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Government Oversight and Reform Committee
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Interested Party Testimony on Senate Bill 17
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Madam Chair Roegner, Vice Chair McColley, Ranking Member Craig, and members of the Committee, thank you for the opportunity to provide written Interested Party testimony on SB17. My name is Amy Roehrenbeck, and I am the Executive Director for the Ohio CSEA Directors' Association (OCDA), a membership organization of county child support enforcement agencies (CSEAs), dedicated to strengthening Ohio's child support program.

OCDA and its member counties have a great interest in the child support cooperation requirements included in SB17, specifically concerning the technology needed, the cost to implement and maintain, county case administration, and overall expectations. We would appreciate a continued discussion on the impact of the cooperation requirements to the child support program in Ohio.

Technology and Infrastructure

SB17 would mandate that both custodial and non-custodial parents cooperate with child support as a condition for eligibility for SNAP benefits. The first area of concern we have is with regard to the technology that will be necessary to coordinate the tracking of these cases in both the child support and public assistance systems.

Implementing cooperation requirements would be a complex endeavor, as Ohio would have to update and fully integrate two statewide tracking systems, as well as handle an influx of an estimated one hundred thousand more children into our child support system, called SETS (Support Enforcement Tracking System). While these systems have some limited automation the process to implement this bill would need to be fully automated. SETS is nearly 25 years old and runs as a COBOL mainframe system. It is built to key off a case type, which is identified based on the status of the *custodial* parent. The case type triggers actions in a case based on federal requirements. There is no present case type to identify a case as a "SNAP" case. Further, there are no case types based on the status of a *Non-Custodial* Parent. 90% of our automated system



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would need touched in order to make changes to implement cooperation requirements for custodial and non-custodial parents due to the case type.

Presently, county CSEAs do not have full access to look into our sister program's automated system, which is called Ohio Benefits (OB). This often results in manual administration and processing across our caseloads. Automation is critical to the success of any cross-program requirements. Modifications would need to be made to both SETS and OB to allow for full data access. In addition, cooperation requirements for non-custodial parents are unprecedented in Ohio and we have no present ability to match these participants in either system.

There are significant cost implications that need to be considered to develop, maintain, and upgrade existing interfaces. This includes the need to align policies and procedures for referral, intake, and ongoing case monitoring across these programs. Because SETS is nearly 25 years old there is not an easy bridge to build to OB to interface and provide the data necessary to address the requirements of this bill. If the automated systems are not updated and integrated, counties would have to rely on manual processes which would slow down the referrals, reporting, and collection of support.

SB17 provides no funding to address the IT infrastructure needed to effectuate the requirements of the bill. This investment must be there to ensure that these systems are automated for better and timely case administration at the county level.

Case Administration

Child support agencies in Ohio serve over one million children. Our program serves these children for long periods of time, often from infancy to adulthood, and beyond. We provide services to families of all types, from divorcing parents to unmarried parents, to caretaker relatives, to families with children in protective custody, and others, regardless of family income. The child support program encourages responsible parenting, family self-sufficiency, and child well-being by providing services to locate parents, establish parentage, establish child support and medical support orders, collect support, modify orders when circumstances have changed, and enforce orders that are not being paid.

Parties can access our services by filling out an application for services, or by the CSEA receiving a referral from the public assistance agency. ODJFS creates and maintains the administrative rules concerning case processing, timelines, policies, cooperation requirements, etc. Under SB17 there would be new cooperation requirements for custodial and non-custodial parents, and ODJFS must have the rulemaking authority to address these requirements, as well.

In addition, CSEAs need any new cases with cooperation requirements to be classified as cases qualifying under Title IV-D of the Social Security Act to access federal matching dollars for case administration. Presently, cases coming over due to receipt of Ohio Works First cash payments require the custodial parent to cooperate with CSEA. This is about 8% of the total cases in our state, and these cases are considered to be "IV-D" cases.

As noted above, however, there is no present requirement for a non-custodial parent to cooperate as a condition of eligibility for benefits (OWF, Medicaid, or SNAP). This population is the big unknown in this bill. We have no automated mechanism to identify a non-custodial parent as a recipient of benefits, and we have no mechanism to track their cooperation. This would all need to be built within our system. We have no estimates on how many parents fall into this category nor any idea of how many of these parents may already have a child support case.

Child support agencies have a range of enforcement tools available to address nonpayment of support for those that are unwilling to pay. Our enforcement tools are effective in collecting child support and Ohio currently performs very well nationwide, ranking 4th overall in dollars collected for families. Our collection techniques, however, do not include the sanctioning of food assistance benefits.

Cost

As noted above, there are significant systems changes in both SETS and OB that would need to occur to ensure timely and efficient case processing to comply with the provisions of SB17. Unfortunately, SB17 does not include funding for the IT infrastructure, nor increased caseload and staffing at county agencies to administer the additional cases coming over from SNAP. Costs will occur in the counties on both the SNAP side and child support side, as workers will have additional cases, additional requirements and timelines, and continuing reporting duties across the programs with regard to cooperation.

