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**TESTIMONY OF NATASH A. PLUMLY
ON BEHALF OF SOUTHEASTERN OHIO LEGAL SERVICES**

October 17, 2017

Members of the Ohio Senate Judiciary Committee,

I am an attorney with Southeastern Ohio Legal Services. We are testifying in opposition to Senate Bill 125. At Southeastern Ohio Legal Services, we represent low income clients, both obligees and obligors in child support matters.

We agree that the current child support table is outdated as it has not been updated since approximately 1992. We understand that the self-sufficiency reserve is outdated as it is based on poverty levels from prior to 1992. We understand that the economics behind the table are outdated as the cost of living to raise a child has been updated from Rothbarth Betson 1 to Rothbarth Betson 4. However, we believe that the child support that would be ordered under the new table proposed in Senate Bill 125 goes too far. It decreases the amount of child support owed by obligors well beyond the amount necessary to protect low-income non-custodial parents.

I attached the child support tables for the math in Senate Bill 125, which I calculated on my own based on the 2016 federal poverty level for a single individual. These numbers show that the proposed self-sufficiency reserve and the 30% phase-in in Senate Bill 125 protects obligors with 1 child up to \$32,400.00 of income. It protects obligors with 2 children up to \$60,600.00 of income. It protects obligors with 3 children up to \$73,800.00 of income. It protects obligors with 4 children up to \$87,600.00 of income. It protects obligors with 5 children up to \$99,000.00 worth of income. It protects obligors with 6 children up to \$107,400.00 of income. This means that obligors with incomes up to those amounts will not be required to contribute to the full cost of raising their children. These are not low-income obligors. Furthermore, the income levels of the protected obligors will continue to increase as the federal poverty levels increase, meaning that if this legislation were to pass, in four years, obligors with even higher incomes would be paying even less.

The current table uses a 90% phase in for 1 child, 91% for 2 children, 92% for 3 children, 93% for 4 children, 94% for 5 children, and 95% for 6 children. The proposed table in Senate Bill 125 uses 30% across the board, regardless of the number of children. I think we all know that the more children there are in a household, the more it costs to raise them. We also know that responsible parents often take on more jobs or better paying jobs when they have more children.

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Although Senate Bill 125 recognizes this in the calculations for obligors who have children to different obligees, it ignores that in requiring an obligor to pay the same amount of child support across the board for 1 child and 6 children for a substantial part of its table.

The studies that the Department of Job and Family Services Office of Child Support Enforcement used to justify these changes to the child support tables show only that obligors with incomes less than \$10,000.00 have a harder time paying their child support. A study done by Sorenson, Sousa, and Schaner of The Urban Institute in July 11, 2007 for the Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation Office of Human Services Policy, and Office of Child Support Enforcement, *Assessing Child Support Arrears in Nine Large States in the Nation* found that in Ohio in 2007, 23% of our obligors had no traceable income. Another 23% had traceable income ranging between \$1.00 and \$10,000.00. The no income obligors owed 37% of the child support arrears and the obligors with income between \$0.00 and \$10,000.00 owed 32% of the child support arrears respectively. This means that 46% of our obligors in 2007 had \$10,000.00 or less in income that was traceable, and they owed 69% of the arrears. That means that the remaining 54% of the obligors only owed 31% of the arrears, or less than their fair share.

Another study in Wisconsin, in September 2002 and revised in March 2003 showed that the higher the order the more that was paid, even if the order was more than 35% of the obligor's income. Study done by Hu and Meyer of the Institute for Research on Poverty, *Child Support Order and Payments: Do Lower Orders Result in Higher Payments?*

Senate Bill 125 will drastically lower the amount of child support that obligors owe all the way up to \$32,400.00 for 1 child, \$60,600.00 for 2 children, \$73,800.00 for 3 children, \$87,600.00 for 4 children, \$99,000.00 for 5 children, and \$107,400.00 for 6 children. Why are we lowering the orders for those with higher incomes? Furthermore, just because the orders are lower for those with low incomes does not mean that they will indeed pay more. There is no study showing this. In fact, the above study shows that they will not. It is just as likely that the lower order will result in the lower income obligors paying less. They may continue to pay the same percentage of their new order that they were paying under their old order, resulting in the obligee and child(ren) receiving less money to live on. Instead of helping people out of poverty, this legislation will likely result in more children being driven into poverty. More children will likely receive cash assistance, which runs out after 36 months. What happens to those children then? More children will likely receive food assistance. Instead of placing the burden on the parents to pay for their children, this legislation will shift the burden even more to the State of Ohio and to the children. More children will grow up in poverty. Please, do not make the children of Ohio a test for a hypothesis that could harm them.

There is a concern, highlighted in an October 5, 2017 article in the *Columbus Dispatch*, that if the amount of child support is too high then obligors go into under the table jobs or illegal jobs. Who is to say they still will not opt for those jobs even with lower child support orders? It is a real possibility that a good portion of those who work under the table income will continue to do so for a variety of complex reasons related to poverty that changing the child support guidelines will not change.

I base this conclusion on another finding from the Wisconsin study. It showed that fathers who were ordered to pay child support through a divorce case were more likely to pay their child support (91 to 99% compliance for those with traceable income) than fathers who were ordered

to pay child support through a paternity case (64 to 65% compliance for those with traceable income). It may not be so much an inability for those who owe arrears to pay as an unwillingness. It seems that in Wisconsin, fathers who know their children are more likely to pay support. I would suggest that the same applies in Ohio.

The legislation does little to help obligors that we see come into our offices on a daily basis. Most of the obligors who come into our office come in when their children are no longer minors and they only owe arrears. In the 2007 study discussed before, it was found in Ohio that 11% of those who owe arrears no longer have a current child support order. That same 11% of obligors owe 20% of the arrears. Of the obligors who come into our office with this issue, many are disabled. Because they are receiving Social Security Disability, 65% of their Social Security Disability check can be withheld to pay the arrears. There are many issues here that I think legislation could address. There needs to be a way to catch disabled obligors sooner. They often do not go into child support or the court and request a downward modification timely. This results in them developing arrears in the first place. Second, withholding 65% of their income is far too much. These are the issues this legislation should be addressing, but does not.

In summary, we oppose Senate Bill 125 in its current form because this legislation does more than protect low income obligors by lowering child support beyond the cost of raising a child for those who are not low income, and because this legislation does not go far enough in helping those who are truly poor. We ask that you please take the time to consider how this legislation will impact Ohio's children who are Ohio's future.

Thank you. I would be happy to answer any questions.

Natashy Plumly

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