

REPORT OF THE SECRETARY OF LABOR

**Wage Protection Division
Implementation Plan
(2026 Appropriation Act, Item
352.D.)**

TO THE GENERAL ASSEMBLY OF VIRGINIA



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Virginia Department of Labor and Industry

Wage Protection Division

Implementation Plan

A Report to the General Assembly pursuant to 2026 Special Session
I, Chapter 1, Item 352(D)



September 15, 2026

Secretary of Labor
Virginia Department of Labor and Industry

Executive Summary

The Virginia Secretary of Labor is responsible for overseeing four state agencies that implement the Commonwealth's labor and employment and occupational licensing laws and provide workforce development services and unemployment insurance benefits. Combined, these agencies serve 4.3 million workers and support 300,000 employers across the Commonwealth. The Virginia Department of Labor and Industry (DOLI) is charged with promoting safe workplaces and with enforcing wage protection laws. DOLI is agency responsible for implementing, administering, and enforcing many of Virginia's newest worker protection laws.

In 2026, Virginia's General Assembly passed, and Governor Spanberger signed, more than a dozen laws that significantly expanded worker protections in Virginia. Several of these laws gave additional administrative and enforcement authority to DOLI, including increased responsibilities for protecting workers from wage theft by enforcing laws addressing payment of wages, minimum wage and overtime, worker misclassification, prevailing wage, and other workplace protections. New laws also gave DOLI enforcement authority for the new state Paid Sick Leave law and for employment protections under the new Paid Family and Medical Leave law. Together, these laws help ensure working Virginians can rely on receiving the wages they've earned and can take paid time off for medical and family reasons without fear of losing their jobs. They also provide clear standards for employers across the Commonwealth and promote a level playing field for businesses that comply with the law.

The 2026 Appropriation Act appropriated \$6.5 million in Fiscal Year 2027 and \$3.635 million in Fiscal Year 2028 to DOLI from the general fund for labor law enforcement activities and to develop a comprehensive case management system. (2026 Special Session I, Chapter 1, Item 352) With these funds, DOLI is in the process of hiring and training twenty additional investigators who will be responsible for recovering wages that were earned but not paid to workers. This new staff will join the four current investigators to engage in outreach, education, and strategic enforcement of new and existing wage protection laws. This report outlines DOLI's plan for implementing the organizational changes needed to transform the agency's current labor law program and stand up its Wage Protection Division over the next three years.

The Secretary of Labor and DOLI's implementation goals for the new Wage Protection Division are focused on creating sustainable operational capacity, providing necessary technical and compliance assistance to employers, and ensuring that workers receive the protections they are entitled to under the law.

Background

Wage protection laws help ensure that workers receive the wages that they have earned, that young workers are shielded from unlawful employment practices, that employees are not improperly classified or denied protections to which they are entitled, and that workers on covered public construction projects receive required prevailing wages. Effective administration of these laws also supports employers by providing clear information about their obligations and promoting a level playing field for businesses that comply with the law.

In 2026, the General Assembly passed, and Governor Spanberger signed, more than a dozen new worker protection bills. Many of these bills include additional responsibilities for DOLI to implement and enforce, including a landmark bill that addresses wage theft across the Commonwealth by expanding DOLI's authority to enforce state minimum wage, overtime, and prevailing wage requirements. DOLI has also been charged with enforcing the state Paid Sick Leave law, which goes into effect in 2027, and for implementing employment protections related to the Paid Family and Medical Leave program which will begin providing benefits in 2028. Collectively, these laws have a direct impact on Virginia workers, families, employers, and communities and as these responsibilities expand, DOLI must have the capacity to both provide compliance assistance to employers and to identify patterns of noncompliance and strategically address violative practices that may affect workers across sectors and industries.

Recognizing the growing scope and complexity of these responsibilities at DOLI, the 2026 Appropriation Act appropriated \$6.5 million in Fiscal Year 2027 and \$3.635 million in Fiscal Year 2028 from the general fund to support critically needed additional personnel for wage protection enforcement activities and development of a comprehensive case management system.

