



TESTIMONY IN SUPPORT OF SENATE BILL 16

Child Support - Earnings Withholdings Limits

TO: Hon. Will Smith, Chair, and Members of the Senate Judicial Proceedings 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 legislation that strengthens urban communities by helping fathers and families achieve stability and economic success.

We are here to strongly voice our support for Senate Bill 16, which would cap the garnishment rate for child support payments of low-income obligors (defined as individuals who make less than 250% of the Federal Poverty Guidelines) at 25%.

As an organization situated at the intersection of fatherhood and workforce development, we have worked with countless fathers facing an impossible choice: stay in a low-wage job where child support garnishment leaves them unable to afford basic necessities, or work under the table to survive while paying what they can toward their support obligations.

In 2019, Vicki Turetsky, who, as a **former commissioner of the Federal Child Support Enforcement office** was responsible for overseeing the child support program for the entire country, authored a report for the Abell Foundation outlining policy recommendations to improve Maryland's child support program. One of the **recommendations was to “reduce the income withholding percentage from 65 percent to 25 percent in cases where parents have low-wage jobs.”** Commissioner Turetsky’s recommendation is based on a deep body of research that:

has found that compliance declines at all income levels when monthly support order amounts are set higher than about 20 percent of the noncustodial parent’s actual gross earnings. This finding holds true in Maryland: Statewide, noncustodial parents were ordered to pay 34 percent of their earnings to current support, but they actually paid only 20 percent.

Like former commissioner Turetsky, SB 16 rightfully recognizes that an obligor is better able to meet their child support when they are able to afford basic needs.

Low-income obligors typically experience frequent transitions in _____ and out of formal employment due to structural barriers such as limited education, criminal records, housing instability, and lack of

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access to transportation. Ideally, the obligor would get a child support order modification each time their employment status changes. In reality, they often lack the knowledge, time, resources, or legal representation necessary to petition the court for downward modifications that would reflect their actual earning capacity. During periods of unemployment or underemployment (such as one's hours varying significantly from week-to-week), child support obligations continue to accrue based on the original order, causing arrearages to accumulate rapidly.

When they do secure formal employment they are quickly hit with wage garnishments up to 65% to address both current support and accumulated arrears. As you can see in the image below, after taxes and garnishment, an obligor earning \$15 per hour may take home as little as \$4.25 per hour, making it impossible to afford rent, food, transportation, and other basic necessities.



Faced with this untenable situation, many obligors quit their formal employment within weeks or months and return to 1099 contract work, informal "grey market" employment, or underground economic activity where wages cannot be garnished.

A Congressional Research Service [report states](#):

CSE officials have the authority to require employers to garnish or withhold as much as 65% of a noncustodial parent's disposable wages toward the payment of child support obligations. For low-income noncustodial parents who are unemployed or underemployed, the current garnishment limits may be too high. The maximum garnishment percentage of 65% may increase the difficulty of securing and maintaining



housing, transportation, and employment that are essential for providing the stability and income necessary for making future child support payments.

Several studies indicate that some low-income noncustodial parents facing substantial child support arrearages and income withholding sometimes become discouraged and leave formal employment.

Senate Bill 16 is fundamentally about increasing obligors' ability to pay child support. A 25% garnishment cap allows obligors to meet their basic needs while still contributing meaningfully to their children's support. This approach aligns Maryland's policy with decades of research showing that reasonable payment expectations increase compliance rates and keep obligors engaged in formal employment. By reducing garnishment rates for our lowest-income obligors, it creates the conditions that actually enable them to support their children both now and over the long term.

I urge the Committee to give Senate Bill 16 a favorable report.

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