

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: SB219

House of Origin	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input checked="" type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: McPike

3. Committee: Commerce and Energy

4. Title: Va. Employment Commission; administrative reforms, reporting requirements, electronic submissions.

5. Summary: Requires the Virginia Employment Commission to calculate and report the (i) average unemployment insurance benefit levels, (ii) average income replacement of unemployment insurance benefits, and (iii) reciprocity rate for unemployment insurance benefits in the Commonwealth as part of the Commission's annual balance sheet. The bill also requires the Commission, as part of its biennial strategic plan submitted to the Department of Planning and Budget, to develop and maintain an unemployment insurance Resiliency Plan that describes the specific actions the agency would take, depending on the level of increase in unemployment insurance (UI) claims, to address staffing, communications, and other relevant aspects of operations to ensure continued efficient and effective administration of the UI program.

The bill creates within the Commission on Unemployment Compensation a subcommittee that shall be responsible for monitoring the Virginia Employment Commission's management of the unemployment insurance program. The subcommittee shall meet at least once each quarter and shall report annually, beginning on December 1, 2022, to the House Committee on Appropriations, the House Committee on Labor and Commerce, the Senate Committee on Commerce and Labor, and the Senate Committee on Finance and Appropriations. The bill also directs the Commission to convene an advisory committee composed of stakeholders and subject matter experts to review information related to UI claims.

The bill requires employers to submit claim-related forms and separation information electronically, as well as other information and electronic tax payments upon the Commission's request, unless the employer has received a waiver by the Commission.

The bill provides that a claim for unemployment benefits that has been determined invalid by the Virginia Employment Commission as a result of the claimant's monetary ineligibility shall first be reviewed upon a request for redetermination prior to filing an appeal. The bill also creates an Unemployment Compensation Ombudsman position for the purpose of providing information and assistance to persons seeking assistance in the unemployment compensation process and exempts confidential case files of the Unemployment Compensation Ombudsman from the mandatory disclosure provisions of the Virginia Freedom of Information Act.

The bill directs the Virginia Department of Human Resource Management to lead a multi-agency work group to discuss strategies for staffing assistance and support for agencies that might need staffing assistance during emergencies. Additionally, the Virginia Employment Commission is directed to task its internal audit division to review and revise documents and online resources related to unemployment compensation.

- 6. Budget Amendment Necessary:** No.
- 7. Fiscal Impact Estimates:** Preliminary.
- 8. Fiscal Implications:** It is anticipated that any costs associated with the provisions of this bill can be absorbed by the Virginia Employment Commission and the Department of Human Resources Management. According to VEC, the agency will use federal administrative funds to support the provisions of this bill.
- 9. Specific Agency or Political Subdivisions Affected:** Virginia Employment Commission. Department of Human Resources Management, Secretary of Administration.
- 10. Technical Amendment Necessary:** No.
- 11. Other Comments:** HB270 is the companion to this bill.