



**State Senator Bill Beagle
Senate Bill 125 Sponsor Testimony
Senate Judiciary Committee
September 7, 2017**

Chairman Bacon, Vice Chair LaRose, Ranking Member Williams, and members of the Senate Judiciary Committee, I would like to thank you for the opportunity to testify on behalf of Senate Bill 125. As many of you may recall, former Senator Shannon Jones began working on this legislation in the 131st General Assembly, and I believe it is vital to our great state to continue to pursue this legislation.

In 2013, the Ohio Child Support Guidelines Advisory Council met to review the state's basic child support guidelines. As a result, the Ohio Department of Job and Family Services released the *2013 Child Support Guidelines Review: Report to the General Assembly*, which became the catalyst for this legislation.

Senate Bill 125 will offer much needed revisions to Ohio's child support guidelines. These new guidelines will modify child support obligations for families throughout Ohio, affecting more than one million children. The proposed child support guidelines will include multiple statutes and will incorporate various materials to calculate the proposed obligations. The suggested revisions in this legislation are sensible, comprehensive, up-to-date, and efficient.

The main revisions focus on five important topics:

1) An 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 timely and reflect Ohio's modern economy. Ohio has not updated its economic tables since 1992.

2) Parenting Time Adjustment

Ohio's current economic tables do not take into consideration a parenting time adjustment. Rather, Ohio's current tables take all of the costs of raising a child and transfer them solely into the custodial household, which no longer reflects reality. This legislation will provide an inclusive time adjustment for custodial parents, as well addressing key factors for non-custodial parents with a standard parenting time order, and those non-custodial parents with extended parenting time.

3) Multiple Family Orders

Under current Ohio statutes, the first child to file for child support typically receives the highest order for support – i.e., the most money. For parents with more than one family to support, all subsequent filings result in lower child support obligations for the additional children. This legislation proposes to provide a standard income deduction for each parent for children not subject to current order so that all children may be treated equally.

4) Health Insurance and Cash Medical Will Be Modernized

This legislation proposes to create a rebuttable presumption that the custodial parent will provide health insurance. Under IRS regulations, the custodial parent is the default recipient of tax dependency which is tied together with the responsibility for ensuring that health insurance is in effect under the Affordable Care Act. The presumption may be rebutted, for example, if the non-custodial parent is already providing coverage or can obtain coverage that is reasonable in cost. Again, this better reflects today's reality.

Also, parents providing coverage will have the opportunity to receive a deduction from income for the total out of pocket cost to provide insurance.

Cash medical represents ordinary medical expenses that occur in both households. Cash medical will be modernized by defining its purpose, ordering it paid in all cases, splitting the amount by income share, and assigning it when Medicaid is involved.

5) Childcare Credit Changes

A proposal to create a cap on the allowable credit given for childcare expenses is also contained within this legislation. Through the use of the Office of Children and Family's Market Study, a cap will be established based on the child's age with a separate cap created for low-income obligors. Parents will have the opportunity to seek an upward deviation in support if their childcare costs exceed the cap.

Chairman Bacon, and members of the Senate Judiciary Committee, thank you for the opportunity to share sponsor testimony on Senate Bill 125. I am happy to take questions at this time.