

## 2001 SESSION

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### SENATE JOINT RESOLUTION NO. 435

Offered January 19, 2001

*Requesting the Department of Social Services, with assistance from the Department of Planning and Budget, to review the groupings of local social services agencies used in determining Medicaid eligibility and TANF payment amounts in Virginia.*

Patrons—Hanger; Delegate: Landes

Referred to Committee on Rules

WHEREAS, the current groupings of localities, adopted in 1974, use as their primary basis the cost of a two-bedroom apartment and utilities according to federal Department of Housing and Urban Development data, and have remained substantially unchanged; and

WHEREAS, given the dramatic demographic and economic changes that have occurred in the Commonwealth since that time, the groupings should be evaluated to reflect current conditions; and

WHEREAS, the TANF program is intended to aid needy children but benefits are relatively low, averaging about \$262 per family per month; and

WHEREAS, although TANF payments were recently increased for the first time in 15 years, they have not kept pace with inflation; and

WHEREAS, welfare payments have increased by about one-third while the cost of living has tripled; and

WHEREAS, money is now available for payment increases since declining caseloads have created a TANF surplus that can be used to increase benefits; and

WHEREAS, at the end of the current fiscal year, Virginia is projected to have about \$30.6 million in unspent federal TANF block grant funds, and the state has been awarded \$7.9 million in additional funds as a performance bonus; and

WHEREAS, Congressional authorization for the current TANF block grant program ends in 2002 and large amounts of unspent funds may hurt the Commonwealth in its application for future allocations; and

WHEREAS, TANF is no longer a disincentive to work because welfare reform's enhanced earning disregard, work requirements and time limits ensure that TANF recipients who are able to work must do so and reward work by allowing working recipients to keep more of their earned income; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Department of Social Services, with assistance from the Department of Planning and Budget be requested to review the groupings of local social services agencies used in determining Medicaid eligibility and TANF payment amounts in Virginia. The Department shall report its written findings, no later than October 1, 2001, to the Chairmen of the House Committee on Health, Welfare and Institutions and the Senate Committee on Rehabilitation and Social Services. The report shall include (i) the most appropriate basis for classifying local agencies into groups for purposes of the Medicaid and TANF programs, (ii) whether any changes to current classifications would be advisable, and (iii) the fiscal impact, if any, of such changes on state and local governments, TANF recipients, and Medicaid recipients.

All agencies of the Commonwealth shall provide assistance to the Department, upon request.

The Department shall complete its work in time to submit its findings and recommendations to the Governor and the 2002 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

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