



Commissioner Kevin L. Boyce • Commissioner Marilyn Brown • Commissioner John O'Grady  
President

**Child Support Enforcement Agency**

Susan A. Brown, Director

The Ohio Senate Judiciary Committee  
Susan A. Brown, Proponent  
Tuesday, May 15, 2018  
House Bill 366

Good morning Chairman Bacon, Vice Chair Dolan, Ranking Member Thomas, and members of the Senate Judiciary Committee. Thank you for the opportunity to come before you today to present proponent testimony on House Bill 366. My name is Susan Brown and I'm an attorney and the Director of the Franklin County Child Support Enforcement Agency. I've witnessed firsthand how the program has evolved through my twenty years of child support experience. Prior to coming to Franklin County, my law practice focused on domestic relations law and thereafter I served as the Director of Lawrence, Athens and Delaware County's Child Support programs, so I'm familiar with the issues facing parents and child support programs in small rural counties and now in a large urban jurisdiction. When working in small counties, staff often must wear many hats, so I've also served in the capacity as an Administrative Hearing Officer and staff attorney. I wholeheartedly support HB366 which provides much needed modernization and updates, but most importantly, provides solutions to long standing issues within the Ohio's child support guidelines.

My colleagues, in written and oral testimony, provided the history, the economics and rationale behind the methodology and the specific proposals contained in the legislation. I'd like to emphasize my previous testimony about the practical impact that this bill has on the lives of our client-parents – especially within our low-income populations.

As has been mentioned, the current guidelines haven't been updated since 1992 and utilize economic data from the 1980 – 1986 Consumer Expenditure Survey. The guidelines have been reviewed by the Guidelines Advisory Council five times and program and stakeholders' issues have been thoughtfully incorporated into the proposals. Yet, each time they have not been updated through the legislative process. Given the obsolete data being used, the current tables no longer reflect the economic realities of the actual cost of raising a child. It's time to finally update this methodology and the data within the guidelines tables to get more appropriate support into the child's household.

The Franklin County Child Support program is the second largest in the state. The Agency establishes paternity for 1,474 parents and support orders for 2,332 and has a caseload of 70,000 cases. Our volume and experience continues to show us that one of the most significant issues faced by child support programs across Ohio, and across the nation, is the massive accumulation of debt owed by parents. Most of it is owed by low income and working poor parents. David Fleischman, Bureau Chief for Program Services has testified (SB262 and SB125) in the past, that despite the success of automatic wage withholding, Ohio's parents, over the past two decades,



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have accumulated \$4.5 billion dollars (2012 OCS data) in unpaid child support debt – and those totals continue to rise. The federal Office of Child Support Enforcement, and Office of the Administration for Children and Families, Division of Health and Human Services, recently issued a report on September 15, 2017, showing that, as of April 2017, 5.5 million delinquent noncustodial parents owed over \$114 billion in past-due support according to data received from the Federal Tax Offset Program. While approximately 20 percent of that is owed to the government, most of it is owed to families. In Ohio, 69% of the debt owed is held by parents who had reported earnings of less than \$10,000.

Many, if not most, of these orders are established using imputed or presumed wages, meaning the hearing officers and the courts who are ordering support, are making assumptions about noncustodial parent's wages and not using actual income. In part, due to low income parent's perception of the program as being oppressive and punitive in nature, only 40% of noncustodial parents show up for their administrative support hearings in Franklin County. Therefore, orders are being established based on wages that have never been earned and which noncustodial parents have no ability to pay.

This scenario, "failure to engage", "inability to pay" and "massive debt accumulation" are issues that directly impact families throughout Ohio and within Franklin County. Noncustodial parents who are so heavily burdened with seemingly impossible orders and overwhelming debt are less likely to pay their support. As a result, child support orders at low income levels are being collected at 30% statewide versus the state average of 69%. This means those who need the support the most are receiving no payments, or at least, not nearly the full amount. We must take a different approach in establishing low income orders (see the 2017 Ohio Child Support Guidelines Review, Report to the General Assembly).



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Case in point, ten (10) zip codes within Franklin County (most of which are in Districts 3 & 15), carry over 58% of all debt owed in Franklin County, or \$195 million dollars.

As of September 2017:

<b>10 Zip Codes w/ Largest Arrears Balance</b>	
<b>Zip Code</b>	<b>Total Arrears</b>
43211	\$24,444,658.49
43207	\$23,930,194.18
43232	\$21,740,501.52
43219	\$21,100,081.36
43223	\$18,970,083.59
43204	\$18,904,634.42
43227	\$17,279,562.75
43224	\$17,105,006.72
43206	\$16,708,601.52
43213	\$14,559,656.51
<b>Total</b>	<b>\$194,742,981.06</b>
<b>Percent of Overall</b>	<b>58.12%</b>

The residents in these areas have significant challenges, such as chronic unemployment, under employment, poverty, crime, incarceration and educational deficits. The average monthly current support obligation is \$244.14 (this is also indicative of imputed wages based on minimum wage earnings because most of these orders are almost identical). When employment is reported by these noncustodial parents, the child support program follows regulations to withhold up to 65% of their wages, which often drives these parents into the underground and illegal economy. The reality of this situation means that in most cases, the parent who has the child in their home is receiving, at best, inconsistent, irregular, and unreliable child support payments. Unfortunately, more often than not, the household is receiving no child support payments at all. Within this population, our regular persuasive enforcement efforts are ineffective.

Franklin County Child Support has been trying to address this issue by intervening earlier in these cases to provide training and employment supports to new fathers; meeting with community leaders within low income neighborhoods to build more trust with noncustodial parents so that they'll become more engaged with the program and their children. One of the highest priority objectives for our program is to get regular, consistent child support payments into custodial parent households – upon which they can depend. The self-sufficiency reserve (SSR) provision contained within the bill will ensure the noncustodial parent's ability to pay the support obligation as well as establish an incentive to get a job, stay with that job, and advance within their career.



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The SSR is an adjustment of the guideline support obligation amount to ensure that a noncustodial parent can maintain at least a subsistence income. The SSR is the primary means of addressing debt accrual among low-income parents who are willing to pay their support obligation, but are unable to do so based on their income. The goal of this provision is to balance the cost of raising a child with the ability to pay for two households; the SSR will be transparent, as it is visible on the table as a shaded area; it applies an algorithm to adjust the guidelines table that includes a poverty level multiplier (116% FPL) and; it applies a gradual SSR ramp that nearly eliminates any “cliff effect” in the transition to the unadjusted table. Lastly, the minimum child support order increases from \$50 per month to \$80 per month.

Establishing appropriate orders will result in greater, more reliable collections for the custodial parent household, and less dependency on other public assistance services. Again, thank you for the opportunity to testify and I will be happy to answer any questions.