

## Department of Planning and Budget 2022 Fiscal Impact Statement

**1. Bill Number:** HB484-ER

<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 type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

**2. Patron:** Helmer

**3. Committee:** Passed Both Houses

**4. Title:** Virginia Initiative for Education and Work; exemption for postsecondary students.

**5. Summary:** Exempts from mandatory participation in the Virginia Initiative for Education and Work recipients of Temporary Assistance for Needy Families who are enrolled full-time in an accredited public institution of higher education or other postsecondary school licensed or certified by the Board of Education or the State Council of Higher Education for Virginia and are taking courses as part of a curriculum that leads to a postsecondary credential, such as a degree or an industry-recognized credential, certification, or license.

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

**7. Fiscal Impact Estimates:** Final.

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2022	\$150,000	-	General Fund
2023	-	-	-
2024	-	-	-
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029	-	-	-

**8. Fiscal Implications:**

Currently, TANF recipients must participate in the Virginia Initiative for Education and Work (VIEW) program unless exempt under one of the following: (i) caring for a child under one, (ii) medical condition that prevents participation, (iii) under the age of 16 or over the age of 60, or (iv) caring for an incapacitated household member. VIEW participants must engage in employment and training activities. Although post-secondary educational activities are not specifically mentioned, they would be included under §63.2-608(D)(5), which allows participation in “any other allowable TANF work activity as defined by federal law.” Therefore, under the VIEW program, post-secondary activities are already allowed.

VIEW participants also receive case management as well as supportive services, such as child care and transportation. By providing an exemption from the VIEW program to individuals for post-secondary education, the individual would not be eligible for case management and other supportive services, other than child care as outlined in this legislation. As a result of this legislation individuals starting in the VIEW program would become exempt if assigned post-secondary activities. There is a 24-month time limit on receiving TANF benefits that applies to individuals in the VIEW program. By providing an exemption for post-secondary educational activities, these individuals would not be subject to the 24-month time limit. There are minimal costs associated with the elimination of the time limit for the cases, which can be absorbed within current appropriation. This legislation will cause no increase in caseload or affect local effort, as participants are already TANF clients.

#### System Modifications

An estimated one-time cost of \$150,000 in general fund dollars in FY 2022 will be needed in order to make modifications to the Virginia Case Management System (VaCMS) to account for the TANF eligibility rule changes. Funding for these modifications is requested in FY 2022 in order to update the system before the new eligibility rules go into effect.

The TANF grant is fully obligated and will be in a deficit beginning in FY 2025; therefore, this impact statement proposes funding TANF program costs with general fund dollars.

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

**10. Technical Amendment Necessary:** No

**11. Other Comments:**