

## Department of Planning and Budget 2019 Fiscal Impact Statement

1. **Bill Number:** SB1129-H1

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. **Patron:** Locke

3. **Committee:** Appropriations

4. **Title:** Eligibility for food stamps and TANF; drug-related felonies.

5. **Summary:** Provides that a person who is otherwise eligible to receive Temporary Assistance for Needy Families (TANF) shall not be denied such assistance solely because he has been convicted of a drug-related felony, provided that such person is complying with, or has already complied with, all obligations imposed by the criminal court, is actively engaged in or has completed a substance abuse treatment program, participates in periodic drug screenings, and fulfills any other obligations as determined by the Department of Social Services.

6. **Budget Amendment Necessary:** Yes.

7. **Fiscal Impact Estimates:** See Item 8.

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2019	-	-
2020	\$98,592	Nongeneral funds
2021	\$98,592	See Item 8
2022	\$98,592	See Item 8
2023	\$98,592	See Item 8
2024	\$98,592	See Item 8
2025	\$98,592	See Item 8

8. **Fiscal Implications:** This legislation would allow a person convicted of a first-time drug-related felony to receive TANF benefits, as long as they are otherwise eligible, and removes the requirements to address criminal court obligations and participate in substance abuse treatments and drug screenings, along with other obligations as determined by the Department of Social Services.

The substitute bill expands the service population for Temporary Assistance for Needy Families (TANF) to include applicants previously ineligible due to a drug related felony conviction. In FY 2018, 104 individuals were deemed ineligible for TANF due to felony drug

convictions. The average increase in the TANF assistance payment is \$79 per month for an additional person. Therefore, the net increase in TANF benefits for this newly eligible population would be \$98,592 (104 x 12 x \$79). Based on the introduced budget, the TANF block grant is expected to have balances in FY 2020 that are sufficient to cover the TANF-related cost of this legislation. While a TANF surplus may be available in future years, this balance cannot be assumed. Moreover, it should be noted that this statement estimates the fiscal impact of this bill versus the introduced budget; it does not account for other legislative proposals that impact TANF funds. To the extent that the obligations created by this bill (and others) exceed the pool of available TANF funds, general fund appropriation would be necessary to fulfill these requirements.

This estimate assumes that most of the individuals being added to the TANF caseload currently have active cases for their children and are participating in Virginia Initiative for Employment not Welfare (VIEW); however, their needs have been omitted from the grant because of their drug possession conviction. As a result, there will be minimal costs associated with increased child care. Furthermore, the projected TANF caseload increase is small enough that the administrative costs related to the TANF portion of this legislation can be absorbed within the current appropriation.

It is also assumed that, as with the current SNAP recipients who must attest to their compliance with substance abuse treatment, periodic drug screenings, and any other obligations as stated in the Code of Virginia, the new TANF recipients will also attest to their compliance with such requirements. Therefore, the agency will not be responsible for the cost or monitoring of this compliance.

**9. Specific Agency or Political Subdivisions Affected:** Department of Social Services, local departments of social services

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.