



Periodic Review / Retain Regulation Agency Background Document

Agency name	State Board of Social Services
Virginia Administrative Code (VAC) citation	22 VAC 40-293
Regulation title	Locality Groupings
Document preparation date	October 17, 2007

This form is used when the agency has done a periodic review of a regulation and plans to retain the regulation without change. This information is required pursuant to Executive Orders 36 (2006) and 58 (1999).

Legal basis

Please identify the state and/or federal legal authority for the regulation, including (1) the most relevant law and/or regulation, and (2) promulgating entity, i.e., agency, board, or person.

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 the operation of all assistance programs. The 2002 Budget Bill required the promulgation of regulations to change locality groupings, which are used to determine the amount of payment for families receiving Temporary Assistance for Needy Families (TANF).

Alternatives

Please describe all viable alternatives for achieving the purpose of the existing regulation that have been considered as part of the periodic review process. Include an explanation of why such alternatives were rejected and why this regulation is the least burdensome alternative available for achieving the purpose of the regulation.

Numerous sources of data for establishing standards of assistance locality groupings were consulted. The fair market rent schedules established by the Department of Housing and Urban Development provide locality specific data that is routinely updated. Furthermore, the primary driver of cost of living differences between localities is the cost of housing. Using fair market

rent schedules was the best source of data that could be easily obtained and that provided necessary information.

No alternatives to the existing regulation were considered.

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. Please indicate if an informal advisory group was formed for purposes of assisting in the periodic review.

No comments were received.

Effectiveness

Please indicate whether the regulation meets the criteria set out in Executive Order 36, e.g., is necessary for the protection of public health, safety, and welfare, and is clearly written and easily understandable.

This regulation is advantageous to the Commonwealth, local departments of social services, and recipients of TANF. Without the regulation, there will be no procedure for changing locality groupings even though there may have been significant changes in the cost-of-living in a given locality. The result would be an inequitable payment structure for TANF with no means of correcting the situation. This regulation establishes criteria using data that is easily obtainable and readily available.

Since the establishment of the regulation, several localities have petitioned the State Board of Social Services to change their TANF locality group. In all situations, the regulation has been easily understood, without any difficulty in providing the necessary data. The regulation is clearly written and easily understandable. Furthermore, since it provides a mechanism to achieve greater equity in TANF payments, it helps to provide for the general welfare of families in the Commonwealth.

Result

Please state that the agency is recommending that the regulation should stay in effect without change.

The Department of Social Services recommends that the regulation should stay in effect without change.

Family impact

Please provide an analysis of the regulation's impact on the institution of the family and family stability.

This regulation assists families on TANF because it provides for more equitable payment levels. In many situations, this could mean higher payments and greater resources for families in need. The regulation provides a method to switch locality groups to achieve a greater degree of equity in payments, which is positive for families on TANF.