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HOUSE JOINT RESOLUTION NO. 23

Offered January 13, 2010

Prefiled January 4, 2010

Directing the Joint Legislative Audit and Review Commission to study the effectiveness of deputy-level hearings on claims under the Virginia Unemployment Compensation Act. Report.

Patron—Marshall, R.G.

Referred to Committee on Commerce and Labor

WHEREAS, the rate at which the state unemployment tax is assessed upon private, for-profit employers depends, among such other factors as the length of time the employer has been in business and the solvency level of the Unemployment Trust Fund, on the employer's experience rating history; and

WHEREAS, the experience rating of such an employer is determined using a statutory formula that factors in unemployment compensation benefits charged to the employer's account during the chargeable period; and

WHEREAS, because claims by former employees for unemployment compensation benefits can have an adverse effect on such an employer's experience rating and state unemployment tax rate, it is critical that employers be afforded a meaningful opportunity to defend themselves from claims that either do not satisfy the requirements of § 60.2-612 of the Code of Virginia or are by a claimant who is disqualified under any of the grounds set forth in § 60.2-618 of the Code of Virginia; and

WHEREAS, several employers have alleged that officials of the Virginia Employment Commission approve claims for unemployment benefits at the deputy level of hearings, regardless of the evidence provided by the employer disputing the propriety of the claim; and

WHEREAS, it is further asserted that the initial decisions approving claims in such cases are overturned in many instances upon appeal, which preserves the employer's experience rating but requires a substantial expenditure of resources by the employer and the Virginia Employment Commission; and

WHEREAS, it is appropriate to determine the rate at which decisions at the deputy level approving benefits claims are overturned and whether the reasons for the rate of reversals on appeal indicate a failure of decision makers at the deputy level properly to interpret and to implement the applicable provisions of the Virginia Unemployment Compensation Act; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Legislative Audit and Review Commission be directed to study the effectiveness of deputy-level hearings on claims under the Virginia Unemployment Compensation Act.

Technical assistance shall be provided to the Joint Legislative Audit and Review Commission by the Virginia Employment Commission. All agencies of the Commonwealth shall provide assistance to the Joint Legislative Audit and Review Commission for this study, upon request. The Joint Legislative Audit and Review Commission shall complete its meetings by November 30, 2010, and the Chairman shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than the first day of the 2011 Regular Session of the General Assembly. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.

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