



Ohio Job and Family Services Directors' Association
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**House Civil Justice Committee
June 18, 2019
Interested Party Testimony on House Bill 198
Joel Potts, Executive Director**

Chairman Hambley, Vice Chair Patton, Ranking Member Brown, and members of the Committee, thank you for the opportunity to provide Interested Party testimony on HB198. My name is Joel Potts and I am the Executive Director of the Ohio Job and Family Services Directors' Association.

OJFSDA represents county department of job and family service (CDJFS) agencies who administer one of the largest health, human service and workforce systems in the nation. We are responsible for administering programs to the state's most economically vulnerable citizens, and one in four Ohioans receives assistance from the local CDJFS at any point in time and

Systems operated through the local agencies include cash assistance, food assistance/SNAP, childcare, Medicaid (including long-term care, children's health insurance and services to aged, blind and disabled), and adult protective services, as well as in many instances, child protective services (sixty five counties), child support enforcement (sixty-eight counties) and workforce development programs (including seventy-three of the state's OhioMeansJobs centers which deliver federal workforce programs at the local level).

I would like to thank the sponsors for working with the various interested parties and their desire to work with the groups potentially impacted by the legislation to help everyone gain a better understanding of the goals of the bill as well as provide an opportunity for organizations like ours to raise issues and concerns and work out differences. These meetings have been extremely beneficial and will assist us all as we move forward with the development of legislation that will improve child support collections and gain more positive outcomes for Ohio families.

HB 198 proposes two significant program changes for Ohio's child support program. The first would require child support collections received on behalf of assistance groups receiving Ohio Works First (OWF – also known as cash assistance) to be “passed through” directly to the family. Currently, participation in the OWF program requires the assistance group to assign any collections to the Ohio Department of Job and Family Services while the family receives government public assistance support.

The second change would require the state to “disregard” and not include child support collections as countable income for the purposes of determining eligibility for the OWF program.

Half of the states and territories currently pass-through at least a portion of child support collections to families receiving cash assistance. At one time Ohio did provide a partial pass-through to families receiving assistance but that practice was eliminated when the state implemented the TANF program. Under Ohio's previous design, the system was administratively complex to administer, and collections were very inconsistent. Ohio opted to make a modest increase in the cash assistance paid to all families in place of the former pass-through system. Since that time, Ohio has not revisited the issue to determine if we should reconsider re-instating the pass-through as a mechanism to help families in the child support and public assistance systems. HB198 provides an excellent opportunity to do so.

The policy of passing through child support collections would result in more dollars for low income families and help those impacted (all which are living below the federal poverty level) to better care for their children and be more self-sufficient. Research shows that parents required to pay support are more apt to pay when they know their children will benefit directly from the payment. States that have implemented these policies experience an increase in the number of parents paying support and the amount of support being collected.

The implementation of a child support pass-through program includes a cost. Child support collections in Ohio for assistance groups receiving OWF are utilized to reimburse the state and federal governments for costs incurred by the public assistance program. Depending on the amount of the pass through amount, the impact to Ohio's Maintenance of Effort for the TANF program could exceed \$20 million annually with additional significant costs in state general revenue funds for reimbursements still required to the federal government for the state's Federal Medicaid Assistance Percentage (FMAP) obligation.

Furthermore, there would be substantial costs to upgrade the two automated systems used to administer Ohio's child support (Support Enforcement Tracking System – SETS) and public assistance (Ohio Benefits) programs. Enhancements would be necessary for the access of data to ensure proper distribution of funds to families and impact to other public assistance programs administered through the local job and family service agencies. While the proposed legislation would disregard income for the state Temporary Assistance to Needy Families program, federal law does not allow a child support disregard for the SNAP and child care programs, meaning that as cash income into the household is increased, the county agency must re-calculate the change in income and make corresponding changes to the amount of assistance provided through other public assistance programs outside of OWF.

Having information technology support will be crucial to the successful implementation of the program. The more Ohio can automate, the less complex the system will be to administer. County agencies have the responsibility for administering the bureaucracies created by state and federal laws. Without automated support, coordinating pass through child support payments would require manual processes be put in place between the program areas. With 77,000 active OWF cases and a varying degree of support collections, the administrative work could be significant. OJFSDA would like to work with the sponsor and committee to delay implementation of the bill until the state is able to make the necessary system upgrades to SETS and Ohio Benefits.

The goals of this legislation - to increase income for low-income families, improve child support collections, enhance parental involvement in the raising of children and decrease dependency on public assistance programs are commendable. The association looks forward to working with the sponsor and committee as we vet the proposal to enhance Ohio's child support system.

Mr. Chairman and members of the committee, thank you for your time. I would be happy to answer any questions and look forward to working with you to develop legislation which meets the needs of the citizens we serve.