Item 352(D) also directed the Secretary of Labor, in collaboration with DOLI, to submit an implementation plan to the General Assembly addressing four areas:

- I. The reorganization of the labor law divisions' current responsibilities;
- II. A hiring strategy for additional personnel;
- III. Space considerations necessary to accommodate expanded staffing; and
- IV. Additional resources needed for Fiscal Year 2028.

These four considerations provide the framework for this implementation plan. Supporting considerations, including technology, equipment, recruitment, training, internal processes, and change management, are also incorporated throughout the plan where they directly affect implementation.

The Secretary of Labor expects that over the next three years, DOLI will build the organizational capacity and infrastructure necessary to administer its expanded

responsibilities effectively and sustainably for the benefit of Virginia’s 4.3 million workers and ensure that the necessary resources are available for employers across the Commonwealth to comply with the law. DOLI’s approach therefore considers the addition of personnel, as well as the leadership, systems, facilities, processes, and supporting infrastructure necessary to provide effective service delivery and enforcement capacity. This approach provides a means to immediately begin to address issues within the new legal framework while DOLI builds the infrastructure.

I. Reorganization of the DOLI Labor Law Division’s Current Responsibilities

The critical new wage protection laws that strengthen the Commonwealth’s protections for working Virginians include the 2026 Wage Theft Prevention bill ([Chapter 1040](#)), which gives DOLI the authority to comprehensively enforce the Commonwealth’s laws against wage theft. This legislation demonstrates the General Assembly’s understanding that workers and employers need additional structure to ensure fair employment practices that support good jobs for Virginians and a level playing field that promotes fair competition for employers who follow the law. As DOLI’s responsibilities have expanded to address the challenges workers, employers, and communities are currently facing, DOLI’s organizational structures must also adjust to meet this demand.

DOLI’s Labor Law Program

For decades, DOLI’s Labor Law program has administered a portfolio of Virginia worker protection laws with minimal staffing. The Labor Law Division's Payment of Wage Unit is comprised of four Compliance Officers, all located in the Department's Harrisonburg Regional Office. The primary responsibility of this staff is to process wage claims for individual workers who have not received their final paycheck or other unpaid wages. In addition to the Payment of Wage Unit, the Division has approximately fifteen staff members dedicated to the areas of child labor enforcement, the administration of youth employment certificates and prevailing wage determinations, participation in human trafficking awareness coordination, and the administration and management functions to support these programs.

In Fiscal Year 2026, DOLI received 2,217 claims for unpaid wages and collected \$810,568 in back wages for Virginia workers, putting those earnings back in the pockets of employees and their families. DOLI also processed 16,680 youth employment certificate applications, conducted 1,552 youth employment inspections, and assessed \$468,063 in child labor penalties. Additionally, DOLI issued 1,195 prevailing wage determinations and responded to 197 requests for additional wage classifications.

The Payment of Wage Unit currently operates on a complaint-based framework. Workers file claims for unpaid wages with DOLI, and the Payment of Wage Unit conducts a paper- and telephone-based investigation of the claim, requesting documentation from the employer without visiting job sites for in-person investigation.

New Legislation and Strategic Enforcement Approach

The number and breadth of the state's new worker protection laws increase both the scope and complexity of DOLI's work and the impact it can have on economic security. Successful implementation will require DOLI's Labor Law Division to evolve into the Wage Protection Division. This evolution is demonstrated by the shift from a complaint-based individual wage claim model that relies on workers to bring violations to the attention of the agency to a coordinated, enterprise-wide, strategic enforcement framework. The objective of the new Wage Protection Division is not simply to increase enforcement activity; it is also to improve workplace compliance through education, outreach, strategic partnerships, data, and communications. Success is ultimately measured by both back wages collected for workers who have been victims of wage theft and improved compliance and lasting behavior change by employers.

