SUPPORT SENATE BILL 847/ HOUSE BILL 946: CHILD SUPPORT GUIDELINES
Reform child support collection policies that penalize low-income non-custodial parents

THE CHALLENGE:

- Low-or-no-wage workers are paying 35% or more of their income to comply with child support orders, compared to only 12% for higher-income obligors.
- In 2015, NPR reported that 62% of Marylanders who owe child support make less than minimum wage, but owe at least $10,000 in unpaid arrearages. They will never be able to pay off this debt.
- Studies show that non-custodial parents that accumulate arrearages have an estimated annual income of $7,000. A University of Maryland School of Social Work study showed that custodial parents with the lowest income were 10 times more likely to have a payment retained by the State due to unpaid arrearages⁴.
- Child support debt triggers a suspended driver’s license, arrest, or incarceration, which further complicates the ability for low-wage workers to secure and maintain employment.

CURRENT POLICY:

- Non-custodial parents who are unable to show proof of income are imputed wages at minimum wage, giving them a child support order of $291, which must be paid bi-weekly. Imputed wages are based on “potential income,” which does not consider an individual’s employment history, educational background, or criminal record.
- Non-custodial parents who are experiencing incarceration, behavioral health rehabilitation, or drug treatment, are still able to have child support orders established against them.
- A change in employment, including unemployment, or underemployment, are not grounds to request a modification of an existing child support order.
- Does not leave the non-custodial parent with sufficient income to sustain themselves or support families currently in the non-custodial parent’s household.
- Payments can be retained by the State and applied towards the state debt amount. These payments are not paid to the custodial parent or child.

THE SOLUTION:

Proposed Legislation will restructure the Child Support guidelines to allow:

- Consideration of the obligor’s overall employment profile: age, literacy rate, physical and behavioral condition, residence, employment availability, previous attempts to obtain employment, barriers to employment.
- A “Self-Support Reserve” which means that the obligor must maintain a minimum amount of monthly income after taxes to be above $13,739 before setting the rate.
- Courts to deny a child support claim based on a potential obligor’s living condition. If an obligor is wholly unable to pay the debt based on mental or fiscal reasons the court will have the right to deny the child support order altogether.

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¹ http://www.familywelfare.umaryland.edu/reports1/guidelines2016.pdf