

# **WEST VIRGINIA LEGISLATURE**

**2026 REGULAR SESSION**

**Committee Substitute**

**for**

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**for**

**Senate Bill 1053**

BY SENATORS HELTON AND ROBERTS

[Reported February 26, 2026, from 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 employer contributions to the Unemployment Compensation Fund be deposited into the  
6 Unemployment Automation and Administration Fund; limiting said deposits when the  
7 Unemployment Automation and Administration Fund reaches \$18 million in a given fiscal  
8 year or when the balance of the Unemployment Compensation Fund falls below \$300  
9 million; authorizing the Commissioner of WorkForce West Virginia to disburse funds from  
10 the Unemployment Automation and Administration Fund to modernize the  
11 unemployment compensation system, upgrade the job search system, cover essential  
12 administrative costs, and engage in additional initiatives designed to bolster workforce  
13 development initiatives; authorizing rulemaking; and establishing an effective date.

*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  
6 of wages paid by him or her with respect to employment during each calendar year until he or she  
7 has been an employer for not less than thirty-six consecutive months ending on the computation  
8 date; thereafter, his or her contribution rate shall be determined in accordance with the provisions  
9 of section ten of this article.

10           **(b)** On and after July 1, 1981, each employer subject to this chapter shall pay contributions  
11 at 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 36 consecutive months ending on the computation date; thereafter, his or her contribution rate  
14 shall be determined in accordance with the provisions of §21A-5-10 of this code.

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  
18 to 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 §21A-5-10 of this code.

21           **(d)** Pursuant 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 created by §21A-9-10 of this code.

## **ARTICLE 9. UNEMPLOYMENT COMPENSATION ADMINISTRATION FUND.**

### **§21A-9-10. Unemployment Automation and Administration Fund.**

1           **(a) Definitions.** — For purposes of this section:  
2           "Employer contribution" means the employer contribution to the Unemployment  
3 Compensation Fund required by §21A-5-5 of this code.

4           "Fiscal year" means the 12-month period beginning on July 1 and ending on June 30 of  
5 each year.

6           "Unemployment Compensation Fund" means the Unemployment Compensation Fund  
7 established by §21A-8-1 of this code.

8           **(b) Creation of fund.** — There is hereby created a special trust fund which shall be  
9 designated and known as the Unemployment Automation and Administration Fund, to be  
10 administered by the Commissioner of WorkForce West Virginia. The Unemployment Automation

11 and Administration Fund shall be treated by the Auditor and Treasurer as a special revenue fund,  
12 and not as part of the general revenues of the state. Any funds remaining in the Unemployment  
13 Automation and Administration Fund at the end of the fiscal year shall not revert to the General  
14 Revenue Fund.

15 (c) Source of funding. — The fund shall consist of the following:

16 (1) Subject to the limitations set forth in subsection (d) of this section, seven percent of the  
17 employer contribution to the Unemployment Compensation Fund shall be allocated to the  
18 Unemployment Automation and Administration Fund. The remaining portion of the employer  
19 contribution shall continue to be paid to the Unemployment Compensation Fund. Employers shall  
20 pay their employer contributions quarterly to WorkForce West Virginia.

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

23 (d) Limitations on fund contributions. —

24 (1) In the event that the Unemployment Automation and Administration Fund is allocated  
25 \$18 million or more from employer contributions in a given fiscal year, no further employer  
26 contribution deposits to the fund shall be made for the remainder of that fiscal year, and any funds  
27 due to the Unemployment Automation and Administration Fund pursuant to the provisions of  
28 this section and of §21A-5-5 of this code will instead be deposited in the Unemployment  
29 Compensation Fund.

30 (2) If at any time the balance in the Unemployment Compensation Fund falls below \$300  
31 million, then any funds due to the Unemployment Automation and Administration Fund pursuant  
32 to the provisions of this section and of §21A-5-5 of this code will instead be deposited into the  
33 Unemployment Compensation Fund until the Unemployment Compensation Fund has  
34 maintained a minimum balance of \$300 million for two consecutive quarters, or until the  
35 end of a given fiscal year, whichever comes later.

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

39 (1) Modernizing the unemployment compensation system, including new technology and  
40 infrastructure, which may lead to faster processing times for claims, address vulnerabilities to fraud,  
41 integrate real-time data analytics to ensure more accurate benefit distribution, or otherwise adapt to  
42 economic shifts or policy changes;

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

47 (3) Covering essential administrative costs, including, but not limited to, staff training,  
48 technological maintenance, or operational audits; and

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

52 (f) Rulemaking. — The Commissioner of WorkForce West Virginia is authorized to  
53 promulgate legislative rules, emergency legislative rules, and procedural rules pursuant to the  
54 requirements of §29A-3-1 et seq. of this code.

55 (g) The provisions of this section shall be effective July 1, 2026.