

Department of Legislative Services  
Maryland General Assembly  
2026 Session

FISCAL AND POLICY NOTE  
First Reader

House Bill 1490  
Appropriations

(Delegate Shetty, *et al.*)

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Family Investment Program - Temporary Cash Assistance - Good Cause and  
Adequate Reason Exceptions

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This bill prohibits the Department of Human Services (DHS) from denying an application or reducing or terminating assistance under the Family Investment Program (FIP) if an individual has good cause for noncooperation with child support, as specified under criteria established by the Secretary of Human Services. DHS is responsible for granting good cause to an individual for noncooperation with child support. In the process of granting good cause, the local department of social services (LDSS) may not contact the noncustodial parent from whom support would be sought. DHS may not deny an application or terminate assistance if an individual has adequate reason for noncooperation with child support. An individual may request and receive a determination that there is good cause or adequate reason for noncooperation with child support at any time during the application and certification period. **The bill takes effect July 1, 2026.**

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Fiscal Summary

**State Effect:** Sufficient information was not provided by DHS in time to fully analyze the fiscal impact of this legislation. However, this analysis assumes DHS can ensure an individual has good cause for noncooperation with child support, and assist and advise individuals, as appropriate, and otherwise meet the bill's requirements with existing budgeted resources.

**Local Effect:** The bill does not directly affect local governmental operations or finances.

**Small Business Effect:** Minimal.

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## Analysis

**Bill Summary:** The criteria established by the Secretary must provide that an individual has good cause for noncooperation if the individual states that:

- cooperation risks physical or emotional harm to or retaliation against the child or the relative with whom the child resides;
- the child for whom support is sought was conceived as a result of incest or rape;
- proceedings for the adoption of the child are pending or under consideration;
- cooperation risks discouraging the noncustodial parent or other relatives of the child from maintaining a relationship with the child or providing emotional or other support; or
- cooperation is otherwise not in the child's best interest.

An individual who claims good cause for noncooperation with child support is not required to produce written evidence; an oral or written statement must be sufficient. If an individual needs assistance, DHS must assist the individual in preparing a written statement on a standardized form created by the Secretary. DHS may not require (1) a written statement to be notarized or be in any other format that imposes a cost on the individual or (2) third-party verification to prove good cause.

Before referring an individual to the child support enforcement agency, DHS must:

- advise all individuals on the availability of the child support pass-through and disregard;
- advise all individuals of the right of the individual to claim good cause to not cooperate with child support, the criteria for good cause, and the time frame and process for requesting good cause;
- at minimum, provide specified advice (1) in writing on the application for assistance; (2) orally during a phone interview or an in-person interview; (3) in all written notices about child support compliance or noncompliance; and (4) in all oral communication about child support compliance or noncompliance;
- provide an individual with an opportunity to claim good cause; and
- ask if an individual needs assistance in obtaining good cause and provide assistance when requested.

As sufficient justification for noncooperation with child support circumstances beyond an individual's control, DHS must consider (1) delivery of mail from the child support enforcement agency to an incorrect address; (2) natural disaster or civil disorder; (3) critical illness; (4) a family crisis requiring an individual's full attention; and (5) travel by an individual away from home, both in the period during which the department mailed notices

and scheduled appointments. The child support enforcement agency must determine that there is adequate reason for an individual's noncooperation with child support.

DHS must inform an individual who does not provide the requested information related to child support that the individual may attest to the lack of information. DHS must offer assistance with preparing the attestation. DHS must consider an individual who attests to the lack of information to be in cooperation with child support.

**Current Law:** The Family Investment Administration within DHS is the central coordinating and directing agency of all public assistance programs in the State, including Temporary Cash Assistance (TCA) benefits as a last resort. TCA may be provided if the applicant or recipient (1) resides in the State; (2) has applied for child support services, if appropriate; (3) has engaged in job search activities as requested by DHS; (4) participates in work activity, as required; and (5) meets any requirements established by regulations. TCA provides monthly cash grants and is funded with general funds, federal Temporary Assistance for Needy Families funds, and certain child support collections.

Assistance may not be reduced or terminated for noncompliance with the work activity requirement if the individual has good cause under the criteria established by the Secretary, including:

- temporary illness or incapacity;
- court-required appearances or temporary incarceration;
- domestic violence;
- a family crisis that threatens normal family functioning, as specified;
- a breakdown in transportation arrangements;
- a breakdown in child care arrangements or lack of child care, as specified;
- a lack of supportive services identified and agreed on by an individual and a local department; or
- the failure of a local department to offer or provide a reasonable accommodation to an individual with a disability.

The LDSS must impose a 30% reduction of the portion of a recipient's grant amount designated for the adult member or members, minor parent or parents, or pregnant individual if an adult member, minor parent, or pregnant individual is found to be in noncompliance, without good cause, with FIP work activity requirements. The portion of the grant amount designated for the child or children of the assistance unit may not be reduced or terminated based on noncompliance work activity requirements.

The LDSS must impose a 25% reduction of the entire grant amount if an adult member or minor parent is found to be in noncompliance without adequate reason or good cause with child support requirements.

If a recipient is found to be in noncompliance with FIP requirements, the LDSS must provide a 30-day conciliation period for each instance of noncompliance. During the 30-day conciliation period, the case manager must advise the recipient of the noncompliance, and help the recipient to comply by:

- investigating the reasons for noncompliance, including by personally contacting the family of the recipient;
- evaluating and preparing a written determination of whether the recipient qualifies for an exemption or good cause;
- sending the recipient a letter offering a conciliation conference; and
- assisting the recipient in identifying and resolving any barriers to compliance.

The Secretary may not reduce or terminate TCA to a family until 30 days after the day on which the first written notice of noncompliance was sent to the recipient. The full amount of temporary cash assistance must resume on compliance with the FIP requirement.

#### *Child Support Collections*

The Child Support Administration within DHS generally oversees child support services provided by the LDSSs and other offices, provides technical assistance, formulates policy, develops and implements new programs, and ensures compliance with federal and State regulations and policy.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Department of Human Services; Department of Legislative Services

**Fiscal Note History:** First Reader - March 10, 2026  
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