2004 Special Session I

Budget Bill - HB5001 (Chapter 4)

Virginia Employment Commission

Item 129	First Year - FY2005	Second Year - FY2006
Employment Assistance Services (46200)	**$593,677,395**	**$568,384,091**
Employment Services (46201)	$35,954,169	$36,014,767
Unemployment Compensation Services (46202)	$510,675,398	$485,299,535
Financial Assistance for Employment Services (46209)	$47,047,828	$47,069,789
Fund Sources:		
General	$79,124	$79,124
Special	$200,000	$200,000
Trust and Agency	$593,398,271	$568,104,967

Authority: Title 60.2, Chapters 1 through 6, Code of Virginia.

A. Revenues deposited into the Special Unemployment Compensation Administration Fund shall be used for the purposes set out in the following order of priority: 1) to support essential services of the Commission, particularly in the event of reductions in federal funding; 2) to finance the cost of capital projects; and 3) to fund the discretionary fund established in § 60.2-315, Code of Virginia. Funding may be transferred from the capital budget to the operating budget consistent with this language.

B. Reed Act funds credited to the unemployment trust fund with respect to federal fiscal years 2000, 2001, and 2002, under Section 1103 of the Social Security Act (42 U.S.C.), as amended, shall be used only for the administration of the unemployment compensation program, under the direction of the Virginia Employment Commission and shall not be subject to the requirements of § 60.2-305 of the Code of Virginia.

C.1. Education for Independence and Virginia's Skills Center Programs previously funded through the 1990 Carl D. Perkins Vocational Education and Applied Technology Act and through Social Services Block Grants or other available federal funds shall be funded and supported through the Workforce Investment Act and the One-Stop Career System.

2. The Virginia Employment Commission shall work with the various providers of the Education for Independence programs to prepare these providers to become certified and eligible for funding through the local Workforce Investment Boards.

D. The Secretary of Commerce and Trade shall report to the Chairmen of the House Appropriations and Senate Finance Committees by November 1 of each year on the amounts returned from the local Workforce Investment Boards and uses of the funds reallocated by the Governor.

E. There is hereby appropriated out of the funds made available to this state under Section 1103 of the Social

Security Act (42 U.S.C.) as amended, the sum of $4,500,000 in the first year and $4,500,000 in the second year of Reed Act funds, or so much thereof as may be necessary, to be used under the direction of the Virginia Employment Commission, and subject to the requirements of § 60.2-305, Code of Virginia, for the purpose of administering the federal Wagner-Peyser Job Service Grant ($3,500,000 in the first year and $4,000,000 in the second year) and the federal Unemployment Insurance Grant ($1,000,000 in the first year and $500,000 in the second year).

F. There is hereby appropriated out of the funds made available to this state under Section 1103 of the Social Security Act (42 U.S.C.), as amended, the balance of funds, if any, appropriated in Chapter 1042, 2003 Acts of Assembly, Item 130 B.2. for the second year funding for the administration of the federal Unemployment Insurance Grant, as necessary to be used under the direction of the Virginia Employment Commission, and subject to the requirements of § 60.2-305, Code of Virginia, for the purpose of completing development of customer contact centers.

G. The amounts for Unemployment Compensation Services includes $17,872,000 from federal funds the first year and $3,048,000 from federal funds the second year to upgrade obsolete information technology systems.