

# VIRGINIA



# EMPLOYMENT MONTHLY

## July 2023



## Virginia's June Unemployment Rate Decreases to 2.7%

Labor Force Participation Rate Rises to 66.6%, Highest Since January 2013

- Virginia's seasonally adjusted **unemployment rate** edged downward in June to **2.7** percent, which is 0.2 of a percentage point above the rate from a year ago. According to household survey data in June, the **labor force** increased by 13,757 to **4,588,082** as the number of unemployed residents decreased by 9,354 to 125,054. The number of employed residents rose by 23,111 to 4,463,028. Virginia's seasonally adjusted unemployment rate continues to be below the national rate, which decreased to 3.6 percent.
- The **labor force participation rate** rose to **66.6 percent** in June, the highest since January 2013.
- Virginia's **nonagricultural employment**, from the monthly establishment survey, rose by 2,900 jobs in June to **4,146,400**. May's preliminary estimate was revised down by 3,400, subtracting from that month's job gain. In June, private sector employment decreased by 3,100 jobs to 3,412,500 while public sector employment increased by 6,000 to 733,900. A decrease within that sector occurred in federal government (-300 jobs), while state government grew by 4,500 jobs and local government rose by 1,800 jobs over the month.
- Employment rose in six of eleven major industry sectors and declined in five. The largest job gain during June occurred in government, with an increase of 6,000 jobs to 733,900. The second largest increase occurred in manufacturing (+900 jobs) to 246,200. Trade, transportation, and utilities was third, with a gain of 700 jobs, rising to 666,600.
- The largest job loss during June occurred in construction (-3,200 jobs) to 211,900. The second largest decrease occurred in information, with a decrease of 1,000 jobs to 71,400. The third largest loss occurred in leisure and hospitality services, with a decrease of 900 jobs to 407,900.
- From June 2022 to June 2023, the VEC estimates that establishments in Virginia gained 92,500 jobs, an increase of 2.3 percent. In June, the private sector recorded an over-the-year gain of 70,300 jobs, while employment in the public sector increased by 22,200 jobs.

## Virginia Employment - June 2023

(seasonally adjusted)

<b>United States Unemployment Rate</b> (June 2022 - June 2023 percentage point)	<b>3.6%</b> (0.0)
<b>Virginia Unemployment Rate</b> (June 2022 - June 2023 percentage point)	<b>2.7%</b> (0.2)
<b>Civilian Labor Force</b> (June 2022 - June 2023 Change)	<b>4,588,082</b> (3.6%)
<b>Labor Force Participation Rate</b> (June 2022 - June 2023 percentage point)	<b>66.6%</b> (1.8)
<b>Total Nonfarm Employment</b> (June 2022 - June 2023 Change)	<b>4,146,400</b> (2.3%)
<b>Number of Establishments, 4th Quarter 2022</b> (4th Quarter 2021 - 4th Quarter 2022 Change)	<b>307,995</b> (5.6%)
<b>Average Weekly Wage, 4th Quarter 2022</b> (4th Quarter 2021 - 4th Quarter 2022 Change)	<b>\$1,416</b> (-0.6%)

## May 2023 Unemployment Rates by MSA

(Percent - not seasonally adjusted)

(May 2022 - May 2023 percentage point)

Blacksburg-Christiansburg-Radford MSA	<b>2.9 (-0.1)</b>
Bristol MSA (VA part)	<b>2.9 (-0.2)</b>
Charlottesville MSA	<b>2.5 (-0.2)</b>
Harrisonburg MSA	<b>2.9 (-0.1)</b>
Lynchburg MSA	<b>3.2 (-0.1)</b>
Northern VA MSA (VA part)	<b>2.4 (-0.2)</b>
Richmond MSA	<b>2.8 (-0.2)</b>
Roanoke MSA	<b>2.7 (-0.2)</b>
Staunton-Waynesboro MSA	<b>2.6 (-0.2)</b>
Virginia Beach-Norfolk-Newport News, Virginia/NC MSA (VA part)	<b>2.9 (-0.3)</b>
Winchester, Virginia/WV MSA (VA part)	<b>2.5 (0.0)</b>

