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# OHIO LEGISLATIVE SERVICE COMMISSION

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and Drafting

Legislative Budget  
Office

S.B. 240  
135<sup>th</sup> General Assembly

## Bill Analysis

**Version:** As Introduced

**Primary Sponsor:** Sen. Schaffer

Jason Hoskins, Attorney

### SUMMARY

#### Public assistance programs

- Requires the Ohio Department of Job and Family Services (ODJFS) to update the systems used by ODJFS and county departments of job and family services to make public assistance benefits eligibility determinations.
- Requires the ODJFS Director, not later than 30 days prior to submitting a waiver or state plan amendment related to a public assistance benefit program to the appropriate federal entity, to also submit a copy of the waiver or amendment to the General Assembly.

#### Supplemental Nutrition Assistance Program changes

- Requires ODJFS to periodically monitor the balances of Supplemental Nutrition Assistance Program (SNAP) accounts, and upon the discovery of an account with a balance greater than \$2,000, take steps to determine if the account is inactive.
- Generally prohibits ODJFS from seeking an exemption from the SNAP benefit time limits that apply to able-bodied adults without dependents and withdraw or rescind any such existing exemptions or exemption requests.
- Requires ODJFS to implement an option, under which a noncustodial parent, as a condition of receiving SNAP benefits, must comply with the terms of a court order for child support.
- Specifies that an individual convicted of a felony offense for drug trafficking is ineligible to receive benefits for a period of three years following the completion of all obligations imposed by the court, unless the individual agrees to submit to random drug testing during that period.

- Regarding quarterly reports concerning SNAP that ODJFS must submit to the General Assembly, requires the reports to include (1) additional information concerning out-of-state SNAP transactions and (2) the number of accounts with whole dollar transactions.

## **Medicaid eligibility**

- Prohibits the Ohio Department of Medicaid (ODM) from taking certain actions with regard to determining eligibility for the Medicaid program.

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# **DETAILED ANALYSIS**

## **Public assistance programs**

### **Systems updates**

The bill requires the Ohio Department of Job and Family Services (ODJFS) to update the systems used by ODJFS and county departments of job and family services to determine eligibility for (1) Supplemental Nutrition Assistance Program (SNAP), (2) benefits funded in part by the Temporary Assistance for Needy Families block grant, (3) cash assistance provided through the Ohio Works First program, (4) benefits provided by the Medicaid program, and (5) publicly funded child care. In making the required updates, ODJFS must include a mechanism by which application information input by individual caseworkers can be tracked and audited. Additionally, county departments must provide caseworker training related to improper eligibility determinations.<sup>1</sup>

### **Program change notification**

Not later than 30 days prior to submitting a waiver or state plan amendment related to a public assistance program to the appropriate federal entity, the bill requires the ODJFS Director to submit a copy of the waiver or state plan amendment to (1) the Speaker of the House of Representatives, (2) the President of the Senate, and (3) the chairpersons of the relevant House and Senate committees that have jurisdiction of the subject matter of the waiver or state plan amendment. These notice requirements do not apply in instances where the waiver or state plan amendment is necessary to address a statewide emergency.<sup>2</sup>

## **Supplemental Nutrition Assistance Program changes**

### **Account balances**

The bill contains provisions relating to funds in inactive SNAP accounts. Federal regulations governing SNAP permit a state agency responsible for the administration of the program to store benefits off-line upon the discovery of inactive accounts or to expunge benefits from inactive accounts.<sup>3</sup> In accordance with these options, and to ensure program

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<sup>1</sup> R.C. 5101.042.

<sup>2</sup> R.C. 5101.95.

<sup>3</sup> 7 Code of Federal Regulations (C.F.R.) 274.2(h) and (i).

integrity, the bill requires ODJFS to periodically monitor the balances of SNAP accounts stored on electronic benefits transfer cards. If ODJFS discovers that an account contains a balance that exceeds \$2,000, the bill requires ODJFS to take steps to determine whether the account is inactive. If the account is inactive, ODJFS must move the account benefits off-line or expunge the unused benefits in accordance with federal regulations.<sup>4</sup>

### **SNAP work-related eligibility requirements**

The bill includes provisions relating to work requirements under the SNAP program. Federal law imposes work-related eligibility requirements on SNAP recipients who are classified as able-bodied adults without dependents. This group consists of individuals between the ages of 18 and 49 who have no dependents and are not disabled.<sup>5</sup> These individuals are only eligible to receive SNAP benefits for up to three months every three years unless they satisfy federally specified work requirements.

