



Testimony Concerning SB 703
Family Investment Program and Supplement Nutrition Assistance Program Benefits –
Child Support
Senate Finance Committee
February 19, 2025

Position: Support

Maryland Family Network (MFN) strongly supports SB 703, which requires the Department of Human Services to pass through all child support collected to families on Temporary Cash Assistance (TCA) and to disregard this income when calculating benefit amounts for TCA and Supplemental Nutrition Assistance Program (SNAP).

MFN has worked since 1945 to improve the availability and quality of child care and other vital supports for children and families in Maryland. We have been active in state and federal debates on policies that serve children and families and are strongly committed to ensuring that children and their caregivers have access to the resources and opportunities they need to thrive.

Passing through all child support collected and disregarding it for public benefit determinations improves outcomes for low-income children and increases parental involvement. Research studies confirm that non-custodial parents are more likely to make child support payments when pass-through policies are in place, as parents know the funds are being directly distributed to their children, instead of being kept by the state.¹ These child support payments have a positive impact on child development – such as higher cognitive skills and stronger emotional development- and can reduce incidents of child maltreatment.²

SB 703 builds upon the successful partial child support pass-through and disregard policy that Maryland passed in 2017 and enacted in 2019. Since July 1, 2019, TCA families can receive up to \$100 in pass-through for one child and up to \$200 for two or more children, and this amount is disregarded in calculating their TCA benefit amount. In FY 2023, 31% of families on TCA had an established child support order, and of those families, two out of five received a pass-through payment.³ For the typical family, the additional support raised the household's quarterly income by 11%.⁴ However, this policy has not increased the percentage of TCA families with an order for child support or the percentage of payments

¹ Zolot T, Martinez-Schiferl M, Desbien L, Kauffmann M. (2020). Dollar for dollar: Why the child support pass-through makes sense. Policy & Practice. <https://www.thefreelibrary.com/Dollar+for+Dollar%3A+Why+the+Child+Support+Pass-Through+Makes+Sense.-a0652591389>

² Cancian, M., Yang, M., & Slack, K. (2013). The effect of additional child support income on the risk of child maltreatment. Social Service Review, 87(3), 417-437. <https://doi.org/10.1086/671929>

³ University of Maryland School of Social Work. March 2024. *Life on Welfare: Temporary Cash Assistance Families & Recipients, 2023*. <https://www.ssw.umaryland.edu/media/ssw/fwrtg/welfare-research/life-on-welfare/Life-on-Welfare,-2023,-updated-12-2024.pdf>

⁴ Smith H, Hall LA. (2021). Maryland's child support pass-through policy: Exploring impacts on TCA families. University of Maryland. <https://www.ssw.umaryland.edu/media/ssw/fwrtg/welfare-research/work-supports-and-initiatives/Pass-Through-Impacts-on-TCA-Families.pdf>



being made, as states with full child support pass-through have seen.⁵ **Passing through the full amount of child support – instead of the partial amounts that Maryland currently allows – would provide additional income for extremely low-income families and increase the likelihood more families will establish child support orders, and that the orders would be fulfilled.**

Implementing full child support pass-through and disregard increases economic stability for Maryland families living in deep poverty and would provide a boost to local businesses.

While TCA is a critical safety net, the benefit amount is only statutorily required to meet 61.25% of the Maryland Minimum Living Level when combined with SNAP, leaving families struggling to make ends meet on an amount that is – by definition – not enough to live on in Maryland. Consequently, any increase in a household's income – like full child support pass-through – will be immediately spent in the local economy to meet the families' basic needs. A 2019 report projected that establishing full pass-through of all child support collected – like proposed in SB 703 - could reduce the child poverty rate by 0.5%, which would correspondingly reduce state spending on safety-net programs.⁶

Full child support pass-through and disregard promotes family economic stability, benefits low-income children, and strengthens Maryland communities. **Maryland Family Network respectfully urges a favorable report on SB 703.**

Submitted by: Lisa Klingenmaier, Deputy Director of Public Policy

⁵ Ibid.

⁶ Minton S, Giannarelli L, Werner K, Tran V. (2019). Reducing child poverty in the U.S.: An updated analysis of policies proposed by the children's defense fund. Urban Institute. <https://www.urban.org/research/publication/reducing-child-poverty-us-updated-analysis-policies-proposed-childrens-defense-fund>