<https://www.vec.virginia.gov/> • [www.VirginiaWorks.com](http://www.VirginiaWorks.com)



Economic Information & Analytics Division  
6606 West Broad St., Richmond, VA 23230

## Trust Fund Data - June 2023

### Financial Data

- Trust Fund Balance (millions) \$1,546.3
- Tax Revenue (Monthly) (millions) \$1.5

### Benefits Data

- Benefits Paid (Monthly) (millions) \$24.3
- Average Weekly Benefit \$335.85
- Initial Claims (YTD) 77,932

### Initial and Continued Claims

#### Initial Claims:

- There were 12,474 initial claims in June 2023.
- Initial claims decreased by 6.3% over-the-month and decreased by 16.5% over-the-year.
- Year-to-date initial claims were 3.3% higher in June 2023 compared to the same period in 2022.

#### Continued Claims:

- There were 67,755 continued claims in June 2023.
- This was a -7.4% decrease over-the-month and a 16.9% increase over-the-year.
- Year-to-date continued claims were 38.6% higher than during the same period in 2022.

*Note: Claims counts include interstate and intrastate.*

Monthly Claims Data			
	Initial Claims	Recipients	Final Payments
June 2023	12,474	13,195	1,258
May 2023	13,318	14,473	1,492
June 2022	14,946	8,518	1,739



## Virginia Unemployment Insurance Weekly Initial Claims at 2,424; Administrative and Support and Waste Management Leading Industry for Claims

For the filing week ending July 15, the figure for seasonally unadjusted initial claims in Virginia was 2,424, which was a decrease of 392 claimants from the previous week. Continued weeks claimed totaled 13,696, which was 400 claims higher than the previous week and an increase of 28.8 percent from the 10,636 continued claims from the comparable week last year. Ninety-three percent of claimants self-reported an associated industry, of those reported over half (57 percent) of continued claims were from professional, scientific, and technical services (1,885), administrative and support and waste management (1,848), manufacturing (1,301), health care and social assistance (1,274), and retail trade (1,012).

Eligibility for benefits is determined on a weekly basis, and so not all weekly claims filed result in a benefit payment. This is because the initial claims numbers represent claim applications; claims are then reviewed for eligibility and legitimacy.

In the week ending July 15, the advance U.S. figure for seasonally adjusted initial claims was 228,000, a decrease of 9,000 from the previous week's unrevised level of 237,000.

To receive notice of future issues, please subscribe: <https://www.vec.virginia.gov/press-release-mailing-list>

# New House Bill 1924 Champions Disabled Workers in Virginia

*Sarah Cuba, Assistant Data Scientist*



On April 12th of this year, Governor Glenn Youngkin signed House Bill (HB) 1924, which, as of July 1st, outlawed the practice of hiring and paying workers with disabilities less than minimum wage.<sup>1</sup> Those employers with a special certificate authorized under the federal Fair Labor Standards Act to pay certain employees with disabilities less than minimum wage prior to July 1, 2023, will be grandfathered in and given until July 1, 2030, when their authorization ends, to raise pay for these workers to Virginia's minimum wage.

## The History of Subminimum Wages

Minimum wage laws exist in the U.S. in order to ensure that workers are compensated fairly for their time and efforts. However, Section 14(c) of the Fair Labor Standards Act of 1938 created a loophole in federal minimum wage law that allows employers to pay disabled workers less than the minimum wage if they acquire a 14(c) certificate from the Department of Labor.<sup>2</sup> In a 2023 study published by the U.S. Government Accountability Office, since August 2019 most workers under 14(c) make less than \$3.50 per hour, which is less than half of the federal minimum wage of \$7.25, and less than one-third of Virginia's \$12 minimum wage.<sup>2</sup> Disability rights advocates have fought for years to close this loophole, and now, Virginia has become just the 14th state to outlaw it.<sup>3</sup>

