

**Department of Planning and Budget
2003 Fiscal Impact Statement**

1. Bill Number SB1039

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron Watkins

3. Committee Passed Both Houses

4. Title Notice of unemployment benefit charges and taxes

5. Summary/Purpose: The bill requires the Virginia Employment Commission (VEC) by December 31 of each year to send to every covered employer a notice of unemployment benefit charges and taxes for the preceding fiscal year. Currently, the notice of benefit charges is sent to employers prior to July 1 of each year and the notice of tax rate changes is sent prior to December 31 of each year.

6. Fiscal Impact estimates are: Final. SEE ITEM 8.

7. Budget amendment necessary: No.

8. Fiscal implications: The bill would combine two separate notices to employers into one mailing. By combining the two notices the bill would reduce postage costs by about \$72,000 per year. The savings amount is based on 194,000 fewer employer mailings at \$0.37 each. The savings would accrue to the federal administrative grant for unemployment insurance.

9. Specific agency or political subdivisions affected: Virginia Employment Commission.

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 02/28/03/mst

Document: G:\GaSessions\2003Session\Fis\Sb1039ER.Doc

cc: Secretary of Commerce and Trade