

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

- **Average Weekly Benefit Amount (SFY 2024):** \$349.38
- **Average additional cost to the Trust Fund per year:** \$82,560,782

The Fund is expected to incur an additional expenditure of approximately \$82,560,782 per year due to the increased benefit duration.

To cover this additional expenditure:

- **Average number of employees covered by UI taxes (FY06 - FY24 excluding FY20 and FY21):** 3,565,926
- **Average increase in employer taxes per employee:** \$23.15
- **Average increase in employer taxes as a percentage of the taxable wage base (\$8,000):** 0.29%

Currently, VEC does not collect the necessary data to estimate an accurate benefit exhaustion rate if all claimants were eligible, claimed, and are paid for the full 26 weeks. Benefit eligibility and duration are currently calculated based on individual wages earned during the base period, adding complexity to projecting the full impact of this change.

According to VEC, the agency will incur one-time administrative costs in implementing the provisions of this bill. The costs include an estimated \$46,074 for developing, testing, and implementing the changes needed for a new benefit table as well as increasing claimant and employer communication efforts. The Appropriation Act (Item 359 J.1) authorizes VEC to assess an administrative fee equal to .5 percent of taxable wages for purpose of supporting critical technology and staffing requirements in the administration of Virginia's unemployment compensation programs. VEC's nongeneral fund estimates assume revenue collection of \$16.0 million annually from this fee.

Other: HB1319 is the companion to this bill.