



## TESTIMONY ON HOUSE BILL 200

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Ohio Legislature House Health Committee

Tuesday, May 21, 2019

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Good morning Chairman Merrin and members of the House Health Committee. My name is Sam Adolphsen — I am the Policy Director at Opportunity Solutions Project. I appreciate the opportunity to speak to you today in support of House Bill 200.

Let me get right to the point. This bill will help able-bodied adults get off the Food Stamp program and into work, it will make sure millionaires and other people with significant resources won't take advantage of the program and ensure adults on Food Stamps who owe child support are trying to pay that support.

Ohio needs reform in the Food Stamp program. In 2000, there were just about 600,000 people on Food Stamps. Today, that number has grown to 1.3 million. And we are not just talking about kids, the elderly, or disabled individuals. About 1 in 4 are working age, able-bodied adults.

This is why the first two components of this bill are so critical. They are designed to ensure that able-bodied adults on food stamps are working at least part time, participating in training, volunteering in the community, or involved in other programs to help them get back to work.

First, the bill would make sure that able-bodied adults, who are 18 to 50-years old, with no kids in the house, are required to work part time, train, or volunteer. Right now, Ohio uses a federal loophole to waive this requirement in 38 counties. Strangely, despite a vastly improved economy and 150,000 open jobs, Ohio actually increased the number of exempt counties this past year. Some of the counties where the work requirement is waived have very low unemployment — for example Cuyahoga county is at 4.5 percent and Richland county at 4.4 percent unemployment.

Worse still, 7 out of 10 of these adults don't work at all. This is unfortunate because we know from studies that when the work requirement is enforced, individuals double their earned income within just one year of leaving welfare. And states like Indiana, Iowa, Florida, and Wisconsin all enforce this requirement statewide.

The second piece of the work focus in this bill is to make sure that all other able-bodied adults are moving towards work as well. Right now, able-bodied adults who are between 50 and 60 years old and have no kids, and able-bodied adults between 18 and 60 with school-aged kids, have no requirement at all when they receive food stamps. Federal law allows states to ask them to participate in volunteering a few hours a week to make sure they are engaging with their community and moving toward work, and that is what this bill does. These work requirements are critical and proven reforms to move people from welfare to work.

The third provision of this bill will ensure that food stamp benefits are preserved for the truly needy in Ohio. Right now, Ohio is taking advantage of a loophole that was created by federal bureaucrats during the Clinton administration that allows people with significant resources onto the program. In many cases across the country, this has even allowed millionaires onto the program.

Called "broad based categorical eligibility," it allows the state to ignore any liquid assets the individual might have, like cash in a bank account. Nationally, half of these individuals have more than \$20,000 in liquid assets, and 1 in 5 have more than \$100,000. This bill will close this loophole and return the asset test to the federal limit of \$2,250 in assets.

Finally, this bill makes sure that children in single parent families in Ohio are receiving the child support they are owed. Child support is one of the most effective anti-poverty programs for children. Unfortunately, of the 250,000 single parent families in Ohio who receive food stamps, just 1 in 3 receive the child support they are owed.

Federal food stamp law provides an effective tool to help collect more funds for children, but Ohio is not taking advantage of it. States can require that adults who receive food stamps and owe child support must cooperate with state efforts to collect that support in order to be eligible. When Kansas recently adopted this approach, they increased collections by 40 percent. Ohio could collect an additional \$12 million a year for low income children using this approach.

These reforms will help able-bodied adults get back to work, protect resources for the truly needy, and provide more private funds for children in poverty in Ohio. Thank you — I'd be happy to answer any questions.