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SENATE BILL NO. 878 Offered January 8, 2025 Prefiled January 3, 2025

A BILL to amend and reenact §§ 30-219, 30-221, and 30-222 of the Code of Virginia, relating to Commission on Unemployment Compensation; membership; compensation; powers and duties.

Patron—Ebbin

Referred to Committee on Rules

Be it enacted by the General Assembly of Virginia:

1. That §§ 30-219, 30-221, and 30-222 of the Code of Virginia are amended and reenacted as follows: § 30-219. Membership; terms; vacancies; chairman and vice-chairman.

The Commission shall consist of 10 members that shall include eight legislative members and two nonlegislative citizen members. Members shall be appointed as follows: three members of the Senate, to be appointed by the Senate Committee on Rules and; five members of the House of Delegates, to be appointed by the Speaker of the House of Delegates in accordance with the principles of proportional representation contained in the Rules of the House of Delegates; and two nonlegislative citizen members, one of whom shall be an employee stakeholder representative to be appointed by the Speaker of the House of Delegates and one of whom shall be an employer representative to be appointed by the Senate Committee on Rules. Nonlegislative citizen members of the Commission shall be citizens of the Commonwealth. Unless otherwise approved in writing by the chairman of the Commission and the respective Clerk, nonlegislative citizen members shall only be reimbursed for travel originating and ending within the Commonwealth for the purpose of attending meetings.

Members Legislative members of the Commission shall serve terms coincident with their terms of office. Members Nonlegislative citizen members shall be appointed for a term of two years. Legislative and nonlegislative citizen members may be reappointed. However, no nonlegislative citizen member shall serve more than four consecutive two-year terms. The remainder of any term to which a member is appointed to fill a vacancy shall not constitute a term in determining the member's eligibility for reappointment. Appointments to fill vacancies, other than by expiration of a term, shall be for the unexpired terms. Vacancies shall be filled in the same manner as the original appointments.

The Commission shall elect a chairman and vice-chairman from among its membership, who shall be members of the General Assembly.

§ 30-221. Compensation; expenses.

Legislative members of the Commission shall receive such compensation as provided in § 30-19.12, and nonlegislative citizen members shall receive such compensation for the performance of their duties as provided in § 2.2-2813. All members shall be reimbursed for all reasonable and necessary expenses incurred in the performance of their duties as provided in § §§ 2.2-2813 and 2.2-2825. However, all such Compensation to members of the General Assembly for attendance at official meetings of the Commission shall be paid by the offices of the Clerk of the House of Delegates or Clerk of the Senate, as applicable. All other compensation and expenses shall be paid from existing appropriations to the Commission or, if unfunded, shall be approved by the Joint Rules Committee.

§ 30-222. Powers and duties of the Commission.

- A. The Commission shall have the following powers and duties:
- 1. Evaluate the impact of existing statutes and proposed legislation on unemployment compensation and the Unemployment Trust Fund;
- 2. Assess the Commonwealth's unemployment compensation programs and examine ways to enhance effectiveness:
 - 3. Monitor the current status and long-term projections for the Unemployment Trust Fund; and
 - 4. Report annually its findings and recommendations to the General Assembly and the Governor.
- B. Within the The Commission there shall be established a subcommittee on unemployment insurance (UI) that shall also be responsible for monitoring the Virginia Employment Commission's management of the Commonwealth's unemployment insurance system. The subcommittee shall be responsible for by monitoring the Virginia Employment Commission's following operations:
 - 1. Key performance metrics related to unemployment insurance backlogs;
- 2. Efforts to identify, prevent, and recover incorrect unemployment insurance benefit payments, including fraudulent payments;
- 3. Modernization of the unemployment insurance information technology system and subsequent efforts to improve functionality;

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4. Expenditures of state funds appropriated for unemployment insurance administration; and

5. Implementation of recommendations from the 2021 Operations and Performance of the Virginia Employment Commission report by the Joint Legislative Audit and Review Commission.

C. The subcommittee established in subsection B shall include (i) at least one employee stakeholder representative, (ii) at least one employer representative, (iii) at least one member of the Commission on Unemployment Compensation, and (iv) at least one member from each of the following committees: 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.

D. The subcommittee established in subsection B shall meet at least once each quarter from July 1, 2022, through June 30, 2025, and shall report at least 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.

E. The Commission shall periodically convene an advisory committee composed of an employer representative, an employee representative, a labor economist, a finance expert, a labor law expert, and any other stakeholders or subject matter experts deemed appropriate by the Commission for the following purposes: (i) to review UI benefits, replacement ratios, and recipiency rates; (ii) to identify factors that affect UI benefits and recipiency, such as design of UI benefit calculations or UI eligibility criteria; (iii) to assess the advantages and disadvantages of potential changes to benefits; and (iv) to recommend to the Commission options to change benefit levels when needed. This advisory committee shall be established by December 1, 2022, and shall be convened at least every five years thereafter.

2. That the employee stakeholder representative and the employer representative members serving on the subcommittee of the Commission on Unemployment Compensation pursuant to § 30-222 of the Code of Virginia prior to the enactment of this act shall serve as the two nonlegislative citizen members of the Commission on Unemployment Compensation pursuant to § 30-222 of the Code of Virginia, as amended by this act, until July 1, 2026. Thereafter, such members shall be eligible for appointment to the Commission on Unemployment Compensation pursuant to § 30-222 of the Code of Virginia, as amended by this act.