



# Virginia Employment Commission

## Public Meeting

Information presented at Town Hall  
meetings



- Virginia Employment Commission (VEC) began in 1935
- Funded through employer taxes – Federal Unemployment Tax Act (FUTA)



- FUTA funds are for the specific purpose of administering unemployment insurance programs, employment services, veterans services, and provision of labor market information

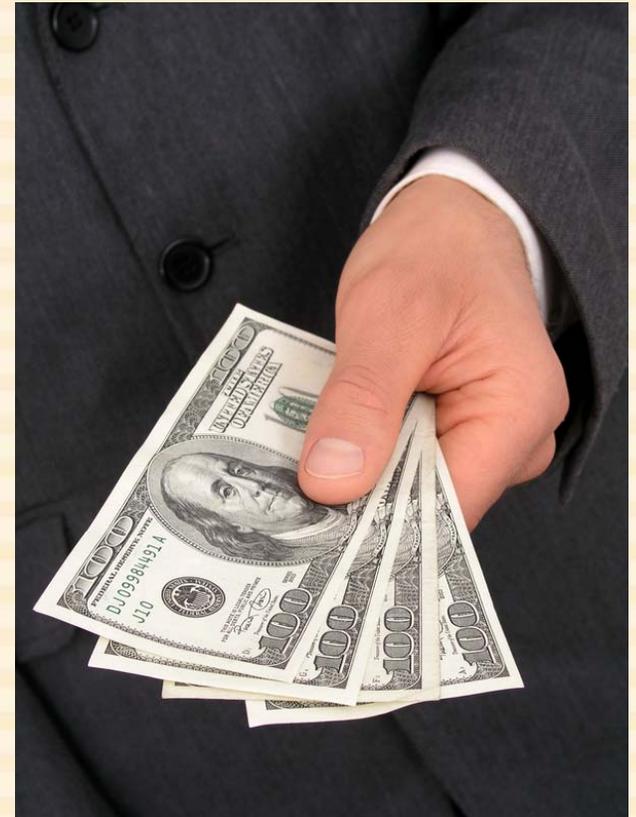


- Employers pay \$56 on the first \$7,000 wages of every employee
- Collected by the IRS



# FUTA Funds

- In 2005, Virginia employers paid **\$199.3 million**
- VEC received **\$60.1 million**
- This represents **30.2%** return





- Virginia ranks second-lowest in the nation in percentage return of FUTA funds



## **FUTA Dollars Returned to Virginia Relevant Factors**

The U.S. Congress gives an appropriation annually to the U.S. Department of Labor (DOL) to fund not only the VEC, but all workforce agencies nationwide. DOL determines how much each state will receive. To allocate these funds, DOL uses what it calls a “Resource Justification Model” and several factors contribute to Virginia’s low funding rate:

- Virginia’s low Unemployment Rate
- Lack of “Trailing Spouse” benefits
- Lack of Dependent Benefits
- Virginia’s requirement that all Unemployment Insurance recipients be enrolled in Job Service and actively seeking employment
- Virginia’s relatively low salaries for state employees compared with other states

Nationwide, only 50% of FUTA dollars are returned to the states.

\$30 billion in FUTA dollars are held in a Federal Reserve fund.



# FUTA Funds

STATE	Civilian Labor Force*	Number of Unemployed*	Unemployment Rate*	Estimated FUTA (\$ Million)	Total Grants (\$ Million)	Percent Returned	FUTA Rank**	Grants per Labor Force
Connecticut	1,844,235	79,160	4.3%	85.7	61.5	71.8%	12	\$33
Dist. of Columbia	315,874	18,917	6.0%	21.5	15.8	73.5%	11	\$50
Maryland	3,009,143	116,523	3.9%	132.8	72.3	54.4%	29	\$24
North Carolina	4,464,875	214,256	4.8%	209.4	81.0	38.7%	46	\$18
Pennsylvania	6,306,050	296,192	4.7%	297.5	179.9	60.5%	22	\$29
<b>Virginia</b>	<b>3,998,569</b>	<b>119,581</b>	<b>3.0%</b>	<b>199.3</b>	<b>60.1</b>	<b>30.2%</b>	<b>51</b>	<b>\$15</b>
Washington	3,326,524	166,174	5.0%	148.1	100.7	68.0%	13	\$30
US Total	152,196,000	7,001,000	4.6%	7,140.3	3,617.9	50.7%	----	\$24



