



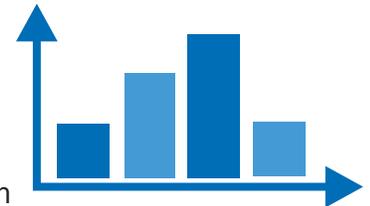
SB 262 Child Support Guidelines Revision

SB262 was introduced on January 25, 2016 by Senator Shannon Jones. SB262 contains much needed revisions to Ohio's child support guidelines, which are used when establishing or modifying child support obligations for families. The child support guidelines include multiple statutes and worksheets to calculate the obligations. These proposed revisions are **timely, inclusive, modern, and efficient**.

The main revisions center around **five** topics:

1 An 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 **timely** and reflect the **modern** economy. Ohio has not updated its economic tables since **1992**, which used data from the early to mid-1980's.



The update to the tables includes a **self-sufficiency reserve**, which is a graduated adjustment to the table amounts for low-income obligors. This self-sufficiency reserve is intended to allow a child support obligor to maintain a level of self-sufficiency in his/her own home. The adjustment phases out as the obligor's income increases.

2 Parenting Time Adjustment

There is a pervasive myth that Ohio's current economic tables take into consideration a parenting time adjustment. **This is not the case.** Ohio's current economic tables take all of the costs of raising a child and transfer them into the custodial household. In addition to the fixed costs, there are also variable costs that travel with the child. To be more **inclusive**, SB262 provides for a parenting time adjustment.

For non-custodial parents with a **standard parenting time order**, his/her individual support obligation will be **reduced by ten percent**, to allow the parent the ability to keep some funds in his/her home for expenses while the child is with them.

For non-custodial parents with **extended parenting time**, SB262 includes a may/shall provision regarding the court's requirement to consider a deviation. For extended parenting time of **36-40%**, the court **may** consider a deviation. If court-ordered parenting time **exceeds 40%**, the court **shall** consider a deviation, and must issue findings and recommendations if it chooses to not allow the deviation.

3 Multiple Family Orders

Many of our parents have more than one family to support. Under the current statutes, the first child to file for child support typically receives the highest order. All subsequent filings result in lower child support obligations for the additional children. SB262 proposes to **treat all children the same** by providing a standard income deduction for each parent for children not subject to the current order.

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Each parent's deduction will be computed using the economic table and **his/her individual income amount** for the **total number of his/her children**. A **per child amount** is then determined, and this is then **multiplied** by the number of his/her children that are outside of the current order. This amount will be the **deduction** the parent receives. Each parent may end up with a different deduction amount, as it will be based on each parent's income, but this method is much more **efficient** than the current method. The proposed method also treats all children the same, and will minimize the first-to-file effect.

4 Health Insurance and Cash Medical Will Be Modernized

The Affordable Care Act (ACA) ties the responsibility for ensuring that health insurance is in effect with the tax dependency exemption. **Per IRS regulations, the custodial parent** is the default recipient of the tax dependency exemption. Historically, in the child support world, we have looked to the non-custodial parent to provide health insurance.

To bring parents' responsibilities closer in line with their responsibilities under the ACA, SB262 proposes to create a **rebuttable presumption that the custodial parent will provide health insurance**. The presumption may be rebutted, for example, if the non-custodial parent is already providing coverage or can obtain coverage that is reasonable in cost.



SB262 also allows the parent providing coverage to receive a **deduction** from his/her income for the **total out of pocket cost to provide insurance**. This deduction will occur before going to the economic tables to determine the child support amount, to recognize that the money being paid to provide insurance is not available for child support.

Cash medical will also be **modernized**, by defining its purpose, ordering it paid in all cases, splitting the amount by income shares, and assigning it when Medicaid is involved. Cash medical will represent ordinary medical expenses that occur in **both** households. The administration of medical support will then be more **efficient** at the CSEA.

5 Childcare Credit Changes

Recognizing that childcare costs can exponentially increase a parent's child support obligation, SB262 proposes to create a **cap on the allowable credit** given for childcare expenses. By using the Office of Children and Family's Market Study, a cap will be instituted based on the child's age. A cap will also be created for low-income obligors, to limit the share of childcare cost at 50%. Parents can still seek an upward deviation in support if their childcare costs exceed the cap.

We ask for your support of SB262, which we believe is a comprehensive package needed to update Ohio's guidelines and processes.

Please contact the Ohio CSEA Directors' Association at 614-846-6652 with any questions or concerns.