

## Department of Planning and Budget 2005 Fiscal Impact Statement

**1. Bill Number:** HB 1963

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

**2. Patron:** Jones, D.

**3. Committee:** Health, Welfare and Institutions

**4. Title:** Assessment of the Current Social Benefits Structure

**5. Summary/Purpose:** This bill requires the Department of Social Services to complete by January 1, 2006, a comprehensive assessment of the current social benefits structure in the Commonwealth in order to identify any statute, regulation, policy, or program that discourages families from staying together, and instead provides economic or other incentives for the break-up of families. Upon completion of the assessment, the agency will report its recommendations and findings to the Governor and the General Assembly. The report will include any recommendations for changes to state law that may be necessary to remove existing incentives for the break-up of families.

**6. Fiscal impact estimates are preliminary.**

**6a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2004-05	-	-	-
2005-06	45,000	-	GF
	45,000	-	NGF
2006-07	-	-	-

**7. Budget amendment necessary:** Yes, Item 354, Financial and Operational Audits.

**8. Fiscal implications:** This bill requires the agency to perform an extensive review of the benefit structure in the Commonwealth. The magnitude of this study will require the Department of Social Services to contract with a third party to perform the research and draft the report. However, an advisory group, consisting of representatives from various agencies, would be brought together to assist the third party in its work.

The agency contacted the Institute for Public Policy Research at the Center for Public Administration and Policy - Virginia Tech to obtain an estimate on the cost of implementing this legislation. It will cost approximately \$90,000 to provide the detailed assessment and report required by this bill, comprised of 250 hours of a consultant's time at \$125 per hour, a graduate research assistant, travel and other expenses, and university indirect costs. The work will be performed between July and December 2005.

**9. Specific agency or political subdivisions affected:** Virginia Department of Social Services.

**10. Technical amendment necessary:** No.

**11. Other comments:** None.

**Date:** 01/17/05 / kwm

**Document:** H:\Hhr\Fy 2005\Hb1963.Doc

cc: Secretary of Health and Human Resources