- Governor made this his number one issue when he met with the congressional delegation in February



# Service Delivery Changes:



- electronic filing of unemployment insurance tax reports
- internet filing for unemployment insurance benefits
- internet filing of job service application



# Service Delivery Changes:

- unemployment insurance application by phone
- fact finding by hearing officers by phone statewide
- labor market information on-line



# New System for Job Service and Workforce Investment Act:

- Geographic Solutions
- Workgroups of WIA and VEC staff
- Completed by November, 2007



# Unemployment Insurance Modernization:

- Tax system – 21 years old (1986)
- Benefits system – 22 years old (1985)
- Wage System – 37 years old (1970)



# Request for information (RFI) due on May 2, 2007:

- Want to know what vendors can do
- Can we get a combined system
- Will it match our budget



# What does the VEC accomplish:

- 450,000 used services
- 215,000 entered employment – 70% placement rate
- 95,000 employer contacts
- 43,400 veterans served

## Transitional Assistance Program

- 254 workshops
- 15,666 attendees



# Accomplishments:



- Initial claims for unemployment insurance – **279,000**
- Claims filed by telephone – **115,000 (41%)**
- Claims filed on the internet – **90,000 (32%)**
- **\$5** million in savings to claimants in time and travel
- **\$326,949,000** paid in unemployment insurance benefits



# Accomplishments:

- Work Opportunity Tax Credit – 27,800
- Rapid Response – 117 employers
- Trade Act – 4,400 requests (1,300 in training)
- Rural Services – 2,700 job openings
- Foreign Labor Certification
  - H-2B (Temporary Non-agricultural) – 562
  - H-1B (Permanent) – 7,114



# Accomplishments:

- Coordinated Economic Relief Centers
- Business Resource Units
- Labor Market Information
  - Demographic, industry, and occupational data
  - Career outlook and trends



# Partners:

- Employer Advisory Committees – 1,700 employers
- Virginia Workforce Network



## Effects on VEC locations and services:

- Reduce the number of staff
- Reduce the number of offices
- More self-service options for clients
- Dedicated service to those requiring assistance



Annual Operating Cost: Staff (25) and Facility	\$1,777,681
Civilian Labor Force	491,763
Number Unemployed	11,104
Employers	28,078
Job Service Applications	16,130
One-Stop	Satellite
Commute Time to Next Location - Fairfax	25 min.



Annual Operating Cost: Staff (17) and Facility	\$1,034,438
Civilian Labor Force	44,992
Number Unemployed	1,824
Employers	2,443
Job Service Applications	6,811
One-Stop	VEC
Commute Time to Next Location - Marion	46 min.



Annual Operating Cost: Staff (11) and Facility	\$785,229
Civilian Labor Force	17,246
Number Unemployed	555
Employers	993
Job Service Applications	2,256
One-Stop	Satellite
Commute Time to Next Location - Fishersville	46 min.



# Cedar Bluff

Annual Operating Cost: Staff (13) and Facility	\$790,085
Civilian Labor Force	39,804
Number Unemployed	2,068
Employers	2,336
Job Service Applications	7,117
One-Stop	VEC
Commute Time to Next Location - Bristol	74 min.



# Charlottesville

(Owned)

Annual Operating Cost: Staff (20) and Facility	\$1,007,754
Civilian Labor Force	117,569
Number Unemployed	3,310
Employers	6,803
Job Service Applications	6,764
One-Stop	VEC
Commute Time to Next Location - Fishersville	35 min.



# Chesapeake

Annual Operating Cost: Staff (10) and Facility	\$717,609
Civilian Labor Force	115,726
Number Unemployed	4,194
Employers	5,516
Job Service Applications	6,513
One-Stop	Not a One-Stop
Commute Time to Next Location - Portsmouth	21 min.



# Covington

(Owned)

Annual Operating Cost: Staff (23*) and Facility	\$826,419
Civilian Labor Force	13,283
Number Unemployed	615
Employers	784
Job Service Applications	2,922
One-Stop	VEC
Commute Time to Next Location – Buena Vista	54 min.

\*Data Center



Annual Operating Cost: Staff (8) and Facility	\$612,554
Civilian Labor Force	84,461
Number Unemployed	2,337
Employers	4,590
Job Service Applications	5,113
One-Stop	Satellite
Commute Time to Next Location - Fredericksburg	50 min.



