the child for whom support is being determined i.e., from a prior or a subsequent marriage/ relationship. What is key is not the order of birth of the child or whether there is a preexisting child support obligation (which is currently the case) but that the child lives with the parent and as such, the parent is providing care and financial support for that child. In other words, this legislation shifts away from the notion that parents with multiple households should solely bear the responsibility of augmenting income to compensate for their situation. Instead, HB 1045 emphasizes acknowledging the existence of children in both households, understanding the constraints of income due to the support of extra dependents, and reducing the impact related to the sequence of birth order.

Currently, child support guidelines are calculated using the parties "adjusted actual income", which is their gross monthly income, minus alimony and/or child support that a court has previously ordered the party to pay. At present, financial support provided by parents for children living in their homes is not considered if a court has not ordered the parent to provide

such support. HB1045 will permit courts when establishing or modifying child support to account for the financial support parties provide to children living in their homes, to whom the parents owe a duty of support, but for whom there is no preexisting child support order. The legislation would add a new deduction from each parent's "actual income" for a "hypothetical support" amount deemed to be provided by that parent for the child(ren) living in his or her home. Both the payor and payee of the child support order would be entitled to this deduction from their actual income.

To calculate the hypothetical support amount, a court must determine the basic support obligation based solely on that parent's income for the number of children living in the parent's home, when multiplying the basic support obligation by 75%. The resulting figure (75 percent of what they would be required to pay if their child support obligations were calculated under the current guidelines) will be subtracted from the parent's actual income to produce the "adjusted actual income" amount. Under this bill, the courts would be permitted to exercise discretion to decline to apply the deduction if the deduction would be "unjust or inappropriate" in any given case.

I respectfully request a favorable report for House Bill 1045.

Sincerely,

Delegate Charlotte Crutchfield

Charlotte Crutchfield

# **Testimony-HB1045.pdf**Uploaded by: Gary Simmons Position: FAV

GARY SIMMONS
Legislative District 12B
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# THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

February 20, 2024

Dear Chairman and members of the committee

Re: Testimony in Support of HB1045 - Positive Changes to State Child Support Guideline

I am writing to express my support for HB1045, a bill that proposes valuable changes to the definition of "adjusted actual income" under the State child support guidelines. The alterations outlined in this bill, including an allowance to support each child in the parent's home, represent a positive and necessary step towards fair and equitable child support determinations.

The proposed legislation, which requires the deduction of an allowance for support for each child in the parent's home who is not subject to a support order, demonstrates a thoughtful approach to the financial realities faced by parents responsible for the care of multiple children. By acknowledging parents' financial obligations towards all their children, including those not covered by a support order, HB1045 ensures that child support calculations more accurately reflect the economic circumstances of the paying parent.

Additionally, the provision that this allowance be subtracted from a parent's actual income before the court determines the amount of a child support award aligns with the principle of fairness and ensures that child support orders are based on a more realistic assessment of the parent's ability to contribute financially.

The current child support guidelines sometimes fail to consider the holistic financial responsibilities of parents with multiple dependents. By recognizing and accounting for the financial needs of all children in a parent's household, HB1045 not only promotes fairness in child support calculations but also serves in the children's best interests.

I commend the legislators behind HB1045 for their efforts to refine and improve our state's child support guidelines, making them more responsive to today's diverse family structures and financial obligations. This bill represents a thoughtful and compassionate approach to child support, ensuring that the calculations are accurate and reflective of any parent's real-life financial situations.

Please consider the positive impact that HB1045 can have on our community by fostering a fair and balanced child support system. I wholeheartedly support the passage of this bill and appreciate your dedication to addressing the evolving needs of families in our state.

Thank you for your attention and consideration.

Sincerely,

**Delegate Gary Simmons** 

## HB 1045 - Family Law - Child Support - Multifamily Uploaded by: Kam Bridges



#### Advocating better skills, jobs, and incomes

#### **Testimony in Support of House Bill 1045**

#### Family Law - Child Support - Multifamily Adjustment

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

FROM: Job Opportunities Task Force

DATE: February 22, 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 House Bill 1045**, which would take into account the financial support an obligor is providing to additional children when calculating adjusted actual income for child support.

Child support enforcement that strikes a balance of providing for the needs of the child without incapacitating the obligor's ability to either work and/or provide the mandated financial support is notoriously difficult to balance. However, this piece of legislation does an admirable job in taking an important step in the right direction. House Bill 1045 takes the crucial step of considering mitigating custodial factors when calculating adjusted actual income for child support, namely if the parent in question has additional children whom they owe a legal duty of support and spend more than a fourth of the year overnight in the parent's home. It also allows the court to decline if in the best interests of the child, awarding an allowance would be unjust or inappropriate.

