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## Periodic Review Report of Findings

<b>Agency name</b>	State Board of Social Services
<b>Virginia Administrative Code (VAC) citation</b>	22 VAC40-293
<b>Regulation title</b>	Locality Groupings
<b>Date this document prepared</b>	April 15, 2020

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Order 14 (as amended, July 16, 2018), the Regulations for Filing and Publishing Agency Regulations (1 VAC7-10), and the *Virginia Register Form, Style, and Procedure Manual for Publication of Virginia Regulations*.

## Acronyms and Definitions

*Please define all acronyms used in this Report. Also, please define any technical terms that are used in the document that are not also defined in the "Definition" section of the regulations.*

TANF – Temporary Assistance for Needy Families

## Legal Basis

*Please identify (1) the agency or other promulgating entity, and (2) the state and/or federal legal authority for the regulatory change, including the most relevant citations to the Code of Virginia or Acts of Assembly chapter number(s), if applicable. Your citation must include a specific provision, if any, authorizing the promulgating entity to regulate this specific subject or program, as well as a reference to the agency or promulgating entity's overall regulatory authority.*

The State Board of Social Service is the promulgating entity. Pursuant to § 63.2-217 of the Code of Virginia, the State Board of Social Services has authority to promulgate rules and regulations necessary for operation of all assistance programs. The federal authority is the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 as amended by the Deficit Reduction Act of 2005.

### Alternatives

*Please describe any viable alternatives for achieving the purpose of the regulation that were considered as part of the periodic review. Include an explanation of why such alternatives were rejected and why this regulation is the least burdensome alternative available for achieving its purpose.*

Temporary Assistance for Needy Families (TANF) payment levels are determined by the income of the family, the size of the family, and the residence of the recipient. Localities are divided into two payment groupings and this regulation provides a method for changing the locality grouping, and therefore the TANF payment level, of a locality. Other methods of changing locality groupings were examined. However, the current method was chosen because it relies on available data that is updated annually and is locality specific.

### Public Comment

*Please summarize all comments received during the public comment period following the publication of the Notice of Periodic Review, and provide the agency response. Ensure to include all comments submitted: including those received on Town Hall, in a public hearing, or submitted directly to the agency or board. Please indicate if an informal advisory group was formed for purposes of assisting in the periodic review.*

Commenter	Comment	Agency response
Ali Faruk, Valerie L'Herrou, Salaam Bhatti, Elizabeth Anderson, Shirley Martin, Eileen Grey, John Horejsi, Pequitte Schwerin, Kari Galloway, Gay Gardner, Neota Hall, Sharon Kourtz, Mary Jablonski, Julieta Dawes-Jones, Moya Atkinson, Lukeysey Smith, Thomas McCarty, Jaime Ellis, Krystal Lane, Mary Anne Stone, Margo Kiely, Ralph Craft, Patricia C. McGrady, Cindy May, Susan Kral, Robert More, Mary O'Neil, Steve Ruth, Diana Ruth, Al Kenneke, Joan Kenneke, Art Baltrym, Peter L. Campbell, Anamaria	Current TANF assistance levels are inadequate, especially for kinship care families. The small payment differences to not justify maintaining two groups. Groups II and III should be consolidated.	<p>TANF payment levels have not kept pace with inflation. As a result, the purchasing power of TANF benefits have declined significantly over time. From 1985 to the present, the cost of living has increased by 137.5%, while payments have increased by only 30.6%. However, this regulation does not establish the locality groupings nor does it establish the payment levels. To raise payment levels or to eliminate locality groups requires legislative action and the appropriation of necessary funds. For instance, Group I was eliminated effective July 2017 through the budget act.</p> <p>The purpose of this regulation is only to determine a method for which a locality can switch to another grouping. This regulation has to remain in place as long as there are more than one locality groupings. Eliminating the groupings and having one standard is not something that can be accomplished within this regulation.</p>

Long, John Monsul, Marjorie Runge, Virginia Sivigny, Clayton Sinyai, Jerry Poje, George Kralovec, Marynell Bryant, Ed Kringer Terri Steinberg, Alisa Roman, Peter Fontneau, Janna Marchione, Judith Christofferson, Ken Fredgren, Julie Atkins, Erika M. Yalowitz, Paul Amrhein, Cristeena Naswer, Arlene Spinelli, Jean Lupinacci, Katherine Lins, James M. Moran, Robert P. Sledzaus, Art Baltrym, Kimberly Jenkins-Snodgrass, Virginia Sivigny, Patricia Levins Julie Atkins, Robert Stewart, Charlene Stewart		
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**Effectiveness**

*Pursuant to § 2.2-4017, please indicate whether the regulation meets the criteria set out in Executive Order 14 (as amended, July 16, 2018), including why the regulation is (a) necessary for the protection of public health, safety, and welfare, and (b) is clearly written and easily understandable.*

This regulation is clearly written and easily understandable. The TANF Program and regulation are essential to protecting the welfare of vulnerable citizens by assisting families with children in meeting basic needs. The regulation is necessary as it provides a mechanism for a locality to switch grouping when there is evidence to support that need. This regulation will protect families by allowing them access to greater resources in certain situations. This regulation establishes criteria using data that is easily obtainable and readily available. This results in a system that is more equitable to families across the Commonwealth.

**Decision**

*Please explain the basis for the rulemaking entity’s decision (retain the regulation as is without making changes, amend the regulation, or repeal the regulation).*

The agency recommends retaining the regulation without change. Without it there would be no means of reviewing or changing the TANF payment level for a specific locality. Since this regulation has been in

effect, twelve localities have switched to higher paying locality groupings, directly benefitting the citizens of those areas.

### Small Business Impact

*As required by § 2.2-4007.1 E and F of the Code of Virginia, include a discussion of the agency's consideration of: (1) the continued need for the regulation; (2) the nature of complaints or comments received concerning the regulation from the public; (3) the complexity of the regulation; (4) the extent to which the regulation overlaps, duplicates, or conflicts with federal or state law or regulation; and (5) the length of time since the regulation has been evaluated or the degree to which technology, economic conditions, or other factors have changed in the area affected by the regulation. Also, discuss why the agency's decision, consistent with the stated objectives of applicable law, will minimize the economic impact of regulations on small businesses.*

The regulation needs to be retained because it provides a mechanism for a locality to switch grouping when there is evidence to support that need. No comments have been received in the past concerning this regulation. This regulation is clearly written and easily understandable. This regulation does not overlap, duplicate, or conflict with any federal or state law or regulation. While economic conditions as well as local cost of living standards continue to change, this regulation provides a means for a locality to change locality groupings as a result of such changes. This regulation was last reviewed in 2016. It has no impact on small businesses.