

SENATE JOINT RESOLUTION NO. 16

Directing the Commission on Unemployment Compensation to study conforming provisions of the Virginia Unemployment Compensation Act to requirements of the Trade Adjustment Assistance Extension Act of 2011. Report.

Agreed to by the Senate, February 14, 2012
Agreed to by the House of Delegates, February 24, 2012

WHEREAS, the Social Security Act of 1935 created the unemployment compensation program that is based upon federal law but administered under state law; and

WHEREAS, while states have a degree of flexibility in designing unemployment compensation programs within the framework of the federal law, conformity of state law and operations with federal law is a prerequisite for employers to qualify for credits against the tax imposed under the Federal Unemployment Tax Act; and

WHEREAS, the federal Trade Adjustment Assistance Extension Act of 2011 (TAAEA), enacted on October 21, 2011, includes provisions that seek to improve the integrity of the state unemployment compensation programs by providing tools and resources to combat improper payments of benefits; and

WHEREAS, the TAAEA, among other things, requires states to impose a monetary penalty on claimants whose fraudulent acts result in overpayments and prohibits states from providing relief from charges to an employer's unemployment compensation account when actions of the employer or its agent have led to an improper payment; and

WHEREAS, the Virginia Unemployment Compensation Act does not include provisions required by the TAAEA; and

WHEREAS, the United States Department of Labor has issued an advisory letter indicating that a state will be out of conformity with federal law if its unemployment laws do not include the requirements enacted by the TAAEA by October 21, 2013; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Commission on Unemployment Compensation be directed to study conforming provisions of the Virginia Unemployment Compensation Act to requirements of the Trade Adjustment Assistance Extension Act of 2011. In conducting its study, the Commission on Unemployment Compensation shall (i) recommend appropriate revisions to Title 60.2 of the Code of Virginia to ensure conformity of the Commonwealth's program with applicable federal law; (ii) ascertain the affects of such changes on the unemployment trust fund, employers, and claimants; and (iii) consider input from relevant stakeholders.

The Office of the Clerk of the Senate shall provide administrative staff support. The Division of Legislative Services shall provide legal, research, policy analysis, and other services as requested by the Commission on Unemployment Compensation. Technical assistance shall be provided to the Commission on Unemployment Compensation by the Virginia Employment Commission. All agencies of the Commonwealth shall provide assistance to the Commission on Unemployment Compensation for this study, upon request.

The Commission on Unemployment Compensation shall complete its meetings by November 30, 2012, 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 2013 Regular Session of the General Assembly. The executive summary shall state whether the Commission on Unemployment Compensation intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a House or Senate document. 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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