
To: Members of The Senate Judicial Proceedings Committee

From: Family Law Section Council (FLSC)

Date: January 27, 2026

Subject: Senate Bill 16:
Child Support – Earnings Withholdings Limits

Position: **UNFAVORABLE**

The Maryland State Bar Association (MSBA) FLSC opposes Senate Bill 16.

This testimony is submitted on behalf of the Family Law Section Council (“FLSC”) of the Maryland State Bar Association (“MSBA”). The FLSC is the formal representative of the Family and Juvenile Law Section of the MSBA, which promotes the objectives of the MSBA by improving the administration of justice in the field of family law and, at the same time, tries to bring together the members of the MSBA who are concerned with family laws and in reforms and improvements in such laws through legislation or otherwise. The FLSC is charged with general supervision and control of the affairs of the Section and authorized to act for the Section in any way in which the Section itself could act. The Section has over 1,100 attorney members.

The FLSC believes that adoption of this bill will undermine and conflict with Maryland’s well-established statutory child support scheme, which is premised on a judicial determination of child support through the application of the Maryland Child Support Guidelines. Under that scheme, the amount of support is based on a determination of “actual income” under Md. Code Ann., 12-201(b), while Senate Bill 16, meanwhile, would automatically limit the total garnishment of a child support order on the basis of “disposable earnings,” a different and more narrow standard lifted from the comparable federal law, namely, the Consumer Credit Protection Act (“CCPA”), found at 15 U.S. 1601 et seq. “Actual income” under FL 12-201 is a broadly defined term, and includes salaries, wages, commissions, bonuses, dividend income, interest income, trust income, annuity income, Social Security benefits, workers’ compensation benefits, unemployment insurance benefits, disability insurance benefits, third party payments for the benefit of a minor child, alimony or other maintenance, and expense reimbursements or in-kind payments received in the course of employment that reduce the parent’s living expenses. Id. Beyond these “mandatory” considerations, the statute also provides that “[b]ased on the circumstances of the case,” actual income may also include severance pay, capital gains, gifts, or prizes.”

Meanwhile, the thresholds for garnishment under the CCPA are based instead on “disposable earnings,” itself a subset of the broader term “earnings.” “Earnings” is defined as “compensation paid or payable for personal services, whether denominated as wages, salary, commission, bonus, or otherwise, and includes periodic payments pursuant to a pension or retirement program.” 15 U.S.C. 1672(a). Meanwhile, “disposable earnings” is a subset of this already narrow term and is defined as “that part of the earnings of any individual remaining after the deduction from those earnings of any amounts required by law to be withheld.” 15 U.S.C. 1672(b).

Both “earnings” and “disposable earnings” are significantly more narrow in scope than the “actual income” that Maryland courts must use to calculate child support in the first place. The CCPA actually accounts for this conflict, since it expressly sets a higher garnishment rate for child and spousal support compared to all other garnishment orders. Under the CCPA, garnishment is ordinarily capped at 25% of an individual’s “disposable earnings” per week. 15 U.S.C. 1673 (a). For child and spousal support orders, however, that threshold is increased to 50-65% of an individual’s “disposable earnings, depending on whether the individual is responsible for the support of another spouse or dependent child.” 15 U.S.C. 1673(b)(2).

Senate Bill 16 conflicts with both Maryland and Federal law. It would not only undermine the central and well-established role of the Judiciary to determine and award an appropriate amount of child support (rather than a downstream, non-adjudicative body like the Child Support Administration), but also risk bringing Maryland into conflict with federal child support laws and threaten our State’s eligibility for associated federal funding. Moreover, the Maryland child support guidelines already address the issues applicable to lower income parents by containing, as part of the algorithm, the self-support reserve in those cases which trigger that analysis based on the actual income of the party as determined by the Judge.

For the reasons above, the MSBA FLSC **opposes Senate Bill 16** and urges an unfavorable committee report.

Should you have any questions, please contact Michelle Smith at 410-280-1700 or msmith@lawannapolis.com. Or, contact Brendan Madden at bmadden@rghlawyers.com.