



HB 326- Driver's Licenses - Suspension for Child Support Arrearages – Exception
House Judiciary Committee
February 9th, 2023
SUPPORT

Chairman Clippinger, Vice-Chair and members of the committee, thank you for the opportunity to submit testimony in support of House Bill 326. This bill will prevent driver's license suspensions for obligors who make less than \$41k annually or 300% of the Federal Poverty Level (FPL).

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

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. Child support debt triggers a suspended driver's license, arrest, or incarceration. This further complicates the ability of low-wage workers to secure and maintain employment. Mobility is key in Maryland's regional economy. Nearly half of Marylanders travel outside of their county for employment. This statistic is more pronounced for low-income communities of color where there is a scarcity of jobs available by public transit. Only 9% of jobs in the Baltimore region can be reached within one hour, one way by public transit. **Thus, for economic sustainability for low-income workers, both a valid driver's license and a vehicle are necessary.**

Currently, Maryland Code Ann., Fam. Law § 10-119 states that upon 60 days of nonpayment of child support an obligor shall have their license or privilege to drive suspended. Maryland Code Ann., Transportation §16–303 states that driving on an invalid license (suspended, canceled, or revoked) in Maryland is a crime punishable by up to (1) one year in jail, a \$1000 fine, or both. §16–303(h) notes a \$500 penalty for driving on licenses suspended for child support. This law contributes to the disproportionate impact of driver's license suspensions in African Americans communities. Although African Americans make up 31.1% of Maryland's population, MDOT data suggests that they made up 71% of the license suspensions between 2015 - 2020. There is no evidence that suggests that suspending an individual's driver's license improves the collection of arrears for persons making less than 300% of the FPL.

Federal Code 42 U.S.C.A. § 666 (a) demands that all U.S. states have laws that "increase the *effectiveness* of the [child support enforcement] program which the state administers" and allows the State to withhold, suspend, or restrict licenses of individuals owing child support in "in *appropriate* cases" (16). Driver's license suspensions for workers who make less than \$41k annually cannot be considered "appropriate" or increasing "effectiveness" as it (1) wastes taxpayer dollars in collections enforcement, (2) prohibits and eliminates access to employment for workers and job seekers, and (3) heightens tensions between the custodial parties and, in turn, decreases compliance rates.

Thus, we encourage you to return a favorable report for HB 326.

Creating Assets, Savings and Hope