



Basic Needs

Testimony on HB 198 before the Civil Justice Committee

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Good afternoon, Chairman Hambley, Ranking Member Brown, and members of the committee. My name is Will Petrik and I am the Budget Researcher with Policy Matters Ohio, a nonprofit, nonpartisan organization. Our mission is to create a more prosperous, equitable, sustainable and inclusive Ohio. Thank you for the opportunity to testify on Substitute House Bill 198.

Every child, regardless of race, class or zip code, deserves to be safe, cared for, healthy, educated and nurtured. HB 198 represents an opportunity to move in this direction and expand economic security of working families.

While Ohio's economy has stabilized since the Great Recession, [six of Ohio's 10 most common jobs pay too little](#) to feed a family of three without food assistance. This means a huge number of jobs in Ohio don't pay enough to cover essentials like food, housing, child care and health care.

Evidence shows that poverty harms children's development and well-being. For instance, children who grow up in deep poverty develop weaker language, memory and self-regulation skills than their peers. When they grow up, they have lower earnings, more health challenges, and are more likely to be involved in the criminal justice system.

On the other hand, programs that alleviate poverty [improve child well-being](#). When children have access to stable, affordable housing, nutritious food and quality child care, they have [better health](#), do better [at school](#), and [earn more on average](#). Hundreds of thousands of low-wage workers need more support to ensure their children have a chance to achieve success.

HB 198 provides additional resources to struggling parents by allowing child support payments to do just that: support the child and the custodial parent. Right now in Ohio, TANF recipients assign their rights to child support payments to the state of Ohio, which is allowed to keep the money to reimburse itself and the federal government.

States have the option of allowing the child support payment to be passed through directly to the parent and child. According to the National Conference of State Legislatures (NCSL), [25 states have passed legislation to pass through child support](#) without reducing a family's TANF assistance.

Under the proposed legislation, Ohio would pass through the entire amount of child support to the custodial parent. A certain amount of the payment would be disregarded for the purposes of determining eligibility for Ohio Works First, Ohio's main TANF cash assistance program.

Specifically, \$100 a month for a parent with one child and \$200 a month for parents with two or more children would not be included as income during the process of determining eligibility.

This reform will put more money in the pockets of Ohio's low-wage workers and provide custodial parents with more resources to pay for basic needs for their family. It also ensures that when non-custodial parents pay their child support, their children actually benefit.

Ultimately, the additional cash will go back into the local economy to support businesses, child care providers, health care providers and others who provide important services to Ohioans.

There are still questions about administration, implementation, and costs of the legislation. It is our understanding that stakeholders are working with the sponsor and ODJFS to ensure county offices have the support necessary to implement the goals of this legislation. We look forward to working with members of this committee and stakeholders to move this important initiative forward.

HB 198 will provide more stability and security for Ohio's most vulnerable children and families. It will also put more money into local businesses and economies. I urge the members of this committee to support this legislation. I will be happy to take any questions.