

Representative Theresa Gavarone 3rd House District

Sponsor Testimony for HB 366 Senate Judiciary Committee April 10, 2018

Chairman Bacon, Vice Chair Dolan, Ranking Member Thomas, and members of the Senate Judiciary Committee, I would like to thank you for the opportunity to testify on behalf of House Bill 366, the Child Support Guidelines Bill.

Ohio's child support guidelines are currently statutory, and require legislative action to update them. HB366 will provide critical and necessary updates to these guidelines by addressing the economic tables, methodology, and manner by which these child support orders are set every day in courtrooms and child support agencies across Ohio. The proposed guidelines include much needed changes to multiple statutes, and these changes are sensible, comprehensive, timely, and efficient.

The proposed revisions in HB366 revolve around five major components. Many of the changes directly address issues that have been historically problematic in the way we set child support orders in Ohio. These revisions strike a delicate balance between the interests of multiple stakeholders, and the components are all meant to work together to achieve the result of child support orders based on the ability to pay, with the ultimate goal of consistent, reliable payments of child support to families. These components include:

1. Update to the economic tables

This critical update is needed to ensure that the economic tables used to establish and modify child support obligations are current and reflect Ohio's modern economy. Ohio has not updated its economic tables since 1992—26 years now--and that was using data from the 1980s.

The table updates allow for calculation of orders for parties with combined incomes up to \$300,000, which is greatly needed. This bill also includes a self-sufficiency reserve, which is a graduated adjustment to the table amounts for low-income obligors, which is intended to allow them to maintain a level of self-sufficiency. This adjustment phases out as income increases.

HB366 also contains a provision to move the economic tables from the Ohio Revised Code to the Ohio Administrative Code, allowing for more regular updates via rule review to react in a more timely way to changing family economics and cost of living.

2. Parenting Time Adjustment

A pervasive myth exists that our current economic tables already adjust for parenting time. They do not. Rather, Ohio's current tables take all of the cost of raising a child and shift them into the custodial parent's household. HB366 will provide for a parenting time adjustment to the guideline amount for non-custodial parents with a standard parenting time order, and also provide a deviation factor for those parents with extended parenting time. Courts still retain their discretion as to whether the deviation will be granted.

3. Modernization of Health Insurance and Cash Medical

HB366 makes much needed changes in the way health insurance coverage is ordered and credited. The parent(s) providing health insurance coverage for the child will get a credit off his or her income in the guidelines calculation for their total out of pocket costs to provide insurance. This will recognize that those funds are spent on insurance, and not available for child support. This bill also creates a rebuttable presumption that the custodial parent will provide health insurance coverage, though this presumption can be rebutted with evidence of current or prospective coverage by the non-custodial parent, or if the "custodian" in the matter is a children services agency or caretaker.

Cash medical will also be simplified, by defining its purpose as representing ordinary medical expenses that occur in both households, ordering it paid in all cases, and splitting this amount between the parties. This will make it easier for parents, the courts, and the private bar. It will also aid in more efficient administration by the child support agencies.

4. Multiple family orders

Under current Ohio statutes, the first child to file for child support typically receives the highest order. For parents with more than one family to support, all subsequent filings result in lower child support obligations for the additional children. This legislation proposes to provide a standard income deduction for each parent for children not subject to current order so that all children may be treated equally.

5. Childcare Credit Cap

HB366 proposes a cap on allowable credit for daycare expenses incurred by a parent. This cap is calculated based on the age of the child, and uses figures from the Ohio Office of

Children and Family's Market Study. An additional cap is also contained in the bill for low-income obligors. Parents are still free to choose childcare with costs above the cap, and they may seek a deviation from the courts if their expenses exceed the cap.

HB366 is a companion bill to SB125, sponsored by Sen. Beagle, which this committee heard last year and which passed the Senate in February. My bill received unanimous support in the House Community and Family Advancement committee, and received a 96-0 vote on the House floor. As a Domestic Relations practitioner myself, I know too well the issues that exist with our current child support guidelines. After 26 years, it is time to move forward to modernize our guidelines and make sensible changes to benefit Ohio's families.

I thank you for the opportunity to share sponsor testimony on HB366, and I am happy to take any questions at this time.