



VIRGINIA EMPLOYMENT COMMISSION

# Manufacturing Development Commission

Dolores Esser, *Commissioner*  
Virginia Employment Commission  
April 7, 2009

# Economic Stimulus Legislation, H.R.1

- each state a share of \$7 billion to enact specific policies designed to increase access to unemployment benefits
- Virginia's share based on its share of federal unemployment taxes

## Virginia state law currently includes alternative base period

- Virginia state law currently includes alternative base period (passed in 2003), Virginia qualifies for \$62.5 million (one-third of its total potential distribution)

To receive additional \$125.5 million, Virginia must enact at least 2 of the following 4:

1. State must not deny UI eligibility because a claimant is seeking part-time work
2. State must provide extended unemployment compensation at the regular weekly benefit amounts for at least 26 to claimants who:
  - a) Have been dislocated from a declining occupation;
  - b) have exhausted regular UI benefits;
  - c) are in a state approved training program related to a high demand occupation; and
  - d) are making satisfactory progress in such programs

To receive additional \$125.5 million, Virginia must enact at least 2 of the following 4:

3. An individual shall not be denied regular unemployment compensation for separating from employment due to “compelling family reasons” which must include all of the following:
  - avoiding domestic violence that makes continued employment jeopardize the safety of the individual and the individual’s immediate family
  - caring for a sick or disabled family member
  - following a spouse where employment was relocated to a place from which it is impractical to commute

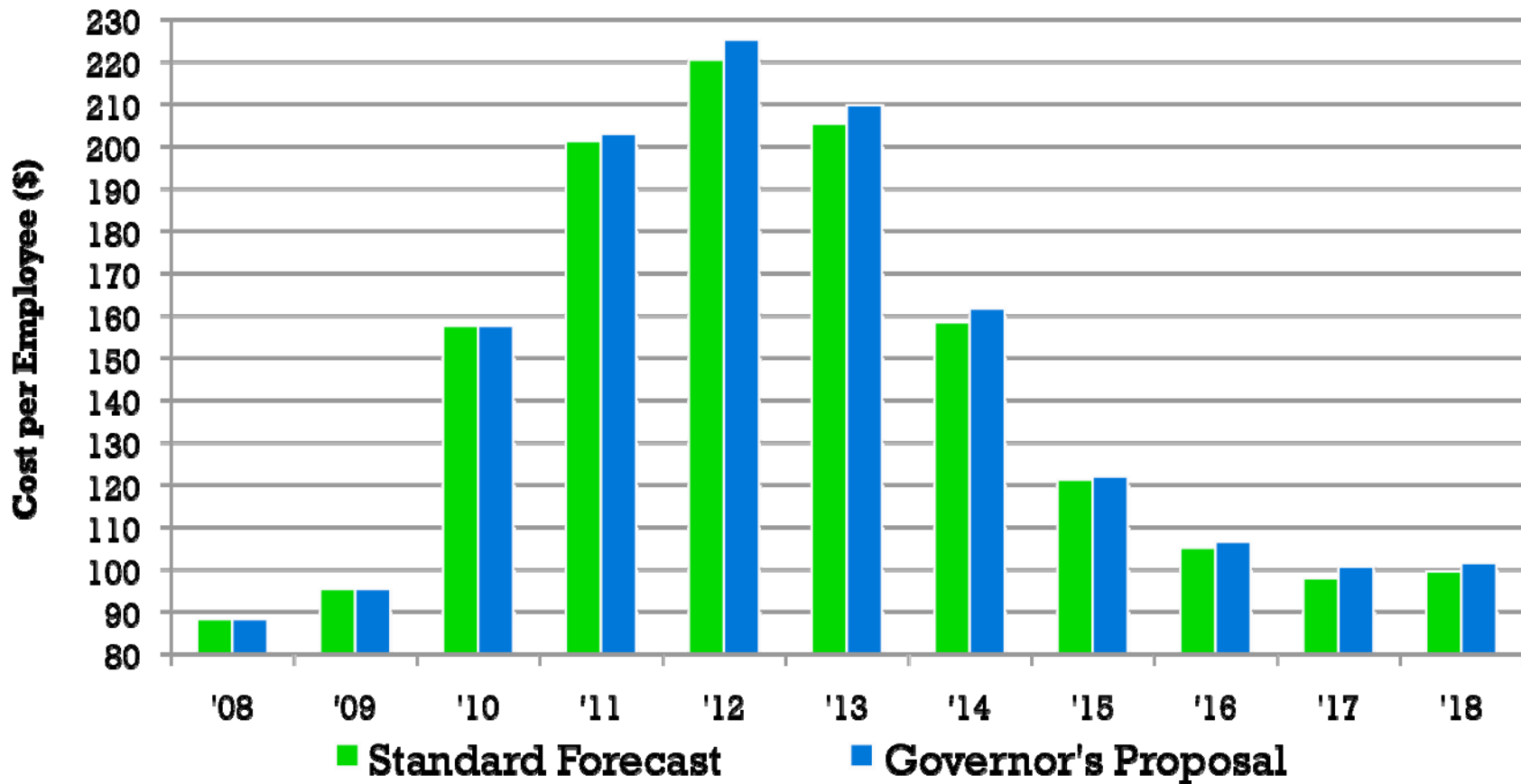
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4. The state must provide UI recipient with a stipend of at least \$15 per week for each of their dependants

# Numbers

Part Time Work	6,867 additional individuals
Training	1,043 additional individuals
Cost to the UI Trust Fund per year	\$20.1 million
Employer tax increases	\$2.62 per year

# Average Tax



# Extended Benefits

- Seasonally adjusted unemployment exceeds 6.5 percent for three consecutive months
- increases extended benefits by an additional 20 weeks
- paid by the Federal Government
- amendment to HB 1889 - Nixon
- in effect until 3 weeks prior to the last week for which federal sharing is authorized

**Any Questions?**

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804-786-3001