

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

The bill extends certain health and safety regulations and requirements for the payment of wages to all agencies, institutions, and localities within the Commonwealth. Currently, only private employers are covered. The Department of Labor and Industry is responsible for enforcing the provisions of this bill. The agency currently has jurisdiction over the employers of approximately 3 million employees, and DOLI handled nearly 2,000 payment of wage claims and an additional 28 complex investigations regarding retaliation and other miscellaneous employment laws. This bill would expand the number of employees subject to payment of wage and other related provisions by over 500,000, which includes the number of state and local government employees in Virginia, resulting in an estimated 20 percent increase in the agency's workload.

The agency currently has six compliance officers and one specialist who are working with a case backlog of approximately 30 days and are unable to absorb additional workload. It is anticipated that additional resources to support two compliance officers (\$275,814 total) and one administrative specialist (\$125,236) will be needed. This bill, as amended, states that no penalty authorized under statute where the bill expands the definition of "employer" shall be issued against the Commonwealth and its agencies. DOLI anticipates that these three positions would be needed to investigate and enforce all requirements other than penalties for state agencies, as well as enforce requirements, which may include penalties, for political subdivisions and public bodies.

Budget amendments to HB30 adopted by the House provided \$6.5 million in general fund support in FY 2027 and \$3.6 million in FY 2028, and 25 positions, for the department to hire additional personnel for labor law enforcement activities and develop a comprehensive case management system.

Other: None.