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S.B. 67
136th General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 67's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Sens. Liston and Romanchuk

Local Impact Statement Procedure Required: Yes

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Highlights

- The bill requires that a portion of the child and spousal support collected on behalf of an assistance group be paid to the assistance group. As a result, the state would pass through about \$12.9 million annually.
- The cost to make necessary updates to the information technology (IT) systems used to administer child support and public assistance programs is estimated to be up to \$5.0 million.
- County departments of job and family services (CDJFSs) and child support enforcement agencies (CSEAs) will experience administrative and training costs to implement the bill's provisions.

Detailed Analysis

The bill changes how child support payments are handled for recipients of cash assistance in the Ohio Works First (OWF) Program. OWF is one of Ohio's Temporary Assistance for Needy Families (TANF) programs. It provides time-limited cash assistance to low-income families with children. The bill requires that a portion of the child and spousal support collected on behalf of an assistance group be paid to the assistance group as follows: \$100 if the assistance group includes one child and \$200 if the assistance group includes two or more children.

Currently, OWF recipients must assign their rights to child support payments to the state. This means that, in essence, the state will collect the child support payments that would have gone to the assistance group if the assistance group was not an OWF recipient. The Ohio Department of Job and Family Services (ODJFS) is required to deposit these child support

payments into the Child Support Collections Fund (Fund 4A80).¹ The funds retained by the state are expended through line item 600658, Public Assistance Activities, in conjunction with other line items, to make cash assistance payments under the OWF Program. The amount of child support payments collected are shared with the federal government at an amount equal to the federal medical assistance percentage (FMAP) for the state.² However, federal law permits states to pass through certain amounts of assigned child support collections to TANF-recipient families without paying the federal government its share of the amounts if certain conditions are met.³ Currently, if a state chooses to pass through child support and the child support is not counted as income for TANF purposes, the federal government agrees to waive its share up to \$100 for one child and \$200 for two or more children. Since the bill allows these amounts to be passed through to families, the state will not have to provide the federal government its share. However, the state's share, which ODJFS estimates to be about \$12.9 million, will instead be distributed to families.

County departments of job and family services (CDJFSs) and child support enforcement agencies (CSEAs) supervise TANF and child support operations at the local level. As a result of the bill, each would have increased administrative costs, including training-related activities. Additionally, child support benefits are administered through the Support Enforcement Tracking System (SETS), while public assistance programs such as OWF are administered through the Ohio Benefits system. Upgrades must be made to both information systems to integrate the systems and administer the pass-through proposed by the bill. ODJFS estimates the cost to update the SETS and Ohio Benefits system is up to \$5.0 million. The bill delays implementation of the law for 18 months. However, ODJFS estimates that the update may take up to 24 months. If this occurs, there would be additional administrative costs to CDJFSs and CSEAs due to the need to manually calculate changes and coordinate pass-through payments for a large number of OWF cases.

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¹ Fund 4A80 received about \$17.9 million in revenue in FY 2023 and \$16.4 million in FY 2024.

² In Ohio, the FMAP for federal fiscal year (FFY) 2025 is 64.6%.

³ See 42 United States Code (U.S.C.) 457(a)(6)(B).