An Act amending title 24 Virgin Islands Code, chapter 12 relating to unemployment benefits by: reducing the number of weeks that unemployment benefits can be received; increasing the statute of limitations for the collection of overpayments of unemployment benefits from claimants and for delinquent employer contribution; allowing for the implementation of the payroll variation methodology launch in the calendar year beginning January 2024; implementing a 10-year record retention period for employers; and requiring employers to register with the Virgin Islands State Information Data Exchange System.

PROPOSED BY: Senator Novelle E. Francis, Jr., by Request of the Governor

WHEREAS, economic insecurity due to unemployment is a threat to the health, morals, and welfare of the people of the Virgin Islands; and

WHEREAS, the systematic payment of contributions by employers during periods of employment from which benefits may be paid to workers during periods of unemployment enables the unemployed to meet their essential obligations for a reasonable period until they are able to return to work; and

WHEREAS, sixteen weeks is a reasonable period for payment of unemployment benefits that would enable the unemployed to meet their essential obligations; and

WHEREAS, the recovery of delinquent contributions from employers is crucial to maintaining the integrity and solvency of the unemployment insurance system; and
WHEREAS, the payroll variation methodology is an equitable way to determine the level of contributions that each employer must meet based on their history of consistent employment of workers; and

WHEREAS, a continuation of the implementation of the payroll variation methodology launch to the calendar year beginning January 2024 would allow a launch of the new tax methodology with online employer access; and

WHEREAS, the ability of employers to receive and request information from the Division of Unemployment Insurance electronically and without delay is necessary for the efficiency of the Unemployment Insurance Program; Now, Therefore,

Be it enacted by the Legislature of the Virgin Islands:

SECTION 1. Title 24 Virgin Islands Code, chapter 12 is amended in the following instances:

(a) Section 303 is amended as follows:

(1) In subsection (b), paragraph (1), strike “one twenty-sixth (1/26)” and insert “one-sixteenth (1/16)”; and

(2) In subsection (d), strike “26” and insert “16”.

(b) Section 305, subsection (j) is amended as follows:

(1) In paragraph (1), strike “two-year” and insert “five-year”;

(2) In paragraph (2), strike both occurrences of “two-year” and insert “five-year”;

and

(3) In paragraph (4), strike “of Labor” after “Commissioner”, and insert the following sentence at the end of the paragraph: “The Commissioner may place a lien on a claimant’s property to assure repayment. The statute of limitations to collect on a lien placed on claimant’s property is 10 years from the date of the lien.”

(c) Section 308 is amended as follows:
(1) In subsection (b), paragraph (6), strike “2020” and insert “2024”;

(2) In subsection (b), paragraph (7), subparagraphs (C) and (E), strike “2021” and insert “2024”.

(d) In section 309, subsection (k), strike “five” and insert “10”.

(e) In section 312, subsection (d), paragraph (1), strike “such periods of time” and insert “the preceding 10 calendar years”.

(f) Add section 315b to read as follows:

“§315b. Registration with the Virgin Islands State Information Data Exchange System

Each employer in the Virgin Islands shall register with the Virgin Islands State Information Data Exchange System on the Department of Labor’s website.”

BILL SUMMARY

This bill amends title 24 Virgin Islands Code, chapter 12. Section 303 was amended to allow for the adjustment of the duration of the receipt of unemployment benefits from 26 to 16 weeks. This reduction in weeks will slow benefits and positively impact the unemployment insurance trust fund. Section 305 was amended to increase the statute of limitations from two years to five years for the collection of overpayments of unemployment benefits made to claimants. Section 305 was also amended to establish a 10-year statute of limitations to collect on a lien placed on a claimant’s property. Section 308 was amended to allow for the implementation of the payroll variation methodology launch in the calendar year beginning January 2024. Section 309 was amended to increase the time period from five years to ten years for the discovery of assets of the delinquent employer which are subject to execution in the Virgin Islands. Section 312 was amended to provide for a 10-year employer record retention regulation. Section 315b was added to require all employers to register with the Virgin Islands
State Information Data Exchange System which system gives employers the ability to receive and request information from the Division of Unemployment Insurance electronically.

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