



FEBRUARY 5, 2026

Maryland Must Prioritize Economic Stability and Reunification of Families

Position Statement Supporting House Bill 324

Given Before the House Judiciary Committee

Under current policies, when a child enters foster care, parents are often required to "assign" their rights to child support over to the state to offset the costs of foster care maintenance payments. While intended to recoup state costs, this practice often creates additional financial barriers for low-income families working toward reunification.

For many low-income families in Maryland, the loss of these payments—coupled with the potential accrual of child support debt to the state—undermines the very economic stability required to create a safe home environment for a child's return. Research consistently shows that when child support goes directly to the family rather than being intercepted by the government, it significantly improves the financial health of the household and strengthens parental engagement.¹

The Maryland Center on Economic Policy supports House Bill 324, which aims to modernize the state's approach to child support assignments for children in foster care. By allowing the Child Support Administration (CSA) greater discretion to discontinue support assignments and requiring courts to terminate certain orders when appropriate, this legislation prioritizes the long-term financial stability of families and the best interests of Maryland's children.

For many families, the primary reason a child enters foster care is related to poverty-driven neglect—lack of stable housing, utilities, or resources.² By placing a child support obligation on these parents while they are also trying to meet the requirements of a reunification plan, such as securing a larger apartment or attending specialized services, the state effectively hampers their ability to bring their children home.

HB 324 provides a critical path forward by:

- **Granting discretionary authority:** Authorizing the CSA to secure assignments only in "limited circumstances" where it is deemed appropriate, rather than as a default administrative hurdle.
- **Facilitating order termination:** Requiring courts to terminate existing support orders for children receiving foster care maintenance payments upon a filing by the CSA, reducing the bureaucratic burden on families during times of crisis.

- **Promoting economic justice:** Child support intercept policies disproportionately affect Black and Brown families, who are overrepresented in the foster care system due to systemic inequities. By reducing these financial extractions, Maryland can take a step toward narrowing the racial wealth gap³.

The administrative cost of collecting and processing these assignments often rivals or exceeds the actual revenue recovered for the state. More importantly, the social cost—including prolonged stays in foster care and increased housing instability for birth parents—far outweighs the fiscal recovery.

More importantly, the human cost is immeasurable. When we saddle low-income parents with state-owed debt, we:

- Delay the return of children to safe, permanent homes.
- Increase the likelihood of further state intervention due to financial instability.
- Strain the relationship between the family and the social services system, turning what should be a supportive agency into a debt collector.

HB 324 recognizes that the ultimate goal of the Department of Human Services is the safety and permanency of the child. By allowing the Child Support Administration to stop the clock on support orders for families in the foster care system, we are choosing to invest in the success of Maryland families rather than the collection of unrecoverable debt.

We should not be asking parents to choose between paying the state back for foster care and saving for the first month's rent on a home where their children can return.

By passing HB 324, Maryland would align its family law with best practices that recognize child support as a tool for child well-being, not a mechanism for state revenue. This bill ensures that more resources stay within the family unit, supporting the ultimate goal of the foster care system: safe, stable, and permanent homes for every child.

The Maryland Center on Economic Policy urges the committee to make a favorable report on HB 324.

¹ <https://www.cbpp.org/research/income-security/directing-child-support-payments-to-families-not-government-would-help>

² <https://www.casey.org/economic-supports-research/>

³ <https://www.irp.wisc.edu/wp/wp-content/uploads/2024/01/CSRA-22-24-T7-01042024.pdf>