



OUT FOR JUSTICE

TESTIMONY IN OPPOSITION OF SENATE BILL 195 **Family Law - Child Support**

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

FROM: Dwan Burton, Deputy Director for Out for Justice

DATE: January 14, 2025

On behalf of Out for Justice (OFJ), a nonprofit advocacy organization led by individuals directly impacted by the legal system, we write to express our strong opposition to DHS' 2025 Family Law- Child Support (HB0218/SB0195), which introduces provisions to garnish the wages of 1099 workers and independent contractors, mandates employer reporting to the Department of Human Services (DHS) for a maximum 65% wage garnishment and imposes penalties for employer non-compliance. Senate Bill 195 also garnishes personal injury awards and winnings from sports betting and fantasy winnings. Lastly, it increases the chances of incarceration due to expanding the contempt window from 3 to 7 years.

OFJ represents thousands of Marylanders who have faced significant barriers to employment due to the collateral consequences of legal system involvement. Many of our members turn to independent contracting as one of the few viable pathways to earn a living. This work is often unstable, irregular, and hard-earned. The proposed legislation would disproportionately burden these workers, exacerbating their challenges.

Here are our key concerns:

1. **Racial Disparities:** Per the [Senate Bill 164 \(2024\) Fiscal note](#), in 2023, the MVA suspended approximately 20,512 licenses due to child support noncompliance. In the same fiscal note, OAH indicates that only 34 hearing requests were made in fiscal 2023 involving CSA and an obligor's driver's license suspension. Further, [the NAACP Maryland State Conference reported that Black parents comprised 71% of these suspensions from 2015-2020](#).
2. **Exacerbating Economic Marginalization:** Independent contractors, particularly formerly incarcerated ones, already encounter systemic barriers to stable employment. Garnishing up to 65% of their wages would leave them with insufficient income to meet basic needs, perpetuating cycles of poverty and instability. Worse, this bill will allow the entirety of a personal injury award to be taken from an injured person, which retraumatizes them and leaves them economically destitute.
3. **Unfair Burden on Employers:** The requirement that employers report independent contractors to DHS places an undue administrative burden on businesses. This could discourage them from hiring contractors with legal system involvement, further limiting the already limited opportunities available to these workers.
4. **Increased Risk of Recidivism:** Financial instability is a well-documented driver of recidivism. By targeting the limited income streams of independent contractors, this



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legislation creates an overly oppressive environment, increasing the likelihood of individuals moving into the underground economy to secure income.

5. **Government Overreach and Financial Predation:** This legislation not only creates barriers for marginalized groups but also opens the door for the government to act as financial predators. **It establishes an avenue for wage garnishment on independent contractors that did not previously exist**, setting a dangerous precedent for further exploitation of vulnerable workers.
6. **Driver's License Suspensions - Not a fix:** Previously, OFJ supported [HB0326/SB0164](#) (2023), sponsored by Senators Watson and Henson, to allow obligors with an annual income of less than \$38k to be automatically excluded from the driver's license suspension mechanism. It was vital to our members to protect their access to transportation upon release in our efforts to assist them with securing employment. The current DHS Bill Language does not automate the process; instead, it burdens the obligor to prove their income while still having their license suspended regardless of impact or hardship, as is the current DHS practice. This needs to be fixed in this bill back to the 2023 or even [2024 bill language](#). That bill passed out of both chambers overwhelmingly and should be appropriately inserted into the DHS bill.

Rather than punitive measures, we urge the legislature to prioritize policies that support economic stability and growth for individuals re-entering society. This includes expanding access to job training programs, creating incentives for businesses to hire individuals with legal system involvement, and investing in social services that address the root causes of economic hardship.

We stand ready to collaborate with lawmakers to develop more equitable solutions that promote public safety and economic opportunity for all Marylanders. We strongly urge you to reconsider this legislation and vote against its passage.

Thank you for your attention to this critical matter. Please do not hesitate to contact OFJ for further discussion or information.

Respectfully submitted,
Dwan Burton
Deputy Director
Out for Justice Inc.