Annual Operating Cost: Staff (23) and Facility	\$1,329,503
Civilian Labor Force	50,555
Number Unemployed	3,639
Employers	2,469
Job Service Applications	10,659
One-Stop	Not a One-Stop
Commute Time to Next Location - Martinsville	42 min.



# Eastern Shore

Annual Operating Cost: Staff (9) and Facility	\$690,154
Civilian Labor Force	26,157
Number Unemployed	950
Employers	1,385
Job Service Applications	6,462
One-Stop	VEC
Commute Time to Next Location - Norfolk	82 min.



Annual Operating Cost: Staff (10) and Facility	\$688,789
Civilian Labor Force	13,868
Number Unemployed	623
Employers	800
Job Service Applications	3,550
One-Stop	VEC
Commute Time to Next Location – South Hill	45 min.



Annual Operating Cost: Staff (23) and Facility	\$1,538,805
Civilian Labor Force	491,763
Number Unemployed	11,105
Employers	28,078
Job Service Applications	16,605
One-Stop	Not a One-Stop
Commute Time to Next Location - Alexandria	25 min.



Annual Operating Cost: Staff (13) and Facility	\$661,777
Civilian Labor Force	44,409
Number Unemployed	1,818
Employers	2,265
Job Service Applications	4,878
One-Stop	VEC
Commute Time to Next Location - Lynchburg	68 min.



# Fishersville

(Owned)

Annual Operating Cost: Staff (16) and Facility	\$919,269
Civilian Labor Force	59,941
Number Unemployed	1,685
Employers	3,083
Job Service Applications	8,941
One-Stop	Satellite
Commute Time to Next Location - Harrisonburg	31 min.



# Fredericksburg

Annual Operating Cost: Staff (19) and Facility	\$1,061,775
Civilian Labor Force	163,588
Number Unemployed	4,486
Employers	7,059
Job Service Applications	10,155
One-Stop	VEC
Commute Time to Next Location – Prince William	37 min.



Annual Operating Cost: Staff (30) and Facility	\$1,503,772
Civilian Labor Force	24,717
Number Unemployed	1,379
Employers	1,097
Job Service Applications	6,393
One-Stop	VEC
Commute Time to Next Location - Wytheville	44 min.



# Hampton

Annual Operating Cost: Staff (32) and Facility	\$2,077,240
Civilian Labor Force	215,406
Number Unemployed	7,217
Employers	9,528
Job Service Applications	23,116
One-Stop	Comprehensive
Commute Time to Next Location - Williamsburg	31 min.



# Metro Richmond North

Annual Operating Cost: Staff (32) and Facility	\$2,049,068
Civilian Labor Force	294,243
Number Unemployed	9,270
Employers	17,074
Job Service Applications	19,944
One-Stop	Comprehensive
Commute Time to Next Location – Metro Richmond South	23 min.



# Harrisonburg

(Owned)

Annual Operating Cost: Staff (16) and Facility	\$881,558
Civilian Labor Force	76,114
Number Unemployed	2,159
Employers	3,693
Job Service Applications	8,882
One-Stop	VEC
Commute Time to Next Location - Fishersville	31 min.



# Lynchburg

(Owned)

Annual Operating Cost: Staff (22) and Facility	\$1,151,019
Civilian Labor Force	120,499
Number Unemployed	4,040
Employers	6,439
Job Service Applications	12,322
One-Stop	Not a One-Stop
Commute Time to Next Location - Roanoke	67 min.



Annual Operating Cost: Staff (10) and Facility	\$646,705
Civilian Labor Force	16,078
Number Unemployed	710
Employers	684
Job Service Applications	4,036
One-Stop	VEC
Commute Time to Next Location - Wytheville	29 min.



# Martinsville

Annual Operating Cost: Staff (33) and Facility	\$1,699,537
Civilian Labor Force	40,037
Number Unemployed	2,070
Employers	2,096
Job Service Applications	9,938
One-Stop	Satellite
Commute Time to Next Location - Danville	42 min.



(Owned)

Annual Operating Cost: Staff (43) and Facility	\$2,552,024
Civilian Labor Force	325,982
Number Unemployed	11,175
Employers	17,425
Job Service Applications	30,771
One-Stop	Not a One-Stop
Commute Time to Next Location - Portsmouth	15 min.



