



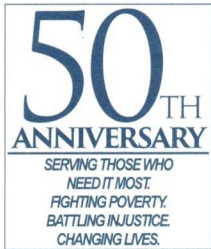
Advocates for Basic Legal Equality, Inc.

DEFIANCE OFFICE
1340 W. High St.
Suite A
Defiance, OH 43512

Toll-free:
(800) 837-0814

Fax: (419) 782-5830
TTY: (888) 545-9497

www.ablelaw.org



ABLE is funded in part by:



**Testimony before the Senate Government Oversight and Reform Committee
Senate Bill 17
February 12, 2021**

**Rebecca J. Steinhauser
Managing Attorney for Healthcare and Public Benefits
Advocates for Basic Legal Equality, Inc.**

Good morning Chairwoman Roegner, Vice Chairman McColley, Ranking Member Craig and members of the Ohio Senate Government and Oversight Committee. I am a managing attorney at Advocates for Basic Legal Equality, Inc. (ABLE). We are a non-profit regional law firm that provides free legal assistance in civil matters to help individuals and groups with low incomes in 32 counties in Western Ohio achieve self-reliance, and equal justice and equal opportunity.

I manage our Healthcare and Public Benefits practice group. We are a group of attorneys and paralegals that focus on improving clients' health and economic stability by securing or maintaining access to public benefits like Medicaid, Medicare, cash assistance, food assistance, unemployment compensation, and Social Security benefits. We also advocate to address systemic issues, such as: lack of language access in state and federal programs, discrimination against people with disabilities, and policies that deny life-saving treatment to Medicaid recipients.

I am one of the co-chairs of the statewide Legal Aid Health and Public Benefits Taskforce. The Taskforce is a collaboration of legal aid attorneys and advocates who cooperate to meet the individual and systemic needs of low-income families regarding Medicaid, Medicare, cash assistance, food assistance, unemployment compensation, and Social Security benefits.

I am here on behalf of ABLE to provide testimony in opposition to Ohio Senate Bill 17. We believe S.B. 17 contains some proposals that are very harmful to our client community and to others living in Ohio.

Unemployment Compensation

Senate Bill (S.B.)17 would require that unemployment compensation overpayments be recovered to the fullest extent permissible under state and federal law, regardless of whether the overpayment resulted from fraud or reasons other than fraud. This provision of S.B. 17 is deeply troubling because of its harmful impact on Ohioans. First, it is important to note that mechanisms for recovering overpayments already exist. As of December, the State has recouped about half the amount of overpayments made in the first six months.¹

¹ See <https://pittsburgh.cbslocal.com/2020/12/10/ohio-unemployment-overpayments/>

Second, it is important to distinguish between Ohio's regular unemployment system and the federal Pandemic Unemployment Assistance (PUA) program. Scammers are particularly targeting the PUA system because less verification is required.² However, S.B. 17 does not address the PUA system.

Third, many of these overpayments were not fraudulent and were related to errors by the agency, employers, or employees. S.B. 17 fails to distinguish between nonfraudulent errors and fraudulent ones. Claimants who acted in good faith and made unintentional errors or were affected by errors from the agency or their employers, should not be treated the same as claimants who engaged in fraud.

Claimants who made nonfraudulent errors should be entitled to an overpayment waiver process, whereby their overpayments would not be recovered if the recovery would be against equity and good conscience. For example, one of our clients received an overpayment notice for benefits received during March through October. However, we were able to have his overpayment waived due to agency error. Under the current proposal the client would not have received a waiver and would have been placed in economic hardship due to an error on the part of the agency. Some claimants who are still unemployed suffer from having reduced payments. In contrast, others who have returned to work will have benefits withheld if they need unemployment compensation in the future. This is especially detrimental during the COVID-19 pandemic as people face severe economic hardship and unemployment remains high. Waiver of overpayments where the claimant is not at fault is an important tool for equity.

Supplemental Nutrition Assistance Program (SNAP)

Photo Identification

S.B. 17 also proposes to require that a SNAP debit card (also known as an EBT card) include a color photograph of at least one adult household member. This proposal fundamentally misrepresents how SNAP operates. Under SNAP, any household member may use the debit card for food purchases. In addition, SNAP recipients may also appoint a non-household member to use the card to purchase food for their household. This is especially important for seniors, people who have experienced domestic violence, and people with disabilities who may not be able to go to the grocery store themselves to purchase food. Additionally, the requirement makes little sense to prevent the debit card's fraudulent use because the photo requirement would not represent all legitimate users of the card. Further, federal law prevents retailers from refusing to accept an EBT card as payment. Therefore, the bill will have no effect on reducing fraud, while increasing the costs to the Ohio Department of Job and Family Services (ODJFS) and its vendors.

Child Support/Paternity

S.B. 17 proposes to mandate that recipients must cooperate with ODJFS regarding establishing paternity and establishing, modifying, and enforcing a child support order as a condition of SNAP eligibility. This provision could harm parents of children who have experienced domestic violence and put them in the position of choosing between physical safety and food security. Some survivors of domestic violence and other violence choose not to establish paternity for their children out of fear that it will place them or their children in danger.

² See <https://www.cleveland.com/open/2021/02/ohio-paid-out-330-million-in-fraudulent-pandemic-unemployment-benefits-in-december-alone.html>

Further, S.B. 17 would punish parents who have informal child support arrangements outside of family court. Some parents can reach an agreement with the other parent and co-parent their children without court involvement. Many of these parents do not have the funds to pay for attorneys and court costs. This proposal would unfairly burden families who have informal child support arrangements or force them into costly litigation.

Additionally, the United States Department of Agriculture (USDA) has a study underway from the 2018 Farm Bill looking into this option's effectiveness. Ohio should wait for findings from the USDA study before pursuing an unproven, costly policy that would be damaging to a child's well-being.

Broad-Based Categorical Eligibility

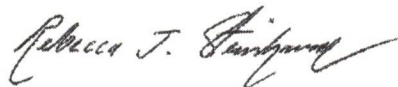
S.B. 17 also proposes prohibiting ODJFS from exercising certain state options regarding calculating income and assets, which would return Ohio to using an asset test for eligibility and bar any further efforts to increase gross income limits above 130% poverty to support working Ohioans. Further, the bill would block households with assets (cash or bank accounts) worth more than \$2,250 from SNAP eligibility. This proposal would exclude many hard-working Ohioans from receiving SNAP benefits, particularly those families that are only slightly over the income limits or those who try to build up their savings. This proposal creates a disincentive to low-income and working families lifting themselves out of poverty and into financial stability and independence. Additionally, families who receive their stimulus payments through the Recovery Rebate on their 2020 tax returns could easily be over the asset limit if they do not immediately spend their tax return money.

Further, implementation costs would be high. Currently, 39 states are using broad-based categorical eligibility because it is much more cost-effective. It makes little sense to make a radical change to a program that has been working well for several years, particularly when that change would be costly and would cause devastating consequences for working Ohioans.

Conclusion

In closing, S.B. 17 would have devastating consequences for low-income families and individuals. Particularly during the COVID-19 Pandemic, this bill would negatively impact many Ohioans' health, food security, and financial stability. As a state, we must ensure that our most vulnerable populations have access to food, medical care, and unemployment benefits. Thank you for the opportunity to provide this testimony.

Respectfully submitted,



Rebecca J. Steinhauser
ABLE Managing Attorney