

# State Executive Council (SEC) for Children's Services

## Notice of Intent to Develop/Revise Policy

**Approved for Public Comment by the SEC:** September 11, 2025

**Public Comment Period Ends:** 5:00 PM, October 31, 2025

### Number and Name of Proposed/Revised Policy:

Policy 4.5.6 "Local Match Rates"

### Basis and Purpose of the Proposed/Revised Policy:

The authority for the SEC to develop a policy for public participation is provided for in [§2.2-2648.D.9](#) of the *Code of Virginia*, which states that the State Executive Council for Children's Services shall: *"Provide administrative support and fiscal incentives for the establishment and operation of local comprehensive service systems."* Additionally, [§2.2-2648.D.3](#) of the Code of Virginia requires the State Executive Council to "provide for the establishment of interagency programmatic and fiscal policies developed by the Office of Children's Services, which support the purposes of the Children's Services Act (§ 2.2-5200 et seq.), through the promulgation of regulations by the participating state boards or by administrative action, as appropriate." Furthermore, the Appropriation Act calls for varying local match rates for services. Specifically:

1. Item 268, Paragraph C.2 of the Appropriation Act states, "All localities are required to appropriate a local match for the base year funding consisting of the actual aggregate local match rate based on actual total 1997 program expenditures for the Children's Services Act. This local match rate shall also apply to all reimbursements from the state pool of funds in this Item and carry-forward expenditures submitted before September 30 each year for the preceding fiscal year, including administrative reimbursements under paragraph C.4. in this Item."
2. Item 268, Paragraph C.3.a of the Appropriation Act states, "...Notwithstanding the provisions of C.2. of this Item, beginning July 1, 2008, the local match rate for community-based services for each locality shall be reduced by 50 percent."

3. Item 268, Paragraph C.3.b of the Appropriation Act states, “Localities shall review their caseloads for those individuals who can be served appropriately by community-based services and transition those cases to the community for services. Beginning July 1, 2009, the local match rate for non-Medicaid residential services for each locality shall be 25 percent above the fiscal year 2007 base. Beginning July 1, 2011, the local match rate for Medicaid residential services for each locality shall be 25 percent above the fiscal year 2007 base.”
4. Item 268, Paragraph C.3.e of the Appropriation Act states, “The local match rate for all non-Medicaid services provided in the public schools after June 30, 2011 shall equal the fiscal year 2007 base.”

Additionally, [Executive Order 19](#) calls for a 25% reduction in regulatory requirements. By systematically examining policies, the SEC is fulfilling the requirements of the Executive Order and acting in the spirit of the guidance set forth by the Office of Regulatory Management.

### **Summary of the Proposed/Revised Policy:**

Policy 4.5.6.1 outlines specific local match rates for services as defined in Item 268 of the Appropriation Act. Policy 4.5.6.1 would replace Policy 5.1 Data Set, which is currently under consideration for repeal by the State Executive Council.

### **Preliminary Fiscal Impact Analysis:**

Passage of this policy has no fiscal impact, as the defined match rates are already allotted in Policy 5.1.