



SENATE BILL 17
OPPONENT TESTIMONY

February 23, 2021

Dear Chair Roegner, Vice Chair McColley, Ranking Member Craig, and members of the Senate Government Oversight and Reform Committee:

Thank you for the opportunity to write in opposition to S.B. 17 (Schaffer) which would pose unwarranted administrative burdens and restrictions on access to Medicaid and the Supplemental Nutrition Assistance Program (SNAP). I echo and support the position of the Franklin County Commissioners who in their testimony discuss in detail the administrative burden this bill would bring. I also want to emphasize my concern as the chief fiscal officer of the county that the costs simply outweigh the benefits and will damage the broader health of our communities.

A proper public purpose does not require excessive bureaucracy

As Auditor, it is my responsibility to ensure public funds are spent only on proper public purposes. My administration works with the Auditor of State and county agencies to audit and verify expenses. This role is critical to make sure resources are being properly used and to ensure public trust. This includes periodic review of programs like SNAP. The most recent audit of Franklin County's SNAP program was conducted in 2019 reviewing 2018. The audit itself cost \$4,100 and that excludes the ongoing administrative cost to document compliance in real time.

This legislation creates significant additional requirements on eligibility determinations and reviews for both SNAP and Medicaid. There will be additional costs both to execute the programs and to evaluate if the benefits are being appropriately awarded or denied. The elimination of categorical eligibility, requiring weekly change reporting, and new required coordination with the child support system will all lead to additional burden on verifications. These requirements are also likely to lead to an enhanced error rate-not fraud simply errors in the face of onerous regulation-that are likely to result in federal fines.¹ Almost all states maintain both some broad categorical eligibility for SNAP and simplified reporting because they strike the proper balance between protection against abuse and manageable oversight standards.²

¹ Maine in 2015 and 2016 shifted to change reporting rather than simplified reporting and then reverted to simplified reporting in 2020 after the error rate more than quadrupled resulting in significant federal fines. See this testimony at 5:52 <https://youtu.be/YlIfxxfZ4Zo?t=21092>

² See a review of categorical eligibility and its benefits here: <https://www.cbpp.org/research/food-assistance/snaps-broad-based-categorical-eligibility-supports-working-families-and>.



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As stewards of public funds, we should be accountable for their proper use, but this should include not wasting funds and effort in excessive documentation and verification. The proposed changes create bureaucratic burdens that will impede access and eligibility to these critical programs while making documentation and compliance more difficult.

Burdening nutrition and healthcare access undermine the social determinants of health

I am additionally concerned about how the increased burden on access to sufficient food and healthcare will cause other negative ripple effects within our communities by further burdening housing. I routinely hear from both homeowners and residents who rent their home about how cost and tax increases threaten their households. I am very concerned the proposed limits to food and healthcare access in this legislation will further destabilize and burden housing in Franklin County.

Franklin County is facing severe housing burdens. Per the National Low-Income Housing Coalition (NLIHC), there were a total of 73,038 Extremely Low-Income (ELI) renters in Columbus in 2020 but only 21,531 available and affordable units in the city, resulting in a deficit of -51,507 units needed for ELI households.³ From 2009 to 2014, median rents in Franklin County increased at twice the pace of median household incomes. With wages flat and rising prices, housing instability for low-income families increases as they struggle to make ends meet.⁴ There are many areas within Franklin County where both homeowners and renters are likely to experience housing cost burdens.⁵ This reality makes access to SNAP and Medicaid increasingly important.

Increasing circumstances where a person must choose between food and rent or mortgage payments will exacerbate these problems. Housing insecurity and related displacement further contribute to job loss and greater benefit reliance. Further, the asset verification that this legislation will require makes it impossible for families to have any savings or fall back plans to handle emergencies and still receive food assistance. These changes will not operate in vacuum but will force impossible choices on struggling families.

Conclusion

Those who are at risk for poor nutrition and poor health are unable to take care of themselves and their families or secure employment that will allow them to move out of poverty.

I ask the committee to reject this proposed legislation and to partner with local governments and advocates to find solutions to lift residents and families out of poverty while properly safeguarding public dollars. I would be happy to discuss this further with members of the committee as needed. Never hesitate to reach me directly at AuditorStinziano@franklincountyohio.gov or 614-525-5700.

Sincerely,

Michael Stinziano
Franklin County Auditor

³ <https://reports.nlihc.org/gap/2018/oh>; <https://radio.wosu.org/post/affordable-housing-how-columbus-works-residents#stream/0>

⁴ Affordable Housing Alliance of Central Ohio, <https://static1.squarespace.com/static/55dcbb61e4b04de53492b533/t/58b9c43f9de4bb2be93071b2/1489074761352/AHACO+Research+Report+FINAL+February+2017.pdf>

⁵ <https://storymaps.arcgis.com/stories/881084d27b414ae89998037748b8a979>