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## HOUSE BILL NO. 1918

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Health, Welfare and Institutions  
on February 3, 2015)

(Patron Prior to Substitute—Delegate LeMunyon)

A *BILL to amend and reenact §§ 63.2-503 and 63.2-514 of the Code of Virginia, relating to public assistance; determining eligibility.*

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 63.2-503 and 63.2-514 of the Code of Virginia are amended and reenacted as follows:**

**§ 63.2-503. Procedure upon receipt of application.**

A. Upon receipt of the application for public assistance, the local director shall make or cause to be made promptly ~~such an investigation as he deems necessary~~ to determine the completeness and correctness of the statements contained in the application and to ascertain the facts supporting the application and such other information as the local board or the Commissioner may require; ~~to determine whether an applicant is eligible for public assistance~~ and shall submit recommendations in writing to the local board.

B. In conducting the investigation required by subsection A, and only when consistent with federal law and regulations, the local director shall verify each applicant's identity, income, assets, and any other information necessary for the purpose of determining eligibility for public assistance, eliminating the duplication of assistance, and deterring fraud.

C. In cases in which information obtained as a result of the investigation required by subsection A is inconsistent with information provided by the applicant at the time of application or otherwise suggests that the applicant may not be eligible for public assistance, the local director shall notify the applicant in writing and provide opportunity for the applicant to explain the discrepancy. If the applicant fails to respond within 10 days of the date of such notice, the local director shall deny the application for public assistance. If the applicant responds within 10 days of such notice, upon receipt of such response, the local director shall conduct such further investigation as may be necessary to verify the applicant's response and resolve the discrepancy or other issue arising from comparing the information provided by the applicant and information obtained as a result of the investigation required by subsection A. If the local director determines that the information obtained as a result of the investigation required by subsection A is accurate, and that as a result the applicant is ineligible for public assistance, the local director shall so notify the applicant and public assistance shall be denied. In any case in which the local director believes that the applicant has obtained or attempted to obtain public assistance by means of willful false statements or representations, impersonation, or other fraudulent devices, the local director shall initiate a fraud investigation pursuant to § 63.2-526.

D. Prior to approving payment of public assistance to an applicant, the local director shall require the applicant to authenticate his identity. In cases in which the local director believes that the applicant does not own the identity presented on the application, the local director shall initiate a fraud investigation pursuant to § 63.2-526.

E. The local department shall establish means to obtain and provide for the data necessary to conduct the search required by subsection B in an automated electronic format. In doing so, the local department may use a third-party contractor. Such data shall be reviewed at least annually to verify the identity, income, assets, and any other information necessary for each person receiving public assistance. The local department shall immediately take action upon obtaining information indicating a change in a recipient's circumstances that could warrant reconsideration, cancellation, or changes in the amount of public assistance paid to the recipient in accordance with the provisions of § 63.2-514.

F. The Department shall report to the General Assembly no later than December 1 of each year on the following:

1. Which specific types or sources of information local directors used, either directly or through a third-party contractor, during the past year for the purpose of verifying applicants' identity, income, assets, and other information pursuant to subsection B; and

2. Any types or sources of information that local directors plan to use in the future to verify applicants' identity, income, assets, and other information and the approximate date on which the local directors plan to begin using those types or sources of information.

G. The Department shall include in its report required pursuant to subsection F the number of applications for public assistance reviewed in accordance with this section, the number of cases in which eligibility for public assistance was approved or denied, and the number of cases referred for investigation and the reasons in each case.

H. The Board may by regulation authorize the local directors to provide immediate and temporary

60 assistance to persons pending action of the local boards.

61 *I. In the event that any provision of this section conflicts with federal law or regulations, provisions*  
62 *of federal law shall prevail.*

63 **§ 63.2-514. Reconsideration or changes in amount of public assistance; cancellation.**

64 ~~All~~ A. Eligibility for public assistance ~~grants~~ shall be reconsidered *in accordance with federal law or*  
65 *regulations by the local board as frequently as may be required by Board regulations* local department  
66 *at least annually or upon receipt of information indicating a change in the recipient's circumstances that*  
67 *may affect the amount of assistance paid to a recipient or the recipient's eligibility for assistance and at*  
68 *such other times as the local board may deem necessary. As part of such reconsideration, the local*  
69 *department shall conduct an investigation to determine whether a recipient is eligible for renewal of*  
70 *public assistance. Such investigation shall include a review of information described in subsection B of*  
71 *§ 63.2-503 for each applicant. After such investigation as the local board deems necessary, or the Board*  
72 *requires, the amount of public assistance may be changed, or public assistance may be entirely*  
73 *withdrawn, if the local board department finds that the recipient's circumstances have altered sufficiently*  
74 *to warrant such action.*

75 B. *In cases in which information obtained as a result of the investigation required by subsection A is*  
76 *inconsistent with information provided by the applicant, the local department shall notify the applicant*  
77 *in writing and provide opportunity for the applicant to explain the discrepancy. If the applicant fails to*  
78 *respond within 10 days of the date of such notice, the local department shall refuse to renew the*  
79 *applicant's eligibility for public assistance. If the applicant responds within 10 days of such notice, upon*  
80 *receipt of such response, the local department shall conduct such further investigation as may be*  
81 *necessary to verify the applicant's response and resolve the discrepancy between information provided*  
82 *by the applicant and information obtained as a result of the investigation required by subsection A. If*  
83 *the local department determines that the information obtained as a result of the investigation required*  
84 *by subsection A is accurate and that as a result the applicant is ineligible for public assistance, the*  
85 *local director of social services shall so notify the applicant and public assistance shall be denied. In*  
86 *any case in which the local department believes that the applicant has obtained or attempted to obtain*  
87 *public assistance by means of willful false statements or representations, impersonation, or other*  
88 *fraudulent devices, the local department shall notify the Commissioner or the Director of the*  
89 *Department of Medical Assistance Services, as may be appropriate, and the Commissioner or the*  
90 *Director of the Department of Medical Assistance Services shall conduct an investigation in accordance*  
91 *with the provisions of § 63.2-526.*

92 C. If the local ~~board~~ director does not act within ~~thirty~~ 30 days of the receipt of information  
93 affecting the amount of assistance or the eligibility therefor as to any recipient, or if the circumstances  
94 require immediate action, the ~~local director~~ Commissioner may make necessary adjustments in the  
95 amount of public assistance or suspend further assistance to any such individual pending action by the  
96 local ~~board~~ department.