

# VIRGINIA STATE BUDGET

2022 Special Session I

## Budget Bill - HB29 (Chapter 1)

Bill Order » Office of Health and Human Resources » Item 350

Department of Social Services

Item 350	First Year - FY2021	Second Year - FY2022
<b>Financial Assistance for Self-Sufficiency Programs and Services (45200)</b>	<b>\$287,564,108</b>	<b><del>\$161,677,856</del> \$155,165,798</b>
Temporary Assistance for Needy Families (TANF) Cash Assistance (45201)	\$74,788,126	<del>\$86,367,358</del> \$81,467,444
Temporary Assistance for Needy Families (TANF) Employment Services (45212)	\$21,657,833	<del>\$21,657,833</del> \$17,045,689
Supplemental Nutrition Assistance Program Employment and Training (SNAPET) Services (45213)	\$1,017,741	\$2,205,341
Temporary Assistance for Needy Families (TANF) Child Care Subsidies (45214)	\$49,112,179	\$38,707,424
At-Risk Child Care Subsidies (45215)	\$134,283,476	\$5,364,671
Unemployed Parents Cash Assistance (45216)	\$6,704,753	<del>\$7,375,229</del> \$10,375,229
Fund Sources:		
General	\$80,654,719	<del>\$82,018,853</del> \$85,018,853
Federal Trust	\$206,909,389	<del>\$79,659,003</del> \$70,146,945

Authority: Title 2.2, Chapter 54; Title 63.2, Chapters 1 through 7, Code of Virginia; Title VI, Subtitle B, P.L. 97-35, as amended; P.L. 103-252, as amended; P.L. 104-193, as amended, Federal Code.

A. It is hereby acknowledged that as of June 30, 2019 there existed with the federal government an unexpended balance of \$151,404,869 in federal Temporary Assistance for Needy Families (TANF) block grant funds which are available to the Commonwealth of Virginia to reimburse expenditures incurred in accordance with the adopted State Plan for the TANF program. Based on projected spending levels and appropriations in this act, the Commonwealth's accumulated balance for authorized federal TANF block grant funds is estimated at \$148,126,074 on June 30, 2020; \$96,974,124 on June 30, 2021; and ~~\$35,850,126~~ \$79,652,390 on June 30, 2022.

B. No less than 30 days prior to submitting any amendment to the federal government related to the State Plan for the Temporary Assistance for Needy Families program, the Commissioner of the Department of Social Services shall provide the Chairmen of the House Appropriations and Senate Finance *and Appropriations* Committees as well as the Director, Department of Planning and Budget written documentation detailing the proposed policy changes. This documentation shall include an estimate of the fiscal impact of the proposed changes and information summarizing public comment that was received on the proposed changes.

C. Notwithstanding any other provision of state law, the Department of Social Services shall maintain a separate state program, as that term is defined by federal regulations governing the Temporary Assistance for Needy

Families (TANF) program, 45 C.F.R. § 260.30, for the purpose of providing welfare cash assistance payments to able-bodied two-parent families. The separate state program shall be funded by state funds and operated outside of the TANF program. Able-bodied two-parent families shall not be eligible for TANF cash assistance as defined at 45 C.F.R. § 260.31 (a)(1), but shall receive benefits under the separate state program provided for in this paragraph. Although various conditions and eligibility requirements may be different under the separate state program, the basic benefit payment for which two-parent families are eligible under the separate state program shall not be less than what they would have received under TANF. The Department of Social Services shall establish regulations to govern this separate state program.

D. As a condition of this appropriation, the Department of Social Services shall disregard the value of one motor vehicle per assistance unit in determining eligibility for cash assistance in the Temporary Assistance for Needy Families (TANF) program and in the separate state program for able-bodied two-parent families.

E. The Department of Social Services, in collaboration with local departments of social services, shall maintain minimum performance standards for all local departments of social services participating in the Virginia Initiative for Employment, Not Welfare (VIEW) program. The department shall allocate VIEW funds to local departments of social services based on these performance standards and VIEW caseloads. The allocation formula shall be developed and revised in cooperation with the local social services departments and the Department of Planning and Budget.

