

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

Senate Bill 1053

FISCAL
NOTE

By Senator Helton

[Introduced February 21, 2026; referred
to the Committee on the Workforce; and then to the
Committee on Finance]

1 A BILL to amend and reenact §21A-5-5 of the Code of West Virginia, 1931, as amended; and to
2 amend the code by adding a new section, designated §21A-9-10, relating to authorizing an
3 Unemployment Automation and Administration Fund to be used to modernize and
4 enhance WorkForce West Virginia automation and initiatives; directing seven percent of
5 the employer contribution to be deposited into the Unemployment Automation and
6 Administration Fund; limiting said deposits when the fund reaches \$18 million in a fiscal
7 year or when the Unemployment Compensation Trust Fund falls below a balance of \$300
8 million; allowing the Commissioner for WorkForce West Virginia to disburse funds from
9 the Unemployment Automation and Administration Fund to modernize the
10 unemployment compensation system, upgrade the job search system, cover essential
11 administrative costs, and engage in additional initiatives designed to bolster workforce
12 development initiatives; and authorizing the promulgation of legislative rules.

Be it enacted by the Legislature of West Virginia:

ARTICLE 5. EMPLOYER COVERAGE AND RESPONSIBILITY.

§21A-5-5. Rate of contribution.

1 (a) On or after January 1, 1941, an employer shall make payments to the unemployment
2 compensation fund equal to two and seven-tenths percent of wages paid by him or her with
3 respect to employment during each calendar year beginning with the calendar year 1941, subject,
4 however, to other provisions of this article; except that on and after January 1, 1972, each
5 employer subject to this chapter shall pay contributions at the rate of one and five-tenths percent of
6 wages paid by him or her with respect to employment during each calendar year until he or she has
7 been an employer for not less than thirty-six consecutive months ending on the computation date;
8 thereafter, his or her contribution rate shall be determined in accordance with the provisions of
9 section ten of this article.

10 (b) On and after July 1, 1981, each employer subject to this chapter shall pay contributions at
11 the rate of two and seven-tenths percent of wages paid by him or her with respect to

12 employment during each calendar year until he or she has been an employer for not less than
 13 thirty-six consecutive months ending on the computation date; thereafter, his or her contribution
 14 rate shall be determined in accordance with the provisions of section ten of this article.

15 (c) Notwithstanding any other provision of this chapter to the contrary, on or after July 1,
 16 1981, any foreign corporation or business entity engaged in the construction trades shall pay
 17 contributions at the rate of seven and five-tenths percent of wages paid by him or her with respect to
 18 employment during each calendar year until he or she has been an employer for not less than
 19 thirty-six consecutive months ending on the computation date; thereafter, his or her contribution
 20 rate shall be determined in accordance with the provisions of section ten of this article.

21 (d) Subject to the provisions of §21A-9-10 of this code, seven percent of any
 22 employer contribution required by this section shall be paid into the Unemployment
 23 Automation and Administration Fund.

ARTICLE 9. UNEMPLOYMENT COMPENSATION ADMINISTRATION FUND.

§21A-9-10. Unemployment Automation and Administration Fund Authorized; amount.

1 (a) Definitions. –

2 (1) "Employer contributions" means the employer contributions required by §21A-5-5 of
 3 this code.

4 (2) "Fiscal year" means a 12-month period beginning on July 1 and ending on June 30.

5 (3) "Unemployment Compensation Trust Fund" means the Unemployment Compensation
 6 Trust Fund established by §21A-8-1 of this code.

7 (b) Creation of Fund. – There is hereby create a special trust fund which shall be
 8 designated and known as the "Unemployment Automation and Administration Fund," to be
 9 administered by the Commissioner of WorkForce West Virginia. The Unemployment Automation
 10 and Administration Fund shall be treated by the Auditor and Treasurer as a special revenue fund,
 11 and not as part of the general revenues of the state. Any funds remaining in the Unemployment
 12 Automation and Administration Fund at the end of the fiscal year shall not revert to the General

13 Revenue Fund.

14 (c) Source of Funding. – The fund shall consist of the following:

15 (1) Subject to the limitations set forth in subsection (d) of this section and starting with the
16 fiscal year beginning on July 1, 2026, seven percent of the employer contribution shall be paid by
17 the employer to the Unemployment Automation and Administration Fund. The remaining
18 employer contribution shall continue to be paid to the Unemployment Compensation Trust Fund.
19 Employers shall pay their employer contributions quarterly to WorkForce West Virginia.

20 (2) The fund may also consist of all income earned on moneys held in the fund, or from
21 any investments related thereto.

22 (d) Limitations on Fund Contributions. –

23 (1) Once the Unemployment Automation and Administration Fund has received \$18 million in
24 a single fiscal year, no further deposits shall be made for the remainder of the fiscal year, and any
25 moneys due to the Unemployment Automation and Administration Fund will instead be
26 deposited in the Unemployment Compensation Trust Fund.

27 (2) If the balance in the Unemployment Compensation Trust Fund falls below \$300 million,
28 then any funds due to the Unemployment Automation and Administration Fund will instead be
29 deposited into the Unemployment Compensation Trust Fund until the Unemployment
30 Compensation Trust Fund has maintained a minimum of \$300 million for two consecutive
31 quarters, or until the end of that fiscal year, whichever comes later.

32 (e) Disbursements from the Fund. – The Commissioner of WorkForce West Virginia is
33 authorized to disburse funds from the Unemployment Automation and Administration Fund, at his
34 or her discretion, for any of the following purposes:

35 (1) Modernizing the unemployment compensation system, including new technology and
36 infrastructure, which may lead to quicker processing times for claims, addresses vulnerabilities to
37 fraud, integrates real-time data analytics to ensure more accurate benefit distribution, or otherwise
38 adapts to economic shifts or policy changes;

39 (2) Upgrading the job search system by allowing mobile optimization, more advanced job
40 recommendations, seamless integration with training programs, personalized career coaching
41 tools, virtual job fairs, or partnerships with other platforms to broaden reach and improve match
42 quality;

43 (3) Covering essential administrative costs, such as staff training, technological
44 maintenance, or operational audits; and

45 (4) Engaging in additional initiatives designed to bolster workforce development initiatives,
46 including expanded training programs, removal of barriers to entering the workforce, targeting
47 outreach campaigns, or partnering with employers.

48 (f) Legislative Rulemaking. – The Commissioner of WorkForce West Virginia is authorized
49 to promulgate legislative rules, emergency legislative rules, and procedural rules pursuant to the
50 requirements of §29A-3-1 et seq. of this code.

NOTE: The purpose of this bill is to authorize Unemployment Automation and Administration Fees on certain employers to support administration and automation efforts, subject to a cap on collections, suspension of the fee and rate reduction when the Unemployment Compensation Trust Fund balance falls below \$300 million dollars, and sets forth disbursements for modernization of WorkForce West Virginia.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.