

1 HOUSE BILL NO. 1426

## **2 AMENDMENT IN THE NATURE OF A SUBSTITUTE**

### 3 (Proposed by the House Committee on Health and Human Services

4 on \_\_\_\_\_)

## 5 (Patron Prior to Substitute--Delegate Glass)

6 A BILL to direct the Department of Social Services to develop and implement a dynamic benefit  
7 adjustment system for the gradual reduction of public assistance benefits in response to increases  
8 in beneficiaries' earned income.

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

10 1. § 1. That the Department of Social Services shall amend its regulations to include a dynamic benefit  
11 adjustment system for the gradual reduction of public assistance benefits in response to increases in  
12 beneficiaries' earned income. Such dynamic benefit adjustment system shall (i) adjust income thresholds  
13 for eligibility for public assistance programs based on a formula developed by the Department that  
14 considers the Commonwealth's minimum wage, inflation rates, and cost of living indexes; (ii) reduce  
15 public assistance benefits gradually in response to increases in beneficiaries' earned income based on a  
16 ratio determined by the Department; and (iii) prioritize preventing sudden significant drops in assistance  
17 for beneficiaries. The Department shall collect data on the implementation of the system and shall develop  
18 an annual report on the system. The Department shall deliver such report to the Chairs of the House  
19 committee on Health and Human Services and the Senate Committee on Rehabilitation and Social  
20 Services no later than December 1 of each year.

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