The number one consideration in any and all child support orders should be the bests interests of the child or children in question. In most cases, the impoverishment of one of the child's parents would not be in the child's best interests. Financial insecurity is the primary gateway of most of Maryland's largest systemic social ills, including but not limited to homelessness, drug abuse, heath issues, and crime. It behooves the state to ensure that the most equitable formulas for child support calculations are used, both for the benefit of the child in question and for the health and wellness of the community as a whole. Taking into account other children a parent might be responsible for while calculating child support payments is a common sense step that Maryland should absolutely consider.

For these reasons, JOTF supports House Bill 1045 and urges a favorable report.

For more information, contact:

Kam Bridges / Senior Public Policy Advocate / Kam@jotf.org

# HB 1045 - WLCMD - FAV.pdf Uploaded by: Laure Ruth Position: FAV



102 West Pennsylvania Avenue, Suite 100 Towson, MD 21204

phone 410-321-8761 fax 410-321-0462 www.wlcmd.org

BILL NO: House Bill 1045

TITLE: Family Law – Child Support – Multifamily Adjustment

COMMITTEE: Judiciary

HEARING DATE: February 22, 2024

POSITION: SUPPORT

House Bill 1045 would alter the definition of "actual adjusted income" In the child support statute, to account for other children for whom one or both of the parties are financially responsible. The Women's Law Center of Maryland (WLC) supports HB 1045 as it will more realistically calculate child support orders in the many cases where one or both of the parties are also financially responsible for children who are not a part of the child support order at hand.

There have been repeated attempts to add this calculation into child support law in Maryland, with other iterations of this idea. HB 1045 was drafted in consultation with many stakeholders, including an economist and others who work in the social science field of child support, as well as Maryland practitioners of family law, and child support staff from around the state.

HB 1045 would apply to both parties, the payor and the payee. It uses a mathematical formula with an "allowance" for other children for whom the party is responsible and who spends at least 92 nights with that parent. This allowance is deducted from the party's actual income before child support is calculated. The court would also be able to consider any other financial consideration as enunciated in the bill. And overall, the court would also be determining the best interests of the child at issue.

The WLC recognizes that sometimes parties to a child support case have financial responsibility for other children than the ones who are subject of a particular child support case. HB1045 seeks to take this into account. We support the policy that child support orders should be realistic, and not cause a party to not be able to comply from the outset.

As such, The Women's Law Center of Maryland urges a favorable report on HB 1045.

The Women's Law Center of Maryland is a non-profit legal services organization whose mission is to ensure the physical safety, economic security, and bodily autonomy of women in Maryland. Our mission is advanced through direct legal services, information and referral hotlines, and statewide advocacy.

## HB1045\_Multifamily Adjustment\_UMSSW Testimony.pdf Uploaded by: Letitia Passarella

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House Bill 1045 - Family Law - Child Support - Multifamily Adjustment House Judiciary Committee February 22, 2024

#### **SUPPORT**

A premise of the child support program is that all children deserve to be financially supported by both of their parents. This notion becomes complicated when parents have children with multiple partners, which national data shows has become increasingly common. Among parents with two or more children, 24% had those children with multiple partners. Maryland Family Law addresses this complexity when a parent has multiple child support orders, but there is no consistent standard when a parent has a child with a support order *and* another child in their residence. HB 1045 aims to create this standardization.

**Currently, Maryland Family Law allows courts to adjust child support obligations for intact second families.** When determining a child support obligation for a child, Maryland Family Law allows courts to consider whether an obligor (i.e., the parent paying support) resides with and is financially responsible for their other children (§ 12-202(a)(2)(iii). In these instances, courts *may* establish a lower obligation than the amount recommended by the guidelines; this is called a deviation. This deviation recognizes that the child on the obligor's formal child support order and the resident child both deserve financial support from the obligor. However, courts are not required to deviate for intact second families, and if they do, there is no consistency in the amount of the deviation across the state.

Some courts have tried to standardize the amount of financial support considered for children residing with the obligor. A recent federally-mandated review of child support orders between 2015 and 2018 in Maryland showed that some courts subtracted the value of a parent's contributions to a resident child from the obligor's income. Currently, Maryland Family Law does not permit courts to use income adjustments in this way, but HB 1045 would establish this mechanism.

