

OHIO GENERAL ASSEMBLY
JOINT COMMITTEE ON AGENCY RULE REVIEW

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June 19, 2017

Chairman Duffey called the meeting to order at 1:32 p.m.

Deputy Director Fouche called the roll. Representatives Duffey, Gavarone, Manning, Boggs, Ramos and Senators Uecker, Balderson, Kunze, and Skindell were in attendance. Senator Thomas was excused from the meeting. Deputy Director Fouche stated a quorum was present. Chairman Duffey asked the Committee members to review the May 30, 2017 minutes. The minutes were approved as presented.

Director Wolpert read the No Change Agenda. Chairman Duffey called for questions or comments on the No Change Agenda. There were no questions from the Committee or public. Director Wolpert read the Regular Agenda. Chairman Duffey called for questions or comments on the Regular Agenda. There were no questions from the Committee or public. Chairman Duffey temporarily recessed the Committee at 1:35 p.m.

Chairman Duffey called the Committee back to order at 1:37 p.m. to discuss the review portion of the agenda. Chairman Duffey called David Frash, Deputy Director for the Office of Legislation, Ohio Department of Job and Family Services, to provide comments to the Committee. Mr. Frash stated a workgroup was formed to help facilitate a new formula for county child support enforcement agencies (CSEA). Mr. Frash stated the workgroup was made up of twelve counties from different parts of the state. Chairman Duffey asked what the methodology was for the original rule having out of wedlock births being a factor that would have been funded. Mr. Frash stated the original methodology was off the best data ODJFS had at the time. Since then, new data has presented itself through the system which contains real time data.

Chairman Duffey asked if it was the responsibility of the county agency to assist with discovery of paternity. Mr. Frash stated, yes. Chairman Duffey, asked for clarification as to whether Mr. Frash was saying that you shouldn't get paid as a county agency unless you get all the way through the process to the point that you've got an order and actual collections coming in as opposed to making best efforts to find paternity and not being able to get to the payment order. Mr. Frash stated ODJFS is measured by the federal government on establishing paternity and getting the order for the case. Mr. Frash stated this was the best methodology to hold the counties accountable for what the federal government was holding the State accountable to. Chairman Duffey asked if the new formula penalized lower wealth counties. Mr. Frash introduced David Fleischman, Bureau Chief, Office of Child Support for ODJFS, to answer Chairman Duffey's question. Mr. Fleischman stated the agencies are reimbursed for any activities they perform in their cases. Mr. Fleischman stated this is not the only source of funding for the agencies.

Chairman Duffey asked Mr. Fleischman to walk through the percentages of the new methodology. Mr. Fleischman explained that the base allocation for all the counties would be 10%, establishment of

support is 45%, and the collections base is 45%. Chairman Duffey asked if Mr. Fleischman knew what the three greatest counties would lose money and the three greatest counties would gain money along with the percentages. Mr. Fleischman stated the numbers are going to be based on performance so they cannot definitively give out numbers more than one year out. Chairman Duffey stated Cuyahoga County would gain \$198,000 which is a 7.6% increase and Lucas County would gain \$254,997 which is a 26.46% increase. Chairman Duffey stated Franklin County will lose \$770,232 which is a 30.26% decrease. Mr. Fleischman stated those numbers didn't include the hold-harmless. Chairman Duffey stated they'd eventually get to the number. Mr. Fleischman stated that was correct.

Representative Ramos asked Mr. Frash to explain out of wedlock births as they relate to the new rule. Mr. Frash believes there was an attempt to deal directly with the fact that children born out of wedlock and dissolution and divorce is a somewhat indirect measure of the work effort that CSEA is going to be involved in. Representative Ramos asked if the new rule would be more of a correction. Mr. Frash believes the rule was changed to more accurately reflect what everyone is doing. Representative Ramos asked how much the income level of the absentee parent really factors into the workload of the CSEA. Mr. Frash believes the income level of the absentee parent would affect the workload to some degree. Mr. Frash stated someone with a higher obligation amount would have income withholding and there may be more effort if the parent is low income. There were no further questions for the witness.

Chairman Duffey called Randall Galbraith, Athens County Department of Job and Family Services, for opponent testimony. Mr. Galbraith believes proposed rule 5101:9-6-80 has an ambiguous and inaccurate Rule Summary and Fiscal Analysis (RSFA). There were no questions for the witness.