F. A participant whose Temporary Assistance for Needy Families (TANF) financial assistance is terminated due to the receipt of 24 months of assistance as specified in § 63.2-612, Code of Virginia, or due to the closure of the TANF case prior to the completion of 24 months of TANF assistance, excluding cases closed with a sanction for noncompliance with the Virginia Initiative for Employment Not Welfare program, shall be eligible to receive employment and training assistance for up to 12 months after termination, if needed, in addition to other transitional services provided pursuant to § 63.2-611, Code of Virginia.

G. The Department of Social Services, in conjunction with the Department of Correctional Education, shall identify and apply for federal, private and faith-based grants for pre-release parenting programs for non-custodial incarcerated parent offenders committed to the Department of Corrections, including but not limited to the following grant programs: Promoting Responsible Fatherhood and Healthy Marriages, State Child Access and Visitation Block Grant, Serious and Violent Offender Reentry Initiative Collaboration, Special Improvement Projects, § 1115 Social Security Demonstration Grants, and any new grant programs authorized under the federal Temporary Assistance for Needy Families (TANF) block grant program.

H.1. Out of this appropriation, \$10,703,748 the first year and \$2,500,000 the second year from nongeneral funds is included for Head Start wraparound child care services.

2. Included in this Item is funding to carry out the former responsibilities of the Virginia Council on Child Day Care and Early Childhood Programs. Nongeneral fund appropriations allocated for uses associated with the Head Start program shall not be transferred for any other use until eligible Head Start families have been fully served. Any remaining funds may be used to provide services to enrolled low-income families in accordance with federal and state requirements. Families, who are working or in education and training programs, with income at or below the poverty level, whose children are enrolled in Head Start wraparound programs paid for with the federal block grant funding in this Item shall not be required to pay fees for these wraparound services.

I. Out of this appropriation, \$2,647,305 the first year and \$2,647,305 the second year from the general fund and \$72,503,762 the first year and from federal funds shall be provided to support state child care programs which will be administered on a sliding scale basis to income eligible families. The sliding fee scale and eligibility criteria are to be set according to the rules and regulations of the State Board of Social Services, except that the income eligibility thresholds for child care assistance shall account for variations in the local cost of living index by metropolitan statistical areas. The Department of Social Services shall make the necessary amendments to the

Child Care and Development Funds Plan to accomplish this intent. Funds shall be targeted to families who are most in need of assistance with child care costs. Localities may exceed the standards established by the state by supplementing state funds with local funds.

J. Out of this appropriation, \$600,000 the first year from nongeneral funds shall be used to provide scholarships to students in early childhood education and related majors who plan to work in the field, or already are working in the field, whether in public schools, child care or other early childhood programs, and who enroll in a state community college or a state supported senior institution of higher education.

K. Out of this appropriation, \$505,000 the first year from nongeneral funds shall be used to provide training of individuals in the field of early childhood education.

L. Out of this appropriation, \$300,000 the first year from nongeneral funds shall be used to provide child care assistance for children in homeless and domestic violence shelters.

M. Out of this appropriation, the Department of Social Services shall use \$4,800,000 the first year and \$4,800,000 the second year from the federal Temporary Assistance to Needy Families (TANF) block grant to provide to each TANF recipient with two or more children in the assistance unit a monthly TANF supplement equal to the amount the Division of Child Support Enforcement collects up to \$200, less the \$100 disregard passed through to such recipient. The TANF child support supplement shall be paid within two months following collection of the child support payment or payments used to determine the amount of such supplement. For purposes of determining eligibility for medical assistance services, the TANF supplement described in this paragraph shall be disregarded. In the event there are sufficient federal TANF funds to provide all other assistance required by the TANF State Plan, the Commissioner may use unobligated federal TANF block grant funds in excess of this appropriation to provide the TANF supplement described in this paragraph.

N. The Board of Social Services shall combine Groups I and II for the purposes of Temporary Assistance to Needy Families cash benefits and use the Group II rates for the new group.

O.1. The Department of Social Services shall increase the Temporary Assistance for Needy Families (TANF) cash benefits and income eligibility threshold by 15 percent effective July 1, 2020 and 10 percent effective July 1, 2021.

2. The Department of Social Services shall develop a plan to increase the standards of assistance by 10 percent annually until they equal 50 percent of the federal poverty level.