The strategic enforcement model that has been adopted by DOLI is a data-driven approach that prioritizes high-risk industries where wage violations are most likely to occur, but where workers are least likely to file a complaint. DOLI's investigators will conduct on-site enforcement activities across the Commonwealth to identify violations of Virginia wage protection laws, to recover wages for workers, and to ensure future compliance. Enforcement resources will focus on receiving, assessing, triaging, investigating, and resolving violations and carrying out strategic enforcement activities. Supporting operations will include outreach, intake, program administration, data and records processes, public inquiries, strategic compliance, and other operational responsibilities necessary for effective program delivery.

DOLI will also integrate education with enforcement, understanding that guidance, webinars, FAQs, model policies, compliance toolkits, and stakeholder meetings can help prevent wage violations from occurring in the first place. DOLI will also build strategic partnerships that leverage relationships with a wide variety of organizations to expand DOLI's reach and maintain active engagement with employers, workers, and community groups that help build trust and improve outcomes.

The new organizational structure supports the transition to strategic enforcement by creating clearer accountability, strengthening leadership and supervisory capacity, and improving coordination across programs. The new structure establishes defined levels of leadership, including Deputy and Assistant Commissioner roles, supported by program Directors and appropriate supervisory levels, to ensure that responsibility and decision-making are positioned closer to the work while maintaining clear executive oversight.

Regional and program-level supervision will support more consistent case management, workload distribution, performance management, escalation of complex matters, and implementation of enforcement priorities.

DOLI's Wage Protection Division reorganization will be focused on the following priorities:

- **Strategic enforcement and investigative capacity.** DOLI will strengthen its capacity to conduct complaint-based investigations and begin to conduct agency-initiated strategic investigations. Data, research, complaint trends, stakeholder information, and other available indicators will help identify industries, employers, and practices where enforcement can protect large numbers of workers, address systemic violations, and deter future noncompliance. Investigative resources may be deployed at the individual, establishment, or enterprise level depending on the nature and scope of the potential violation.
- **Improved access and compliance assistance.** DOLI will strengthen intake and inquiry handling through coordinated public-facing support, reference materials, escalation protocols, and compliance-assistance materials that clearly communicate worker protections and employer obligations under new and existing legal authorities. DOLI will provide guidance, outreach, and education to ensure that employers understand their obligations under the law and that workers understand their rights and protections. Most employers want to comply with their legal requirements, and DOLI is committed to providing employers and industries with the information they need to understand and comply with the law.
- **Implementing a cross-training strategy.** Historically, DOLI compliance staff have been specialized within a single subprogram like child labor or prevailing wage. As DOLI adopts an integrated model, it will develop a cross-training matrix distinguishing functions suitable for cross-trained staff from those requiring specialized expertise. Intake, initial claim review, routine wage claims, and first-tier public inquiries are strong candidates for a cross-training model that balances workload and provides coverage. Functions such as prevailing wage determinations, complex or multi-employer wage investigations, and child labor and human trafficking matters will leverage experienced staff given their technical and legal complexity. Cross-training will be phased, paired with documented procedures, and structured so that staff build competence in adjacent areas without diluting specialized capacity.
- **Skills development and growth.** DOLI will establish a cohort training model to ensure investigators develop the knowledge and skills they need to enforce DOLI's core wage protection laws, including minimum wage, overtime, child labor, and prevailing wage requirements. DOLI will also develop training modules to ensure that staff are also trained on and prepared for their responsibilities associated with

the Paid Sick and Paid Family Medical Leave programs prior to their effective dates. Training will combine foundational instruction, program-specific technical learning, supervised application, and continuing development as employees progress toward independent investigative responsibility. More specialized or complex matters will continue to receive additional technical, legal, or supervisory support as necessary.

