

Wes Moore, Governor · Aruna Miller, Lt. Governor · Rafael López, Secretary

February 20, 2025

The Honorable Luke Clippinger, Chair House Judiciary Committee House Office Building, Room 101 Annapolis, Maryland 21401

## <u>RE: TESTIMONY ON HB0275 - FAMILY LAW - CHILD SUPPORT - MULTIFAMILY</u> ADJUSTMENT - POSITION: INFORMATIONAL ONLY

Dear Chair Clippinger and Members of the Judiciary Committee:

The Maryland Department of Human Services (DHS) thanks the Committee for the opportunity to provide a letter of information regarding House Bill 275 (HB 275). The bill is the result of research and input from the Maryland Child Support Guidelines Advisory Committee, coordinated and chaired by DHS. Delegate Crutchfield has graciously sponsored the bill for the Committee the last two legislative sessions. Our Departmental bill, House Bill 218 (HB 218), includes a multifamily adjustment component as part of a larger effort by our Department to modernize child support in Maryland through legislation in 2025.

With offices in every one of Maryland's jurisdictions, DHS empowers Marylanders to reach their full potential by providing preventative and supportive services, economic assistance, and meaningful connections to employment development and career opportunities. Our Child Support Administration (CSA) implements the child support program affected by HB 275. The bill revises the calculation of a child support obligation to include considering children living in a household who are not subject to a current child support action, but for whom a parent owes a legal duty of support. In addition, HB 275 allows courts the discretion to deviate from the guidelines for any financial consideration the court finds is in the best interests of the child.

Frequently one or both parents owe a duty of support to other children living in the home who are not subject to the current child support action. Currently, Maryland law only authorizes a court to consider the presence of other children as a "possible ground" for deviating from the child support guidelines. The proposed legislation amends the definition of "adjusted actual income" in Family Law Article § 12-201(c) to establish an allowance for each additional child living in a parent's home to whom the parent owes a legal duty of support, but who are not subject to the support order.

Passing a multifamily adjustment would promote more equitable child support orders that do not negatively impact the children living in a parent's household. Our bill, HB 218, makes several changes to the Child Support program in Maryland to ensure more equitable child support orders, including a multifamily adjustment. HB 218 includes two other provisions to ensure child support orders are more equitable for Marylanders.

- HB 218 will ensure child support orders are more equitable by capping the maximum amount of a child support garnishment at 25% of the parent's income, whether income is earned through wages or as an independent contractor for parents living at or below 250% of the federal poverty guideline. The language was crafted in collaboration with our partners in the advocacy community, including the Center for Urban Families.
- 2. HB 218 will increase the statute of limitations for filing a motion for contempt. Increasing the timeframe that an obligor can be held accountable creates more time to work with noncustodial parents. The extension preserves the use of contempt as a last resort providing time for other collection methods to be exhausted before engaging in a contempt action.

When child support orders are equitable and parents have help when they need it, parents can avoid arrearages and collection actions while improving payment consistency and reliability. If arrears accrue, HB 218 would provide additional time to remove barriers to payment.

We appreciate the opportunity to offer informational testimony to the Committee as you consider how best to modernize child support in Maryland. If you require additional information, please contact Rachel Sledge, Director of Government Affairs, at <u>rachel.sledge@maryland.gov</u>.

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