## Disability in Virginia

According to the Centers for Disease Control and Prevention, approximately one in four adults in Virginia (24 percent) have a disability.<sup>4</sup> Disabilities can include difficulties with mobility, cognition, independent living, hearing, vision, or self-care.<sup>4</sup> Though disability is highly stigmatized, people living with disabilities can have full, meaningful lives that include employment and careers. Currently over 4 percent of workers in Virginia have a disability, and as the workforce ages, this number will continue to increase.<sup>5</sup> However, only 34 percent of disabled adults aged 21-64 in Virginia are employed.<sup>5</sup> Some argue that allowing employers to pay disabled workers subminimum wages leads to increased employment opportunities and an improved quality of life, but is this true?

1. See Virginia's Legislative Information System, "HB 1924 Minimum Wage; Employees with Disabilities." Accessed on July 19, 2023: <https://lis.virginia.gov/cgi-bin/legp604.exe?231+sum+HB1924>

2. See the U.S. Government Accountability Office "Subminimum Wage Program: DOL Could Do More to Ensure Timely Oversight." Accessed on July 19, 2023: <https://www.gao.gov/products/gao-23-105116#:~:text=Publicly%20Released%3A%20Feb%2024%2C%202023,less%20than%20%243.50%20an%20hour>

3. See The Association of People Supporting Employment First "2023 State Legislative Watch", accessed on July 19, 2023: <https://apse.org/state-legislation/>



A 2020 report by the U.S. Commission on Civil Rights detailed how people with disabilities who worked under Section 14(c) testified to Congress that they experienced harm to their dignity through being paid subminimum wages and were not treated as equal members of their communities.<sup>6</sup> The report also found that 14(c) workers often, “remain in the program for decades with little movement to other or different jobs, contrary to the program’s purpose of skill-building, preparing and/or increasing work readiness, and transitioning people with disabilities to mainstream employment.”<sup>6</sup> From a financial standpoint, subminimum wages are shown to exacerbate the already high rates of poverty found among disabled workers.<sup>7</sup> Given these findings, the passage of House Bill 1924 offers adults with disabilities the chance to work at a living wage in integrated environments that supply them with opportunities for growth and success.



## Hiring Workers with Disabilities

Virginia employers may be wary of hiring workers with disabilities due to fears of increased costs from worker compensation claims or implementing accommodations. However, according to the Virginia Department for Aging and Rehabilitative Services, it has been shown that there is no difference in worker compensation claims between employees with or without disabilities.<sup>5</sup> In regards to accommodations, only 44 percent of disabled employees require accommodations, and 73 percent of companies report no additional cost to implement necessary accommodations.<sup>5</sup> For accommodations that require additional expenditures on the part of the employer, the costs average about \$400-\$600 per employee.<sup>5</sup> The Internal Revenue Service also offers three different tax benefits to incentivize small businesses to hire workers with disabilities:

The *Disabled Access Credit* gives small businesses that spend money to implement accessibility in their workplace a non-refundable tax credit for every year that they incur access expenditures.

The *Architectural Barrier Removal Tax Deduction* allows businesses to claim a tax deduction of up to \$15,000 a year for expenses they incur by removing architectural and transportation barriers to increase accessibility.

The *Work Opportunity Tax Credit* gives tax credits to employers who hire qualified individuals from target groups, including people with disabilities.<sup>8</sup>

In conclusion, the passage of HB 1924 represents a historic victory for the rights of workers with disabilities in Virginia. The bill also requires the Department for Aging and Rehabilitative Services and the Department of Behavioral Health and Developmental Services to prioritize efforts to support individuals with disabilities who desire to transition from subminimum wage employment to competitive integrated employment and submit a report by May 1, 2024 to the Governor and the General Assembly on the number of individuals with disabilities employed in subminimum wage employment and the movement of individuals from subminimum wage employment to competitive integrated employment. As the Commonwealth’s workforce ages, championing equal and accessible work environments will benefit more workers and allow for more diverse and innovative workplaces.