- **Supporting operations.** Program operational staff will support strategic enforcement by developing strategic compliance materials and providing technical assistance, issuing child labor certificates, maintaining public communication, collecting and analyzing data that drive decision-making and supporting the Commissioner in setting prevailing wage rates, and other critical programmatic functions.
- **Broader Department alignment.** The Wage Protection Division restructuring will be coordinated with broader Departmental organizational changes so that regulatory, enforcement, legal, policy, communications, administrative, and support functions are positioned to work across program boundaries. Reporting relationships will establish supervisory accountability without creating barriers to direct communication and cross-functional collaboration.
- **Change implementation.** Position descriptions, Employee Performance Profiles (EPPs), standard operating procedures, training, onboarding, and performance expectations will be aligned to the approved structure. Department leadership will use regular communication and employee feedback to support adoption and identify operational issues requiring adjustment.

II. Hiring Strategy for Additional Personnel

The 2026 Appropriations Act represents a significant investment in expanding DOLI's investigative capacity and requires a corresponding investment in recruitment, training, supervision, and workforce development.

DOLI began implementing the workforce strategy during the summer of 2026. DOLI started the hiring process for up to twenty Wage Protection Investigator positions with a [vacancy announcement](#) posted on July 30, 2026. An initial round of interviews has been completed with anticipated offers being extended in September. The vacancy announcement remains active, allowing DOLI to continue screening and interviewing qualified candidates as applications are received. With the addition of these investigators, the ratio of wage investigators to Virginia workers will go from 1 investigator for every one million Virginia employees to 1 investigator for every 180,000 employees, making it much more likely that wage protections become a reality for the most vulnerable employees in the Commonwealth.

The Governor also appointed a Deputy Commissioner to oversee the Wage Protection Division in September 2026. The Deputy Commissioner will provide executive leadership for implementation of the Wage Protection expansion and the broader organizational changes described in this plan.

DOLI has also begun preparing its existing workforce for the Division's expanded responsibilities. Cross-training of staff to build interdisciplinary knowledge began in July. Eight current staff will be attending an Investigator Bootcamp in October which will focus on the core skills needed to effectively enforce labor standards laws, including collecting and analyzing evidence, conducting effective interviews, audits and back wage calculations, fundamentals of settlement negotiations, investigating retaliation claims, with case studies and exercises throughout.

DOLI has already implemented several initiatives to improve overall recruitment outcomes and hiring efficiency, including:

- Modernizing job advertisements to emphasize skills-based hiring, career-growth opportunities, and DOLI's mission.
- Developing standardized recruitment, interview, and selection resources to promote consistency, equity, and merit-based hiring practices.
- Establishing workforce-planning processes that align anticipated hiring needs with organizational priorities and succession planning needs.
- Expanding the agency's employer brand through strategic communications, social media outreach, and enhanced recruitment marketing.
- Implementing performance-management enhancements, including updated EPPs and performance objectives that clearly communicate expectations and support employee development from onboarding through probation and beyond.

As DOLI moves forward with its hiring plan, it will also include the following elements:

- **Strategic recruitment.** To maximize the reach of DOLI's recruitment efforts, all vacancies are advertised through the Commonwealth's PageUp recruitment platform and supplemented with targeted outreach through LinkedIn and other professional and educational networks. Recruitment is further supported through partnerships with Virginia colleges and universities, state and local workforce development organizations, veterans' organizations, professional associations, and other strategic stakeholders to strengthen candidate pipelines for current and anticipated vacancies. In particular, DOLI has partnered with its sister agency, Virginia Works, to launch statewide targeted outreach and recruitment via Virginia's workforce system and the Virginia Workforce Connection to expand access to

qualified candidates across the Commonwealth and increase awareness of career opportunities at DOLI. Recruitment campaigns will be adjusted as workforce needs evolve to keep DOLI competitive in attracting qualified candidates while supporting timely implementation of new statutory responsibilities.