P. Out of this appropriation, \$5,240,499 the first year from the Temporary Assistance for Needy Families block grant shall be provided for a one-year summer feeding program pilot. This pilot shall provide fifty dollars for each of the months of June, July, and August on a qualifying child's family electronic benefits transaction (EBT) card. The funding shall be used to purchase meals for qualifying low-income children in areas that are currently unserved by but summer feeding programs. The pilot shall end on August 31, 2020. The department shall report on program performance and shall include monthly expenditures, number of children served, and localities in which children were served. This report shall be provided to the Governor, Director of the Department of Planning and Budget, and the Chairmen of the House Appropriations and Senate Finance *and Appropriations* committees by November 1, 2020.

Q. The Department of Social Services shall study the resource cliff faced by families receiving public assistance when income increases enough to reduce or terminate the family's eligibility for public assistance. The report shall address how the structure and terms of eligibility affect the ability of participants to move toward self-sufficiency. The report shall be submitted to the Governor and Chairmen of the House Appropriations and Senate Finance *and Appropriations* committees on or before August 1, 2021.

R. Out of this appropriation, \$16,600,000 the first year from the Temporary Assistance for Needy Families block

grant shall be transferred to Direct Aid for Public Education to fund current Virginia Preschool Initiative (VPI) slots.

S. Out of this appropriation, \$16,600,000 the first year from the Child Care Development Fund block grant balance shall be used to support child care funding in Virginia for TANF recipients currently receiving child care and for families receiving child care subsidies, including Head Start wraparound services.

T. Out of this appropriation, \$33,200,000 from federal Child Care Development Block Grant (CCDBG) funding provided to states in response to the COVID-19 pandemic the first year shall be used to contract with local partners to provide support to school divisions, local governments, and other entities, including religious institutions and community centers, for the provision of space to increase local capacity to provide care for school-age children, purchase personal protective equipment (PPE) and cleaning supplies, and provide a stable financial environment for the operation of these programs. School divisions, local governments, and local departments of social services shall cooperate with local partners receiving these funds to maximize the number of school-age children served. In addition, local partners are encouraged to use these funds to support a diverse set of providers with these funds including existing child day centers, family day homes, religious institutions, and other organizations seeking to provide such services. Within this appropriation, any federal funds for this purpose shall be expended prior to the expenditure of general fund amounts. Federal funds appropriated for this purpose may also be used to provide child care provider stabilization funds pursuant to Item 479.10. Federal funds appropriated for this purpose also may be used for broader purposes within the range of child care services than those purposes herein.

U. Out of this appropriation, \$211,253 the first year from the federal Temporary Assistance for Needy Families (TANF) grant shall fund a one-time payment to TANF UP recipients.

V.1. The Department of Social Services (DSS) and the Department of Education (DOE) shall ensure that the Temporary Assistance for Needy Families (TANF) Virginia Initiative for Employment and Work (VIEW) mandated child care forecast is funded through a combination of general fund, TANF, and Child Care Development Fund (CCDF) grant dollars. The amount of needed CCDF dollars identified in the Memorandum of Agreement (MOA) between the agencies shall be transferred from DOE to DSS within the first thirty days of the fiscal year. DSS shall notify DOE of the required amount of the next fiscal year transfer upon the enrollment of the budget. This amount shall reflect the need identified in the official forecast as well as changes resulting from actions in the final budget.

2. The MOA shall reflect the full cost of the VIEW mandated child care program. From this amount, \$38,707,424 in the second year is appropriated at DSS and the balance shall be transferred from DOE from the CCDF grant to support the VIEW mandated child care program as specified in V.1.

W. Out of this appropriation, \$2,120,420 the second year from the Temporary Assistance to Needy Families (TANF) block grant shall be provided for the Department of Social Services to implement a program so that TANF-eligible individuals may save funds in an individual development account established for the purposes of home purchase, education, starting a business, transportation, or self-sufficiency. The TANF funds shall be deposited to the individual development accounts at a match rate determined by the department.

X. Out of this appropriation, \$9,647,528 the first year from the federal Child Care and Development Fund is provided to temporarily expand the Child Care Subsidy Program, pursuant to the provisions of House Bill 2206, 2021 Special Session I.