



## TESTIMONY IN SUPPORT OF HOUSE BILL 218

### Family Law – Child Support

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

FROM: Zachary Alberts, Director of Advocacy

The Center for Urban Families (CFUF), a West Baltimore workforce and family-strengthening community-based organization, advocates for legislative initiatives that strengthen urban communities by helping fathers and families achieve stability and economic success.

Our Founder, President, and CEO Joe Jones has submitted testimony supporting HB 218 as amended by the sponsor. My testimony focuses specifically on how capping wage garnishment at 25% for low-income obligors would benefit all parties: the obligor, the custodial parent, and most importantly, their children. What seems counterintuitive—lowering the maximum garnishment rate—actually leads to higher child support collections. When obligors aren't forced to choose between their own basic survival and paying child support, they stay employed in the formal workforce and make more consistent payments over time.

In 2019, former Federal Office of Child Support Director Vicki Turetsky authored a report for the Abell Foundation outlining 15 policy recommendations to improve Maryland's child support program. One of the policy recommendations was to “reduce the income withholding percentage from 65 percent to 25 percent in cases where parents have low-wage jobs.”

The Consumer Credit Protection Act (CCPA) caps wage garnishment at 25% of disposable income for most debts, but allows up to 65% garnishment for child support and alimony obligations. As the Abell Foundation report explains, “[t]his high withholding rate can have the unintended effect of pushing low-wage parents out of a job, because the remaining paycheck is often too little to survive on. Under federal law, states have the discretion to withhold a lower amount.” Maryland should exercise this discretion and cap garnishment at 25% for low-income obligors because it would ultimately increase the total amount of money reaching custodial parents and their children through the child support system.

*Center for Urban Families, Inc. (CFUF)*  
2201 North Monroe Street  
Baltimore, MD 21217  
410 367 5691 P  
410 367 4246 F  
[www.CFUF.org](http://www.CFUF.org)



When an unemployed or underemployed obligor is put on child support, the courts use a practice called income imputation, in which they assign part- or full-time minimum wage to the obligor in calculating how much child support the obligor should pay. 23% of Maryland obligors and 40% of Baltimore City obligors have had their incomes imputed. While income imputation sounds reasonable in theory, in practice it assigns fictitious income to individuals who face a variety of structural barriers to full-time work, like substandard education or the long-term consequences of the carceral state.

Since this imputed income never actually existed, obligors begin accumulating debt immediately. These arrears trigger serious consequences - including suspension of driver's and occupational licenses - which further obstruct their ability to find and maintain employment. When they are finally able to do so, they are immediately hit with wage garnishments ranging from 50% to 65%, depending on their individual circumstance. According to the most recent Quadrennial Review of Child Support in Maryland, two-thirds of obligors and custodial parents have incomes below a living wage. That means the majority of individuals involved in the child support system will be working at jobs whose pay ranges from \$15 to \$20 per hour. After taxes and a 65% garnishment, an employee making \$15/hour is left with approximately \$4/hour. *If* they have full-time employment, they earn the equivalent of \$8,000 per year to house, feed, and clothe themselves. As the Abell Foundation reports note, this is where wage garnishment becomes counterproductive to the state's ability to collect child support:

*Child support debt can interfere with the economic stability of working parents. There is mounting evidence that higher arrears substantially reduce child support payments, earnings, and labor force participation by noncustodial parents. Parents who owe large child support debts are more likely to become discouraged and leave formal employment, further compromising their ability to support their children. Debt can lead to increased job-hopping, participation in the underground economy, and even generation of illegal income as parents try to support themselves and their children and avoid the child support program.*

Child support case workers across the state consistently report that many individuals quit their jobs as soon as wage garnishment begins, eliminating their ability to pay any child support. Wage garnishment becomes an effective collection tool only when obligors can still meet their basic living expenses. Capping garnishment at 25% for obligors making less than 250% of the federal poverty guidelines would ensure that they can afford to stay in their job and continue to pay their child support obligation. It would result in more regular payments that, due to current laws around TCA cost recovery in Maryland, would send more of their payments to the custodial parent.

Furthermore, the benefits of capping wage garnishment at 25% for low-income obligors extend far beyond increased child support collections. Research consistently shows that when parents can maintain stable employment and make regular child support payments, we see measurable improvements in child development outcomes, more cooperative co-parenting relationships, and enhanced financial stability for both households. Finally, because obligors are making more consistent and more frequent child support payments, the state will score higher on the federal government's performance metrics.



By implementing this evidence-based reform, Maryland has the opportunity to create a more effective child support system that serves the best interests of children while recognizing the economic realities faced by low-income parents. The proposed 25% cap will help parents stay employed, maintain consistent payments, and ultimately direct more support to the children who need it. This change will strengthen families, support our workforce, and demonstrate Maryland's commitment to evidence-based policy reform that benefits our most vulnerable communities.

*Center for Urban Families, Inc. (CFUF)  
2201 North Monroe Street  
Baltimore, MD 21217  
410 367 5691 P  
410 367 4246 F  
[www.CFUF.org](http://www.CFUF.org)*