- **Phased recruitment.** DOLI will recruit positions in phases that support both full group and cohort-based training and development and are based on statutory and operational priorities, supervisory readiness, workspace, and equipment availability, and prioritizing frontline investigatory and critical supervisory roles before sequencing administrative and support positions. Hiring in FY2027 will focus on additional investigators to meet new enforcement responsibilities for laws that went into effect on July 1, 2026, and those that will go into effect on January 1, 2027. Additional hiring will occur in FY2028 and beyond as the Paid Sick Leave program, Prevailing Wage Survey responsibilities, and Paid Family and Medical Leave programs take effect.
- **Cohort-based training and development.** New Wage Protection investigators will be hired and trained in cohorts to create a consistent foundation of knowledge, expectations, and investigative practice across the team. In addition to the Commonwealth onboarding training requirements, new wage investigators will receive structured instruction in applicable wage protection laws, investigative methods, case management, documentation, interviewing, and enforcement procedures. Cohort training will be reinforced through supervised casework, mentoring, job aids, and regular assessment of progress toward independent work.
- **Retention and competitiveness.** Attracting specialized talent is one part of the need; retaining it is another. Recognizing salary limitations relative to the private sector, DOLI will emphasize the total value of Commonwealth employment, including career growth, meaningful public service work, professional development, and available workplace flexibility such as telework where operationally feasible. DOLI will establish career pathways that support internal advancement and succession planning, use recognition to reinforce desired behaviors and results, and monitor turnover and conduct stay interviews to identify retention risks early. For difficult-to-fill specialized roles, DOLI may use a grow-your-own approach that emphasizes aptitude and develops technical expertise internally.

III. Space Considerations Necessary to Accommodate Expanded Staffing

During this initial expansion, DOLI expects to add up to twenty Wage Protection Division employees. DOLI recognizes a need to balance support and oversight of new staff with a

need to have access to and coverage for all portions of the Commonwealth. As a result, DOLI will bring some new staff to its headquarters in Richmond and some of the new hires to field offices. DOLI already has field offices in several locations across the Commonwealth (see table below).

The DOLI field offices have been predominantly staffed with Virginia Occupational Safety and Health Program (VOSH) staff. DOLI recognizes that historic needs and locations for VOSH are similar to the needs for the Department's new Wage Protection Division, in that DOLI staff need to be able to access workers and workplaces across the Commonwealth.

Existing DOLI Offices	
Headquarters Richmond, VA	Tidewater Regional Office Norfolk, VA
Central Regional Office Richmond (Henrico), VA	Southwest Regional Office Roanoke, VA
Northwest Regional Office Harrisonburg, VA	Lynchburg Field Office Lynchburg, VA
Manassas Field Office Manassas, VA	Abingdon Field Office Abingdon, VA

DOLI has initiated and will continue to coordinate with the Department of General Services (DGS) regarding options for additional space at the Department's headquarters location in Richmond. DOLI will expand these conversations to initiate discussions for either existing and/or new space across the Commonwealth. Initial duty stations will be at existing DOLI locations, but ultimately the agency will need to procure additional new space. A final timeline for additional leased space has not yet been established.

Current capacity is limited. Space for nine additional staff is available at DOLI Headquarters. Further, four spaces are available at the DOLI Northwest Regional Office, in Harrisonburg, which providing currently available space for a total of 13 additional staff. Other leased facilities are at or near maximum capacity. However, this space limitation will not diminish DOLI's resolve to increase wage protection staff quickly to address these new legal authorities for workers in the Commonwealth. DOLI will utilize hoteling space and temporary workspaces as well as other flexibility to account for and provide physical locations for the new staff until additional office space is available.

The following summarizes priority strategies to assess and integrate flexibility in DOLI's onboarding of new staff in the near term:

- **Use existing space strategically.** Available offices and workstations will be prioritized based on operational need, confidentiality requirements, supervisory responsibilities, and the work performed. DOLI will utilize all available space as it builds out the added legal authorities of DOLI.
- **Serve all Virginians.** DOLI's staffing and facilities strategy will support effective wage protection enforcement throughout Virginia. DOLI will consider workload, worker and employer populations, geographic service needs, supervisory coverage, and available facilities when determining where new positions are located. Regional deployment of staff will help expand DOLI's reach and ensure that workers and employers have meaningful access to DOLI's services across the Commonwealth.
- **Use flexibility where operationally feasible.** Telework, hybrid schedules, shared workstations, and temporary assignments may be used when they support program operations and do not compromise service delivery.

