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# VIRGINIA STATE BUDGET

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1999 Session

## Budget Bill - HB1450 (Introduced)

Bill Order » Office of Health and Human Resources » Item 399

Department of Social Services

Item 399	First Year - FY1999	Second Year - FY2000
<b>Temporary Income Supplement Services (45200)</b>	<b>\$151,430,279</b> <b>\$146,325,076</b>	<b>\$153,958,863</b> <b>\$148,623,470</b>
Temporary Assistance for Needy Families (45201)	\$116,797,868 \$111,386,925	\$119,326,452 \$107,677,905
General Relief (45203)	\$5,961,140	\$5,961,140
Resettlement Assistance (45204)	\$5,870,634	\$5,870,634
Emergency Assistance (45206)	\$19,300,637	\$19,300,637 \$24,300,637
Unemployed Parent Supplement (45207)	\$3,500,000 \$3,805,740	\$3,500,000 \$4,813,154
Fund Sources:		
General	\$67,860,074	\$69,124,366
Federal Trust	\$83,570,205 \$78,465,002	\$84,834,497 \$79,499,104

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Authority: Title 63.1, Chapters 1 and 6, Code of Virginia; P.L. 104-193, P.L. 104-327, P.L. 105-33, Federal Code, as amended.

A. The amount for Temporary Assistance for Needy Families shall include:

1. From the Federal Trust Fund, ~~\$58,398,934~~ \$53,293,731 the first year and ~~\$59,663,226~~ \$49,327,833 the second year.

2. From the general fund, ~~\$58,398,934~~ \$58,093,194 the first year and ~~\$59,663,226~~ \$58,350,072 the second year.

B. The amount for General Relief shall include from the general fund, \$5,961,140 the first year and \$5,961,140 the second year.

C. The amount for Resettlement Assistance shall include from the federal trust fund, \$5,870,634 the first year and \$5,870,634 the second year for refugee resettlement.

D. To the extent permitted by federal law, the State Plan for Temporary Assistance for Needy Families (formerly the State Plan for Aid to Families with Dependent Children) shall provide that the eligibility for assistance of an alien who is a qualified alien (as defined in § 431 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law Number 104-193) shall be determined without regard to alienage.

E. Payments under the Unemployed Parent Supplement program shall be funded entirely from the general fund. For purposes of determining the Commonwealth's compliance with the federal workforce participation

requirements pursuant to Section 407 of the federal Social Security Act, persons in this program shall not be included in the calculation. General fund expenditures for this program shall be counted toward the federal Maintenance of Effort requirement established by Section 409(a)(7) of the federal Social Security Act. *Compliance with the provisions of this paragraph shall not be required if final federal regulations provide that such action would result in loss of eligibility for either the Caseload Reduction Credit, reductions in penalties, or entering into a corrective compliance plan.*

F.1. As a condition of this appropriation, *if the federal government provides the assurances required by Enactment 2 of Chapter 855 of the Acts of Assembly of 1998, within forty-five days after receipt of those assurances the Department of Social Services shall amend the Temporary Assistance for Needy Families (TANF) state plan by July 1, 1998, to establish a separate financial assistance program, the Virginia Earned Income Tax Credit (EITC) for Low-Income Families with Children, pursuant to House Bill 848 of the 1998 Session Chapter 855.*

2. The Department of Social Services shall provide *such EITC* amendments to the state TANF plan to the Chairmen of the House Appropriations and Senate Finance Committees at least ~~thirty~~ *thirty five* days prior to submission of the amended TANF plan to the federal Department of Health and Human Services.

*2A. If the federal government provides the assurances required by Enactment 2 of Chapter 855 prior to July 1, 1999, the department shall notify the Department of Taxation by July 1, 1999; the latter shall implement the EITC program for the 1999 tax year; and the Department of Social Services shall terminate the Virginia Work Incentive Payment Program established in Item 404 of this act effective, January 1, 1999. The Department of Social Services may continue processing Work Incentive Payments for the tax year ending December 31, 1998, until payments are completed and shall then terminate the program.*

3. Upon ~~acceptance~~ *submission* of the *EITC* State plan amendment ~~by~~ to the United States Department of Health and Human Services, the Department of Planning and Budget shall unallot an amount estimated at \$20,400,000 ~~the first year and \$15,200,000 the second year from the general fund appropriation in this item for reversion to the general fund of the state treasury on June 30, of each year 2000.~~ This unallotment action represents the estimated amount of financial assistance provided to families with incomes at or below the federal poverty level, in the form of child tax credits eligible under federal regulation *that is* to be counted toward the TANF Maintenance of Effort (MOE) requirement. Notwithstanding the amounts in paragraph A of this item, any amount actually reverted to the general fund of the state treasury from this item shall be replaced by federal TANF block grant funds. The Department of Planning and Budget shall increase the federal appropriation in this item as needed to effect the purposes of this paragraph. Such administrative appropriation increase shall not be subject to the limitations of § 4-1.05 b of this act.

4. On or before June 15, ~~of each year 2000,~~ if the Department of Social Services (DSS) and the Department of Planning and Budget (DPB) agree that any portion of the unallotted amount cannot be replaced by documented tax credits in fulfillment of the TANF MOE requirement, DPB shall allot that portion for MOE spending. In fulfilling the provisions of this paragraph, DSS and DPB shall take care not to jeopardize the Commonwealth's compliance with federal requirements.

5. By ~~October 31, 1999~~ *January 31, 2000,* DSS and the Department of Taxation shall report to the Governor and the Chairmen of the House Appropriations, House Finance, and Senate Finance Committees the amount of tax credits claimed under the provisions of House Bill 848 and the amount of tax credits reported to the federal government in fulfillment of the TANF MOE requirement during the preceding state fiscal year, *and the amount of TANF spending for the Virginia Work Incentive Payment Program, established pursuant to Item 404 of this act.* The report shall include, but not be limited to, progress in implementing the intent of this paragraph and suggestions for program modifications.