

We urge you to SUPPORT SB348, Support orders; retroactivity, arrearages, party's incarceration.

If passed, **SB348 will bring the state of Virginia millions of dollars**. Conversely, "the state could LOSE between \$3.1 million and \$157 million in TANF funding annually", according to the Fiscal Impact Statement for SB348.

"While some custodial parents may see a reduction in support payments, the Department of Social Services is rarely able to collect support from incarcerated parents, so any fiscal impact before the federal compliance date (fall 2022) would be minimal. Additionally, most of the support collected is transferred to the custodial parent.

However, if the legislation is not passed, the state could lose federal funds. The federal final rule provides that state guidelines under 45 CFR 302.56(c)(3) may not treat incarceration as voluntary unemployment in establishing or modifying child support orders. The rule prohibits states from legally barring modification of support obligations during incarceration. The agency estimates a loss of \$76 million in federal child support funding annually." - Department of Planning and Budget, 2022 Fiscal Impact Statement

Furthermore, <u>SB348 will reduce the crime rate.</u> If non-custodial parents are under crushing child support obligations, they may drop out of formal employment (if 65% of their wages are being garnished, leaving them essentially nothing to live on), and go back into the black market, such as dealing drugs. When parents are ordered to pay more than they can afford, they may just give up and pay nothing. Baltimore Sun, June 18, 2019 (https://www.baltimoresun.com/maryland/baltimore-city/bs-md-child-support-abell-foundation-20190618-story.html). "Child support orders set beyond the ability of noncustodial parents to comply push them out of low-wage jobs, drown them in debt, hound them into the underground economy, and chase them out of their children's lives," wrote former federal child-support chief Vicki Turetsky. Laure Ruth, legal director for the Women's Law Center of Maryland, agreed that changes should be made. "When noncustodial parents have orders they cannot realistically pay," she said, "custodial parents do not receive the money they should be getting and the whole family pays the consequences."

SB348 will allow access to higher paying jobs. Non-custodial parents released from prison typically have almost nothing, and simply can't pay child support that accrued while in prison. Forcing non-custodial parents to pay child support before their release will result in them losing their driver's license (suspended due to nonpayment) and thus their ability to hold a decent job that will enable them to pay a decent amount of child support going forward -- eliminating their ability to adequately support their children. Non-custodial parents earn less (and thus pay less

child support in the long run) when they inevitably lose their driver's license for not being able to pay this unpayable child support that accrued while in prison, because most good jobs are not accessible by transit, as opposed to by car. People who can drive "have access to 30 times as many jobs as low-income people dependent on transit." See Randal O'Toole, Helping People Reach Jobs, Cato Institute, Nov. 15, 2017 (https://www.cato.org/blog/helping-people-reach-jobs).

Even if non-custodial parents genuinely can't pay their child support during their incarceration, as noted in the Fiscal Impact Statement, the state of Virginia will still likely waste time and money trying to collect it. That's because noncustodial parents can't challenge a supposedly excessive court child-support order without putting up an appeal bond for child support they say they are unable to pay -- which some call a catch-22 situation, because if you are too broke to pay the ordered child support, you are also too broke to afford an appeal bond.

SB348 will save taxpayer money by not wasting time and money trying to collect uncollectable arrearages from dead broke released inmates. State child support agencies collect money from middle-class fathers, but largely fail to collect it from poor fathers, despite spending immense time and money incarcerating them, etc.

By **supporting** SB348, you will be supporting the rights of parents and children in Virginia, in addition to bringing millions of dollars into the state.

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Family Reunion is a national, non-profit organization that works with lawmakers, existing organizations, and experts dedicated to making much-needed changes to the family court system so the best interests of children can be supported. We focus on positively influencing family laws and policies that often discount one parent and ultimately harm the children.