Annual Operating Cost: Staff (24) and Facility	\$1,411,594
Civilian Labor Force	33,541
Number Unemployed	1,616
Employers	1,940
Job Service Applications	8,632
One-Stop	VEC
Commute Time to Next Location - Bristol	81 min.



# Portsmouth

Annual Operating Cost: Staff (6) and Facility	\$493,067
Civilian Labor Force	46,108
Number Unemployed	2,171
Employers	1,844
Job Service Applications	9,093
One-Stop	Not a One-Stop
Commute Time to Next Location - Norfolk	15 min.



# Prince William

Annual Operating Cost: Staff (21) and Facility	\$1,197,288
Civilian Labor Force	226,077
Number Unemployed	5,604
Employers	8,432
Job Service Applications	12,750
One-Stop	Not a One-Stop
Commute Time to Next Location - Alexandria	25 min.



Annual Operating Cost: Staff (20) and Facility	\$1,257,160
Civilian Labor Force	83,909
Number Unemployed	3,081
Employers	3,827
Job Service Applications	10,804
One-Stop	VEC
Commute Time to Next Location - Wytheville	42 min.



# Metro Richmond South

Annual Operating Cost: Staff (25) and Facility	\$1,743,109
Civilian Labor Force	225,627
Number Unemployed	7,402
Employers	11,517
Job Service Applications	16,879
One-Stop	Comprehensive
Commute Time to Next Location – Metro Richmond North	20 min.



Annual Operating Cost: Staff (35) and Facility	\$2,113,512
Civilian Labor Force	155,351
Number Unemployed	5,004
Employers	8,845
Job Service Applications	17,324
One-Stop	VEC
Commute Time to Next Location - Radford	57 min.



# South Boston

Annual Operating Cost: Staff (11) and Facility	\$1,654,154
Civilian Labor Force	16,080
Number Unemployed	928
Employers	861
Job Service Applications	3,867
One-Stop	VEC
Commute Time to Next Location - Danville	41 min.



Annual Operating Cost: Staff (12) and Facility	\$735,229
Civilian Labor Force	13,399
Number Unemployed	678
Employers	954
Job Service Applications	4,112
One-Stop	VEC
Commute Time to Next Location - Emporia	45 min.



Annual Operating Cost: Staff (11) and Facility	\$845,807
Civilian Labor Force	68,240
Number Unemployed	2,497
Employers	2,819
Job Service Applications	8,558
One-Stop	Not a One-Stop
Commute Time to Next Location - Portsmouth	25 min.



Annual Operating Cost: Staff (34) and Facility	\$1,841,869
Civilian Labor Force	71,180
Number Unemployed	2,945
Employers	3,339
Job Service Applications	14,695
One-Stop	VEC
Commute Time to Next Location – Metro Richmond South	31 min.



Annual Operating Cost: Staff (12) and Facility	\$794,618
Civilian Labor Force	49,116
Number Unemployed	1,657
Employers	3,172
Job Service Applications	4,233
One-Stop	VEC
Commute Time to Next Location – Metro Richmond North	59 min.



# Williamsburg

(Owned)

Annual Operating Cost: Staff (14) and Facility	\$691,977
Civilian Labor Force	34,516
Number Unemployed	1,043
Employers	2,290
Job Service Applications	4,958
One-Stop	VEC
Commute Time to Next Location - Hampton	31 min.



Annual Operating Cost: Staff (13) and Facility	\$1,053,378
Civilian Labor Force	103,650
Number Unemployed	3,032
Employers	5,332
Job Service Applications	9,344
One-Stop	VEC
Commute Time to Next Location - Harrisonburg	74 min.



# Wytheville

Annual Operating Cost: Staff (10) and Facility	\$761,654
Civilian Labor Force	18,549
Number Unemployed	789
Employers	897
Job Service Applications	5,274
One-Stop	VEC
Commute Time to Next Location - Marion	29 min.



# Grundy Customer Contact Center

Annual Operating Cost:	
Facility	\$ 619,685
Contract	\$ 263,991
Staff (67)	\$2,034,834
<b>Total</b>	<b>\$2,918,510</b>



# South Boston Customer Contact Center

Annual Operating Cost:	
Facility	\$ 355,089
Contract	\$ 258,991
Staff (51)	\$1,414,038
<b>Total</b>	<b>\$2,028,118</b>



# Public Input



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