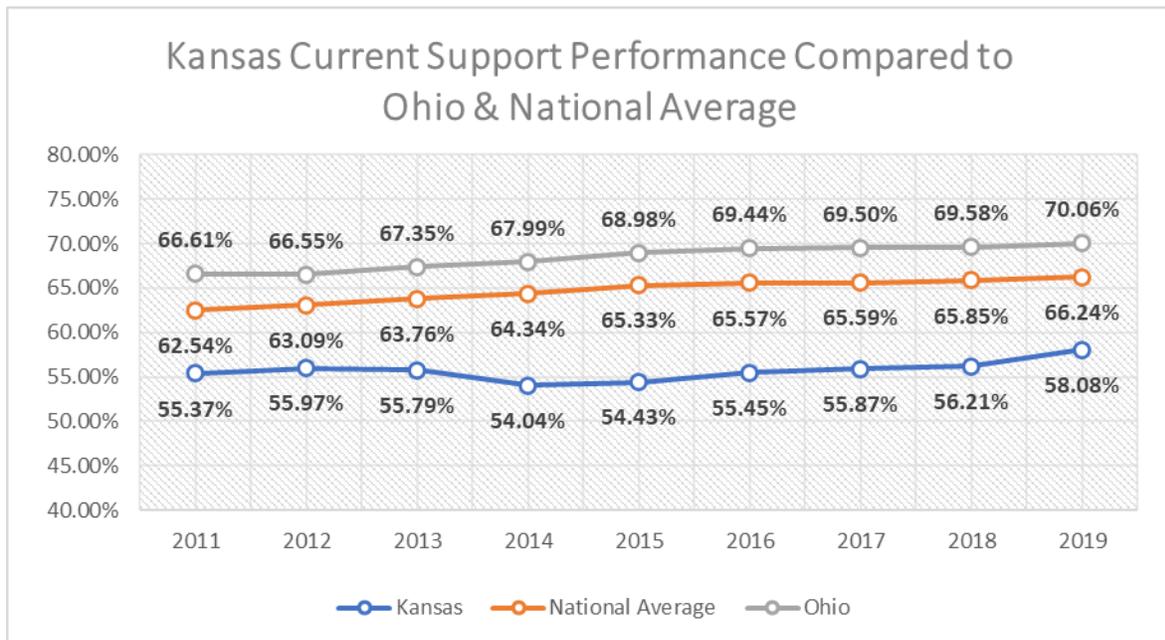
The costs to implement cooperation requirements have been reviewed at the both the federal and state level in the past few years. The Federal Congressional Budget Office prepared an estimate of cost for nationwide implementation when SNAP cooperation for child support was being considered as part of the Farm Bill in 2018. See https://www.cbo.gov/system/files/2018-07/hr2_1.pdf Their estimates show an additional 1.2 million households would come into the child support program with an average cost of \$1,000 per case per year to process and maintain. CBO estimated that the total cost to establish and maintain orders for SNAP households would be \$1.2 billion in the first year, and \$7.2 billion in the next decade. CBO estimated that, on average, those SNAP households would receive \$1,400 less in benefits, and that the child support cooperation provision would reduce direct spending on SNAP by \$800 million in the first year, and by \$4 billion over the next decade. Overall, the estimates showed that it would cost the federal government an extra \$7.4 billion over the next decade in their 66% share of the child support program to realize \$4 billion in SNAP savings (a net increased cost of \$3.4 billion). The CBO concluded that if the child support cooperation requirement is fully implemented, 75% of the SNAP households will receive no child support. This would result in lower performance rates and incentive payments, which puts a greater burden on state budget to fund the program.

We believe that it is critical to review the feasibility of SNAP cooperation requirements in child support through a cost/benefit lens, as well as a review of outcomes for a state as large as Ohio. There should be a thorough evaluation that includes cost of coordinated system development and interfaces, cost of increased staffing and workload, impact on our ability to meet performance benchmarks set by the federal government that affect Ohio's ability to draw down federal funds and incentives, and adequate timelines for proper

planning, development, and testing of both SETS and OB. Utah commissioned such a study in 2014 and published a detailed analysis of the impact of Food Stamp Child Support Cooperation. See <https://le.utah.gov/interim/2014/pdf/00005534.pdf>. We believe it would be beneficial for Ohio to commission a similar study and we stand ready to assist.

Expectations

At the last committee hearing testimony was presented about Kansas and its adoption of SNAP cooperation requirements in child support. The testimony indicated that Kansas had increased their child support collections by 40% by implementing cooperation requirements. In reviewing the Kansas performance data from the Federal Office of Child Support you can see that since they implemented the change in 2016, they have increased their current support collected overall by 2.63%, not 40%.



Kansas ranks 33rd nationally in current support collections and continues to perform significantly below the national average, whereas Ohio collects above the average and is ranked 10th nationally and 4th across the 10 largest state caseloads. Our caseload is almost six times higher and much more diverse than Kansas. This is important in terms of expectations for implementation of SNAP cooperation requirements and the resulting impact to child support collections in our state.

We thank you for the opportunity to provide testimony on this bill and we appreciate your consideration in continuing the discussion of the impact of the cooperation requirements in the child support program. Please contact me with any questions.