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**3<sup>rd</sup> House District**

Sponsor Testimony for HB 366  
Community and Family Advancement Committee  
November 1, 2017

Chairman Ginter, Ranking Member Boyd, and members of the House Community and Family Advancement Committee, I would like to thank you for the opportunity to testify on behalf of House Bill 366, the Child Support Guidelines Bill.

Ohio's child support guidelines are currently statutory, and require legislative action to update them. HB366 will provide critical and necessary updates to these guidelines by addressing the economic tables, methodology, and manner by which these child support orders are set every day in courtrooms and child support agencies across Ohio. The proposed guidelines include much needed changes to multiple statutes, and these changes are sensible, comprehensive, timely, and efficient.

The proposed revisions in HB366 revolve around five major components. Many of the changes directly address issues that have been historically problematic in the way we set child support orders in Ohio. These revisions strike a delicate balance between the interests of multiple stakeholders, and the components are all meant to work together to achieve the result of child support orders based on the ability to pay, with the ultimate goal of consistent, reliable payments of child support to families. These components include:

1. Update to the economic tables

This critical update is needed to ensure that the economic tables used to establish and modify child support obligations are current and reflect Ohio's modern economy. Ohio has not updated its economic tables since 1992, and that was using data from the 1980s.

The table updates also include a self-sufficiency reserve, which is a graduated adjustment to the table amounts for low-income obligors, which is intended to allow them to maintain a level of self-sufficiency. This adjustment phases out as income increases.

HB366 also contains a provision to move the economic tables from the Ohio Revised Code to the Ohio Administrative Code, allowing for more regular updates via rule review to react in a more timely way to changing family economics and cost of living.

2. Parenting Time Adjustment

A pervasive myth exists that our current economic tables already adjust for parenting time. They do not. Rather, Ohio's current tables take all of the cost of raising a child and shift them into the custodial parent's household. HB366 will provide for a parenting time adjustment to the guideline amount for non-custodial parents with a standard parenting time order, and provide a deviation factor for those parents with extended parenting time. Courts retain their discretion as to whether the deviation will be granted.

3. Modernization of Health Insurance and Cash Medical

HB366 makes much needed changes in the way health insurance coverage is ordered and credited. The parent(s) providing health insurance coverage for the child will get a credit off their income in the guidelines calculation for their total out of pocket costs to provide insurance. This will recognize that those funds are spent on insurance, and not available for child support. This bill also seeks to align parental responsibilities for insurance with the Affordable Care Act, by creating a rebuttable presumption that the custodial parent will provide health insurance coverage, as IRS regulations provide that the custodial parent is the default recipient of the tax dependency exemption, and therefore responsible to provide or ensure that coverage is in place.

Cash medical will also be simplified, by defining its purpose as representing ordinary medical expenses that occur in both households, ordering it paid in all cases, and splitting this amount between the parties. This will make it easier for parents, the courts, and the private bar. It will also aid in more efficient administration by the child support agencies.

4. Multiple family orders

Under current Ohio law, the first child support order set is typically the highest, as all subsequent orders take into consideration the other child support orders of the parents. For parents with more than one family to support, the subsequent orders for additional children usually result in lower child support obligations, therefore treating these children differently. HB366 proposes to treat all children the same by providing a standard income deduction for each parent for children not subject to the current order.

5. Childcare Credit Cap

HB366 proposes a cap on allowable credit for daycare expenses incurred by a parent. This cap is calculated based on the age of the child, and uses figures from the Ohio Office of Children and Family's Market Study. An additional cap is also contained in the bill for low-income obligors. Parents are still free to choose childcare with costs above the cap, and they may seek a deviation from the courts if their expenses exceed the cap.

Chairman Ginter, thank you for the opportunity to share sponsor testimony on HB366, and I am happy to take any questions at this time.