Under federal law and regulations, states can apply for a waiver to exempt from the time limit described above certain geographic areas of the state that have an unemployment rate of over 10% or do not have a sufficient number of jobs for able-bodied adults.<sup>6</sup> The bill prohibits ODJFS from requesting, applying for, or renewing such a waiver, except for instances in which the Governor has declared a state of emergency.<sup>7</sup> Additionally, not later than 30 days after the bill's effective date, ODJFS must rescind any previously approved waiver described above, and withdraw any pending request, application, or renewal of such a waiver.<sup>8</sup>

The bill further prohibits ODJFS from exercising an option under federal law to exempt individuals from the three-month time limit discussed above who are otherwise required to meet federal work requirements.<sup>9</sup>

### **Child support cooperation**

The bill requires ODJFS to mandate that, as a condition of SNAP eligibility, noncustodial parents must comply with the terms of a court order for the support of a child.<sup>10</sup> Under federal law, states have the option to exclude noncustodial parents (defined as a parent who does not live with his or her minor child) from SNAP eligibility if they do not cooperate with the state

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<sup>4</sup> R.C. 5101.543.

<sup>5</sup> Recent changes made in the federal Fiscal Responsibility Act of 2023, P.L. No. 118-5, will gradually increase the age of able-bodied adults without dependents subject to the time limit for receipts of SNAP benefits, from 49 to 54.

<sup>6</sup> 7 United States Code (U.S.C.) 2015(o)(4).

<sup>7</sup> R.C. 5101.546(A).

<sup>8</sup> Section 4.

<sup>9</sup> R.C. 5101.546; 7 U.S.C. 2015(o)(6).

<sup>10</sup> R.C. 5101.548.

child support agency regarding establishing paternity and establishing, modifying, and enforcing a child support order.<sup>11</sup>

### **Drug testing requirements**

The bill imposes temporary disqualification periods under SNAP for individuals with certain felony offenses, as follows. Federal law permanently disqualifies individuals from receiving SNAP benefits or certain benefits funded by the Temporary Assistance for Needy Families block grant if the individual has been convicted of a federal or state felony offense involving the possession, use, or distribution of a controlled substance.<sup>12</sup> Under federal law, states have the option to opt-out of this permanent disqualification, or to modify the disqualification. Ohio law currently permits individuals with a federal or state felony offense described above to receive SNAP benefits and benefits provided under the Ohio Works First program and the Prevention, Retention, and Contingency program, so long as they meet other program eligibility requirements.<sup>13</sup>

The bill establishes a temporary disqualification for SNAP benefits for individuals who have been convicted of a felony offense for trafficking a controlled substance. Under the bill, an individual who has been convicted of a felony offense for trafficking a controlled substance in Ohio or another jurisdiction is ineligible to receive SNAP benefits for three years following the individual's completion of all obligations imposed by a criminal court related to the individual's felony offense. An individual may receive benefits during this three-year period if they agree to submit to random drug testing during the three-year period.<sup>14</sup>

### **SNAP quarterly reports**

The bill adds additional requirements to the SNAP program quarterly reports that ODJFS must submit to the General Assembly. H.B. 33 of the 135<sup>th</sup> General Assembly (the biennial operating budget) established quarterly reporting requirements for ODJFS. Specific to SNAP, ODJFS is required to report all of the following on a quarterly basis to the Senate President and the Speaker of the House, who are required to distribute the report to the chairpersons of the legislative committees with jurisdiction over public assistance programs:

- The number of SNAP accounts with high balances, as determined by ODJFS;
- The number of SNAP out-of-state transactions; and
- The number of SNAP transactions when the final amount processed was a whole dollar amount.

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<sup>11</sup> 7 C.F.R. 273.11(p).

<sup>12</sup> 21 U.S.C. 862a.

<sup>13</sup> R.C. 5101.84.

<sup>14</sup> R.C. 5101.84(B).

Regarding out-of-state transactions, the bill requires the report to include the city and state in which each out-of-state transaction occurs, as well as the amount of the transaction. Additionally, the bill requires ODJFS to include in the quarterly report, the number of accounts that had a transaction in which the final amount processed was a whole dollar amount (for example, \$2.00).<sup>15</sup>

## Medicaid eligibility

The bill specifies that, unless required by federal laws or regulations, the Ohio Department of Medicaid (ODM) is prohibited from doing any of the following related to Medicaid eligibility:<sup>16</sup>

- Conducting post-enrollment verification of income or nonincome-related eligibility instead of verifying income and nonincome-related eligibility before enrollment;
- Designating itself as a qualified health entity for the purpose of making presumptive eligibility determinations; or
- Accepting self-attestation of income or receipt of other health insurance coverage.

If federal law or regulations require ODM to take one of the actions described above, the bill requires ODM to seek a federal waiver in accordance with existing law to implement the requirement.<sup>17</sup>

Additionally, the bill specifies that unless prohibited by federal law or regulations, ODM must (1) periodically check available income-related data sources to verify eligibility and (2) comply with the public notice requirements related to proposed changes to the state Medicaid plan.<sup>18</sup>

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## HISTORY

| Action     | Date     |
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| Introduced | 04-09-24 |

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<sup>15</sup> R.C. 5101.98.

<sup>16</sup> R.C. 5163.51(A).

<sup>17</sup> R.C. 5163.51(C).

<sup>18</sup> R.C. 5163.51(B).