



**DEPARTMENT OF HUMAN SERVICES**

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

January 29, 2026

The Honorable William C. Smith, Jr., Chair  
Senate Judicial Proceedings Committee  
2 East Miller, Senate Office Building  
Annapolis, Maryland 21401

**RE: TESTIMONY ON SB0016 - CHILD SUPPORT - EARNINGS WITHHOLDING LIMITS -  
POSITION: UNFAVORABLE**

Dear Chair Smith and Members of the Judicial Proceedings Committee:

The Maryland Department of Human Services (DHS) thanks the Committee for its consideration and respectfully requests an unfavorable report on Senate Bill 16 (SB 16).

With offices in every one of Maryland's jurisdictions, DHS provides preventative and supportive services, economic assistance, and meaningful connections to employment development and career opportunities to assist Marylanders in reaching their full potential. The Child Support Administration (CSA) is responsible for ensuring that children receive the support of both parents, including various enforcement programs that are utilized when a parent is unwilling to pay without punishing parents who want to pay but are unable. Wage withholding is one such enforcement program, wherein a court orders that a portion of a parent's wages must be diverted to support their child.

Fundamentally, DHS agrees with the sponsors of SB 16 that more can be done to assist parents experiencing difficulties paying their support obligation amounts. However, we disagree with the way this bill approaches this challenge. We disagree because SB 16 will reduce the amount of available resources for children, and increase child support debt (arrears) for parents. If enacted, the bill would make it impossible to administer Maryland's child support program in a lawful manner, risking federal funding for cash assistance programs and the effective administration of the child support program.

In addition to simply reducing the overall dollar amount of resources their children will receive, SB 16 would also harm the parents it seeks to help.

Regardless of the amount garnished via a wage withholding notice, the underlying child support order is still in effect. Parents whose wage withholding is capped under SB 16 would make partial payments toward their court-ordered support obligation, causing child support debt (arrears) to accumulate. As a result, parents could face other enforcement actions, including professional license suspensions, passport revocations, credit bureau reporting, tax refund intercepts, state and federal payment offsets, seizure of assets, and civil or criminal contempt proceedings in which a parent may become incarcerated. Rather than the oversimplified “withholding cap” proposed in SB 16, CSA assists parents who are struggling to pay their child support obligations by modifying their support orders with the court. Unlike the negative outcomes possible with SB 16, right-sizing child support orders prevents child support debt (arrears) from piling up and avoids additional enforcement actions.

To implement SB 16, CSA would be required to do the following prior to issuing wage withholding notices within two business days, as required by federal law:

- 1) determine if the parent was found to be voluntarily impoverished at the time of their most recent order;
- 2) if not, determine the parent’s income for the current calendar year;
- 3) determine if the current year income exceeds 250% FPL, including determining the parent’s household size;
- 4) if not, calculate the parent’s disposable earnings; and
- 5) issue the wage withholding notice for 25% of the disposable earnings.

There is no automated mechanism to access current year income or calculating disposable earnings. CSA would need to hire new staff to manually locate income information and calculate wage withholding amounts. Additionally, major updates to the Child Support Management System (CSMS) would be necessary. In total, implementing SB 16 would cost at least \$5M in FY 2027 alone.

In addition to the reduced resources for Maryland children and increased costs for implementing SB 16, CSA is concerned this proposal will make it impossible to maintain compliance with related federal law. Federal regulations outline penalties for states that are out of compliance with Title IV-D, the Social Security Act child support program requirements. In addition to potential loss of federal child support administrative funds, there is a financial penalty for noncompliance of up to 5% of a state’s Temporary Assistance for Needy Families (TANF) block grant. Maryland’s TANF block grant allocation is fixed at \$228M and would be subject to a penalty of up to a maximum of 5% (\$11.4M) if Maryland’s program becomes noncompliant with federal law. TANF funding supports vital assistance for low-income Marylanders, including

Temporary Cash Assistance, Emergency Assistance to Families with Children, and Welfare Avoidance Grants.

In contrast to the Departmental legislation that DHS offered during the 2025 legislative session, SB 16 offers no new sources of child support revenues to offset its financial impact on parents, children, and families.

SB 16 differs from the wage withholding amendments that DHS introduced as part of our departmental child support omnibus bill last year ([HB218/SB195](#), 2025) in two significant ways. First, the withholding cap in the 2025 bill would have been implemented as a hardship request *after* CSA issued a wage withholding notice for the full support order amount. This implementation strategy enables CSA to maintain compliance with federal requirements while providing low-income parents a reduced payment while CSA helps them right-size their child support order. Second, the full child support omnibus proposal would have expanded our overall child support collection, such as garnishing wages of parents working as independent contractors and intercepting winnings from sports betting.

Wage withholding is the single most effective means for parents to provide child support payments, with nearly 70% of payments collected via this mechanism. Overnight, implementing SB 16 would establish the nation's lowest limits for child support wage withholding, greatly reducing CSA's capacity to collect support and direct resources to children. If signed into law, SB 16 would reduce funds for families and could lead to an increase in the number of families seeking cash assistance and Supplemental Nutrition Assistance Program (SNAP) benefits, while simultaneously increasing Maryland General Fund expenditures and reducing federal fund drawdowns.

We appreciate the opportunity to offer testimony to the Committee for consideration during your deliberations. If you require additional information, please contact Justin Hayes, Acting Director of Government Affairs, at [justin.hayes1@maryland.gov](mailto:justin.hayes1@maryland.gov).

In service,

A handwritten signature in black ink, appearing to read 'Rafael López', written in a cursive style.

Rafael López  
Secretary