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

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Bill Number: HB2443 **Patron:** Scott, P.A.
Bill Title: Portable benefit accounts.

Bill Summary: Authorizes a Virginia resident who has worked as an independent contractor to establish a portable benefit account. Under the bill, a portable benefit account may be offered through and administered by a bank, investment management firm, technology provider, or program manager that offers services through a bank or investment management firm. Distributions from the account may be used for the payment of various health-related costs and other benefits including income replacement insurance, life insurance, or retirement benefits. Under the bill, contributions may be made using the funds of a hiring party or a percentage of funds withheld from the compensation owed to a sole proprietor or independent | contractor. The bill provides that contributions using withheld funds can only be made if (i) withheld compensation is expressly agreed to in writing; (ii) such agreement is clear, unambiguous, and prominently displayed in the work contract or a separate notice; (iii) such withholdings are voluntary and require a sole proprietor or independent contractor to opt in; and (iv) a sole proprietor or independent contractor may elect to opt out of such withholdings at any time.

Budget Amendment Necessary: No. **Items Impacted:** None.

Explanation: According to the Department of Human Resource Management, the proposed legislation is not expected to have a state fiscal impact.

Fiscal Summary: None.

Fiscal Analysis: There is no anticipated state fiscal impact resulting from the provisions of this bill.

Other: None.