

VIRGINIA ACTS OF ASSEMBLY -- 1996 SESSION

CHAPTER 305

An Act to amend and reenact § 60.2-533 of the Code of Virginia, relating to unemployment compensation; fund balance factor.

[S 297]

Approved March 22, 1996

Be it enacted by the General Assembly of Virginia:

1. That § 60.2-533 of the Code of Virginia is amended and reenacted as follows:

§ 60.2-533. Fund balance factor.

A. As of July 1 of each calendar year, a fund balance factor, rounded to the nearest one-tenth of a percent, shall be determined as follows:

~~1. The balance which shall stand to the credit of the account of the Commonwealth of Virginia in the Unemployment Trust Fund in the treasury of the United States, including amounts withdrawn therefrom but not expended, shall be compared with the "adequate balance" as determined in subsection B of this section.~~ *The net assets which shall be compared with the "adequate balance" as determined in subsection B of this section, shall be comprised of the balance which shall stand to the credit of the account of the Commonwealth of Virginia in the Unemployment Trust Fund in the Treasury of the United States; amounts withdrawn therefrom but not expended; employer payments not yet transferred to such account; net employer taxes receivable; and amounts due from claimants and other states, minus payables due to claimants, employers, other funds of the Virginia Employment Commission, and other states.* The resulting percent shall be termed the "fund balance factor," except that if the percent determined is less than fifty percent, the fund balance factor shall be fifty percent.

B. As of July 1 of each calendar year, the Commission shall determine the "adequate balance" for the trust fund as follows:

~~1.~~ For the twenty-five year period ending July 1 of the year of determination, the highest ratios of benefits divided by total wages of three separate consecutive four-quarter periods shall be averaged and multiplied by 1.5 to determine the fund adequacy multiplier. The fund adequacy multiplier shall be multiplied by the total wages for the year in question to determine the "adequate fund balance" for that year.

C. A fund building rate of two-tenths percent will be added to all experience rating rates established pursuant to § 60.2-531, to all assigned tax rates established pursuant to §§ 60.2-515, 60.2-526, 60.2-527 and 60.2-538 except that such rate shall not be applied if the fund balance factor determined pursuant to subsection B of this section exceeds fifty percent.