**Adjustments for intact families vary across the state**. Based on the 2015 to 2018 Maryland Child Support Guidelines Case-level Review of orders established through the public child support program, seven jurisdictions did not account for intact families when determining support obligations. Among orders with any deviations, 20% or less of those orders were adjusted for intact families in 15 jurisdictions, while 40% of orders with a deviation were adjusted for intact families in two jurisdictions.

HB 1045 provides courts with clear guidance on how to account for intact families when determining child support obligations. A favorable report for HB 1045 will help ensure parents with multiple partners receive more consistent and equitable child support orders that account for the needs of all their children. I respectfully urge a favorable report for HB 1045.

Submitted by Letitia Logan Passarella Research Director Family Welfare Research & Training Group University of Maryland School of Social Work llogan@ssw.umaryland.edu

The Family Welfare Research & Training Group of the University of Maryland School of Social Work (UMSSW) has been a research partner of the Maryland Department of Human Services (DHS) for more than 30 years. UMSSW completed the federally-mandated report referenced above: 2015 to 2018 Maryland Child Support Guidelines Case-level Review.

<sup>&</sup>lt;sup>1</sup> King & Valerio. (2023). Multiple Partner Fertility Research Brief: 2021. U.S. Census Bureau.

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### MARYLAND JUDICIAL CONFERENCE GOVERNMENT RELATIONS AND PUBLIC AFFAIRS

Hon. Matthew J. Fader Chief Justice 187 Harry S. Truman Parkway Annapolis, MD 21401

#### **MEMORANDUM**

TO: House Judiciary Committee FROM: Legislative Committee

Suzanne D. Pelz, Esq.

410-260-1523

**RE:** House Bill 1045

Family Law – Child Support – Multifamily Adjustment

**DATE:** February 14, 2024

(2/22)

**POSITION:** Support

The Maryland Judiciary supports House Bill 1045. This bill would amend the way a court determining child support would establish parental income when a parent has other children in the household who are not subjected to a child support order. It would create a "multifamily adjustment."

This bill establishes a standard and balanced formula for courts to use in calculating an allowance for a parent's support of other children to whom the parent owes a duty. It maintains the court's discretion to deviate (or not) from the child support guidelines based on what is in a child's best interest.

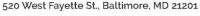
cc. Hon. Charlotte Crutchfield

Judicial Council

Legislative Committee

Kelley O'Connor

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**To:** Members of the Senate Judicial Proceedings Committee

From: Family Law Section Council (FLSC)

Date: February 22, 2024

**Subject:** House Bill 1045

Family Law - Child Support - Multifamily Adjustment

**Position:** FAVORABLE

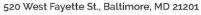
The Maryland State Bar Association (MSBA) FLSC supports House Bill 1045

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 laws 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, like most other states across the country, calculates child support orders based on an "income-shares" model, which considers parental income, the number of shared minor children, and several other factors such as alimony payments, health insurance costs, and extraordinary medical expenses when setting the rate of child support. See Maryland Family Law Code § 12-204. This model aims to ensure that children receive the same proportion of parental income as they would if the parents resided in the same household.

Unlike most other states, however, Maryland's child support laws do not adjust a parent's income for the purpose of calculating child support based on whether they are supporting additional dependent children in their home. In other words, Maryland's child support guidelines currently calculate child support as if the children at issue in the child support case are their parents' only children; there is no consideration of the fact that either or both parents might also

<sup>1</sup> See Jane C. Venohr, Child Support Guidelines and Guidelines Reviews: State Differences and Common Issues, 47 FAM. L.Q. 327, 343 (2013) ("Most state guidelines provide an income deduction to recognize a parent's financial support of his or her additional children.").





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be legally responsible for additional children in their households and how that factor impacts their disposable income.

HB 1045 seeks to update Maryland's child support laws to reflect the reality that a growing number of American families are comprised of parents who have had children with multiple partners. This bill amends the child support guidelines to create an income deduction for parents who have additional children in their homes besides the children at issue in a given child support case. By reducing a parent's available income based on the number of additional children for whom the parent is responsible, HB 1045 recognizes the fact that modern American families often consist of parents who are juggling financial responsibilities to multiple children, and it ensures that no single child gets shortchanged.

This income deduction for additional dependent children would apply *equally* to custodial as well as non-custodial parents, thus fostering a sense of fairness and equity in cases that are, by nature, emotionally charged and highly contested. Child support offers children an important source of financial stability and consistency, and HB 1045 will ensure that it is calculated fairly and accurately, with full consideration of each parent's financial realities.

For the reason(s) stated above, the MSBA FLSC supports House Bill 1045 and urges a favorable committee report.

Should you have any questions, please contact Michelle Smith at 410-280-1700 or msmith@lawannapolis.com.