4. See the Centers for Disease Control and Prevention, “Disability & Health U.S. State Profile Data for Virginia (Adults 18+ years of age)” accessed on July 19, 2023: <https://www.cdc.gov/ncbddd/disabilityandhealth/impacts/virginia.html>

5. See the Virginia Department for Aging and Rehabilitative Services “Frequently Asked Questions”, accessed on July 19, 2023: <https://www.dars.virginia.gov/drs/business-services/faq.htm>

6. See page 219 of the U.S. Commission on Civil Rights 2020 Statutory Enforcement Report “Subminimum Wages: Impacts on the Civil Rights of People with Disabilities”, accessed on July 19, 2023: <https://www.usccr.gov/files/2020/2020-09-17-Subminimum-Wages-Report.pdf>

7. See Maroto, M., & Pettinicchio, D. (2023). Worth Less? Exploring the Effects of Subminimum Wages on Poverty among U.S. Hourly Workers. *Sociological Perspectives*, 66(3), 455–475. <https://doi.org/10.1177/07311214221124630>, accessed on July 19, 2023

8. See the Internal Revenue Service “Tax Benefits for Businesses Who Have Employees with Disabilities” accessed on July 19, 2023: <https://www.irs.gov/businesses/small-businesses-self-employed/tax-benefits-for-businesses-who-have-employees-with-disabilities>



## Upcoming Events

### UVA Aramark - Hiring Event

**June 28th - August 4th, 10 a.m. to 4 p.m., Monday-Friday  
Valley / Roanoke**

Come be a part of the action! Join University of Virginia for an interview!

We are hiring for the following: Cook, Food Service Worker, General Utility Worker, Baker, and Catering Services Worker.

[Learn more about this event](#)

### Jones Heating & Air

**August 1, 2023 - Statewide**

JOIN OUR WINNING TEAM!

Jones Heating & Air will be holding a hiring event at City Space on the Charlottesville Downtown Mall. The event is being held August 1st from 10 a.m. to 2 p.m., offering on the spot interviews for the following positions:

[Learn more about this event](#)

### FEMA Job Fair Hosted by Virginia Career Works Winchester Center

**August 2, 2023 - Northern Virginia / Northern Valley**

FEMA is hiring!

The Federal Emergency Management Agency (FEMA) is hiring for the Consolidated Resource Center in Winchester.

[Learn more about this event](#)

### United Health Care Sales Jobs Open House - Roanoke, VA

**First Wednesday of each month, Noon to 2 p.m. - Valley /  
Roanoke**

UnitedHealthcare is a company that's on the rise. We're expanding in multiple directions, across borders and, most of all, in the way we think. Here, innovation isn't about another gadget, it's about transforming the health care industry. Ready to make a difference?

[Learn more about this event](#)

### Super Tuesday "Hybrid" Hiring Event

**Second Tuesday of each month, 9 a.m. to Noon - Hampton  
Roads**

You are invited to participate in our 2023 Super Tuesday Hybrid Hiring Events, scheduled for the second Tuesday of each month. These hybrid events consist of two components. The In-person component will run from 9 a.m. to Noon, every second Tuesday of the month. The Virtual component will run from 10 a.m. to Noon, every second Tuesday of each month.

[Learn more about this event](#)

### Virginia Workforce Connection Winchester Job Fair

**Third Thursday of each month, 1 to 4 p.m. - Northern  
Virginia / Northern Valley**

Virginia Workforce Connections will be hosting a Job Fair for the following employers:

Seniors First - VICAP Program Coordinator, Finance Director

Hilltop - CNA's, Med Techs, Resident Care Assistants

Performance Food Services - CDL Drivers

[Learn more about this event](#)

**For more Info on Upcoming Job Fairs,  
Visit the Job fair page at**

<https://www.vec.virginia.gov/job-fairs>