Chairman Duffey called Kimberly Hinkle, Director of the Washington County CSEA, for opponent testimony. Ms. Hinkle believes the RSFA of rule 5101:9-6-80 is incomplete and fails to accurately reflect the impact the proposed rule will have on many CSEA's across the State of Ohio. Representative Ramos asked what was incomplete or inaccurate about the RSFA. Ms. Hinkle stated ODJFS simply restated the rule for the answers to the RSFA questions and therefore did not actually answer the questions. There were no further questions for the witness.

Chairman Duffey called Rob Pierson, Deputy Director of the Stark County Job and Family Services Child Support Division, for opponent testimony. Mr. Pierson believes the RSFA is inaccurate and incomplete. Mr. Pierson requested that the proposed rule be refiled in order to create a rule that consider other variables that accurately reflect county performance. There were no questions for the witness.

Chairman Duffey called Susan Brown, Director of the Franklin County CSEA, for opponent testimony. Ms. Brown believes ODJFS failed to provide a complete and accurate RSFA for the proposed rule. Ms. Brown requested that the proposed rule be refiled in order to create a rule that considers other variables that accurately reflect county performance. Representative Gavarone asked if Ms. Brown knew if the new proposed formula refers to the dollar amount that is outstanding or takes into consideration the number of cases pending in the courts. Ms. Brown stated it was her understanding the new proposed formula takes the consideration of collections as a whole. Mr. Brown stated the new proposed formula does not take into consideration the circumstances of each individual case. There were no further questions for the witness.

Chairman Duffey temporarily recessed the Committee at 2:52 p.m. to allow the members to caucus in rooms 119 and 113. Senator Balderson did not attend the majority caucus. Chairman Duffey called the meeting back to order at 3:35 p.m. Chairman Duffey called Mr. Frash to provide comments to the Committee. Mr. Frash stated ODJFS would place rule 5101:9-6-80 in "to be refiled" status. There were no questions for the witness.

Chairman Duffey called Alaina Bidlack, Warren County CSEA, for proponent testimony. Ms. Bidlack stated the proposed rule was much debated and well thought out. Ms. Bidlack believes the proposed rule measures what the prior rule attempted or intended to measure and adds a much needed component of performance measure. Senator Uecker asked if Ms. Bidlack was talking about, in regards to size, the total census population or the population of people being serviced. Ms. Bidlack stated she was referring to people being served. There were no further questions for the witness.

Chairman Duffey called Anthony Boston, Summit County CSEA, for proponent testimony. Mr. Boston stated that the rule may not have a favorable outcome for all 88 counties, but he believes the rule has been thoroughly examined by the workgroup and is the best option for change at this time. Chairman Duffey stated the proposed new allocation is not based on the full-time equivalent. Mr. Boston stated Chairman Duffey was correct. Chairman Duffey asked if Mr. Boston was suggesting that counties should be funded on the basis of the number of cases per full-time employment. Mr. Boston stated he was not insinuating that at all. There were no further questions for the witness.

Chairman Duffey called Richard Weiler, Financial Manager for Cuyahoga County Child Support, for proponent testimony. Mr. Weiler believes the proposed rule provides a fairer way of allocating funds to the 88 counties than the present allocation method. Chairman Duffey asked if a new case or existing case required more work. Mr. Weiler stated all growth areas are going to get more funding based on a new case. Chairman Duffey asked how automated the system is after the initial work in terms of the 2nd, 3rd, or 14th year of providing case management. Mr. Weiler stated it would depend on the poverty level. Chairman Duffey asked if poverty level was a factor in the proposed rule. Mr. Weiler stated poverty level was not a factor in the proposed rule.

Chairman Duffey asked what the percentage of time was that a new case would take compared to an existing case for labor hours for a full-time equivalent. Mr. Weiler stated if the money is coming in you do not really have to do anything and if money is not coming in then you may be spending a lot of time trying to make a collection on that case. Chairman Duffey stated if a county had a higher percentage than other counties of out of wedlock births where paternity was difficult to determine the county agency is still responsible to seek identification of the father. Mr. Weiler stated Chairman Duffey was correct. Chairman Duffey asked if under the proposed rule a county would receive funding for attempting to determine paternity even if the county was unsuccessful in doing so. Mr. Weiler was not sure but believed so. Members from ODJFS answered "no" to Chairman Duffey's question. There were no further questions from the witness.

Chairman Duffey reminded the public of the next JCARR meeting on Monday, July 17, 2017 at 1:30 p.m. in the William McKinley Hearing Room.

Chairman Duffey adjourned the meeting at 3:56 p.m.


Joe Uecker, Vice-Chair


Larry Wolpert, Director