

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: HB2091

Patron: Shin

Bill Title: Department of Workforce Development and Advancement; powers and duties.

Bill Summary: Requires the Department of Workforce Development and Advancement to ensure that all workforce development programs and workforce education and training programs (i) address an industry need identified on a high-demand occupation or field list created by the Department and the Virginia Board of Workforce Development and Advancement and (ii) include a job placement component in their implementation and operating plans. Publicly funded workforce development and workforce education and training programs may apply for an exemption from such requirements, and the Commissioner shall approve or disapprove such application within 45 days of receipt.

Budget Amendment Necessary: No.

Items Impacted: N/A

Explanation: This bill involves the Departments of Workforce Development and Advancement (Virginia Works), Education, and Social Services; the Community College System; the Virginia Economic Development Partnership (VEDP); and local school districts. However, no budget action is required. See Fiscal Analysis section, below.

Fiscal Summary: It is anticipated that any state fiscal impact that may result from this bill to Virginia Works, VEDP, and the Department of Social Services (DSS) can be absorbed within existing resources. Any fiscal impact that may result from this bill to the Department of Education (DOE) and the Virginia Community College System is indeterminate and not anticipated to occur in the current biennium.

Fiscal Analysis: This impact statement is preliminary. Virginia Works anticipates that any fiscal impact that may result from this bill can be absorbed within existing resources in its Workforce Systems Services program. As part of regular evaluation tasks, Virginia Works collaborates with the Office of Education Economics, under VEDP, to survey and evaluate training programs taking into consideration the list of high-demand occupations. The evaluation of any newly identified programs would fall under current surveying work. Any impact to VEDP is also anticipated to be absorbable.

Any impact to DOE, state funding to K-12, and the Virginia Community Colleges System is indeterminate, not immediate, and depends on any gaps identified during evaluation and the need to bridge those gaps with programmatic changes that may or may not require additional funding. If local school divisions have to spend more on Career and Technical Education programs to meet any gaps identified by Virginia Works, increased prevailing costs could eventually lead to increased state funding. Any impact would be in a future biennium and is indeterminate at this time.

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DSS anticipates minimal, absorbable fiscal impact as a result of this bill. The main portion of any impacted programs already follows the in-demand occupation list. Staff at the local level is already encouraged to refer program participants to training for in-demand occupations as well.

Other: None.