

Department of Planning and Budget 2021 Fiscal Impact Statement

1. Bill Number: HB2321

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

2. Patron: Simonds

3. Committee: Appropriations

4. Title: Governor's Secretaries; Secretary of Labor created.

5. Summary: Creates in the Governor's Cabinet the position of Secretary of Labor. The bill transfers from the Secretary of Commerce and Trade to the Secretary of Labor responsibility for the Department of Labor and Industry, the Department of Professional and Occupational Regulation, and the Virginia Employment Commission. The bill also removes the position of Chief Workforce Development Advisor and reassigns that position's responsibilities to the Secretary of Labor.

6. Budget Amendment Necessary: Yes, to establish the new Secretariat and transfer associated agencies; see item 8.

7. Fiscal Impact Estimates: Preliminary.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2021			
2022	\$101,956	1	GF
2023	\$101,956	1	GF
2024	\$101,956	1	GF
2025	\$101,956	1	GF
2026	\$101,956	1	GF
2027	\$101,956	1	GF

8. Fiscal Implications: This bill establishes a new Governor's Cabinet position of the Secretary of Labor. The bill eliminates the position of Chief Workforce Advisor and transfers the responsibilities to the new Secretary of Labor. Item 52 of HB1800/SB1100 includes \$599,192 from the general fund in each year for the Office of the Chief Workforce Advisor. Funding includes positions for a Chief Workforce Advisor, an assistant advisor, and an executive assistant. Currently, the Office receives additional support from a staff position in the Governor's office.

It is anticipated that to set up the new Secretary of Labor, the funding and three positions tied to the Office of the Chief Workforce Advisor can be transferred to a new Item for the Secretary of Labor. However, in order for the Office to continue with the staffing level at

which it is currently functioning, it is anticipated that additional resources will be required. The total additional general fund appropriation needed is estimated at \$101,956.

Additional amendments to the budget will be required to shift the Department of Labor and Industry, the Department of Professional and Occupational Regulation, and the Virginia Employment Commission from the Secretary of Commerce and Trade to the new Secretary of Labor.

9. Specific Agency or Political Subdivisions Affected: Office of the Governor; Office of the Chief Workforce Advisor; Secretary of Commerce and Trade; Department of Labor and Industry; Department of Professional and Occupational Regulation; Virginia Employment Commission.

10. Technical Amendment Necessary: No.

11. Other Comments: None.