

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: SB48

House of Origin ☐ Introduced ☐ Substitute ☒ Engrossed
Second House ☒ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Spruill

3. Committee: Labor and Commerce

4. Title: Nonpayment of wages; discriminatory actions prohibited.

5. Summary: This bill prohibits an employer from discharging or otherwise discriminating against an employee because such employee has filed any complaint or instituted or caused to be instituted any proceeding related to the failure to pay wages, or has testified or is about to testify in any such proceeding. The measure authorizes the Commissioner of Labor and Industry to institute proceedings against an employer who has taken such prohibited discriminatory action. Available remedies include reinstatement of the employee, recovery of lost wages, and liquidated damages. The provisions of the bill are contingent on funding in a general appropriation act.

6. Budget Amendment Necessary: See item 8.

7. Fiscal Impact Estimates: Preliminary, see item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2020	N/A	N/A	N/A
2021	226,075	2	GF
2022	226,075	2	GF
2023	226,075	2	GF
2024	226,075	2	GF
2025	226,075	2	GF
2026	226,075	2	GF

8. Fiscal Implications: It is anticipated that this bill will result in an expenditure impact to the Department of Labor and Industry (DOLI). DOLI's Labor Law Division would have to begin enforcing the new anti-discrimination provision for Virginia employees in July and would need one additional officer position to investigate employees' discrimination claims and one attorney to file and prosecute claims that cannot be resolved at the investigation level. DOLI anticipates more people reporting wage claims while still employed, however, most claimants wait until they are no longer employed to report to DOLI. DOLI anticipates having to investigate 50 to 75 claims of inappropriate discharge and 75 to 100 additional wage claims from currently employed employees. HB30/SB30, as introduced, provides \$206,093 and two positions in each year from the general fund to support the enforcement of the state's labor laws.

As stand-alone legislation, DOLI anticipates that the funding and positions provided in HB30/SB30 will help to support the expenditure and workload impact associated with this bill. However, if the aggregate number of bills likely to pass either house is unusually large, it is possible the agency will require additional resources. Senate amendments to SB30 include \$1.2 million in FY 2021 and \$1.3 million in FY 2022, from the general fund, and 13 positions for DOLI to support additional enforcement positions in the agency's Labor and Employment Law Division.

9. Specific Agency or Political Subdivisions Affected: Department of Labor and Industry.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is the companion to HB337.