IV. Additional Resources Needed for Fiscal Year 2028

The 2026 biennial budget appropriations to DOLI provided an important investment in frontline investigative capacity, including funding for additional Wage Protection investigators and legal support. As DOLI has begun implementing this program, it has identified additional wage protection resources needed to successfully implement the laws passed by the General Assembly and signed by the Governor. These resources include additional hiring in the form of compliance assistants, additional legal support, wage protection supervisors, a prevailing wage supervisor, and a prevailing wage analyst.

The agency anticipates the following responsibilities for the new positions:

- Wage Protection Compliance Assistants will receive and review complaints, respond to questions from workers and employers, help resolve appropriate claims, and handle smaller or less complex matters under agency procedures. This will allow investigators to spend more time on formal investigations and cases involving complex issues or multiple workers. Wage Protection Compliance Assistants will also serve as a resource for workers, employers, and other stakeholders who contact the Agency with questions or potential complaints about Virginia labor law.
- The Wage Protection Attorney will support the enforcement program by providing legal expertise to staff and will support expanded strategic compliance efforts to

ensure that employers are compliant with the law even when their employees do not make complaints of alleged violations.

- Wage Protection Supervisors will directly supervise investigators, review cases, manage workloads, provide coaching, and help ensure that investigations are handled consistently throughout the state. Adding these positions will also allow Division leadership to focus on managing programs, monitoring results, and carrying out the agency's new responsibilities.
- Prevailing Wage Supervisor and Prevailing Wage Analyst will support the triennial Virginia wage survey and the continued development of the prevailing wage program. Their work will include managing the survey process, reviewing data, developing procedures, assisting public bodies and contractors, and preparing guidance and training on Virginia's prevailing wage law. Further, DOLI anticipates additional demand on the program as more localities adopt ordinances opting in to the prevailing wage system. Beginning recruitment for these positions in FY28, DOLI will ensure adequate planning and preparation resources for this program to go into effect smoothly and on time in FY29. Additional survey staff would be necessary to complete this unit in the future.

Ultimately, with added resources, DOLI can improve outcomes and affect change for more workers, ensuring an increase in fair working conditions for workers and a more level competitive environment for employers.

Measuring Implementation and Success

The Secretary of Labor and DOLI will measure implementation success based on whether the changes outlined in this plan improve DOLI's ability to protect Virginia workers, recover wages and damages owed, promote compliance with the law, and provide timely and effective service to workers and employers across the Commonwealth. As new processes and systems mature, DOLI will establish appropriate baselines, monitor trends, and use available data to inform operational decisions, resource allocation, and future budget requests.

Measures will focus on the following areas:

- **Worker protection and wage recovery outcomes:** number of cases handled; back wages recovered; damages recovered; number of workers receiving back wages and or damages; civil penalties paid; prevailing wages paid; number of workers receiving prevailing wages; and the types of violations identified, including minimum wage, overtime, child labor, misclassification, prevailing wage, and other wage protection violations.

- **Timeliness and case management:** time to assignment and resolution; responsiveness to workers and employers; inquiry and intake activity; geographic reach; and other indicators of whether Virginians can effectively access DOLI's wage protection services.
- **Quality and consistency:** adherence to established procedures; consistency and accuracy of case handling; quality-control findings; escalation patterns; and training or technical-assistance needs identified through review.

These measures are intended to provide a balanced view of whether DOLI is both building the internal capacity contemplated by this plan and producing meaningful results for Virginia workers and employers. Measures may be refined as DOLI establishes stronger baselines, gains implementation experience, and develops more reliable operational and outcome data.

Building for the Future

The Secretary of Labor and the Department of Labor and Industry are committed to delivering on Virginia's investment in worker protections. Virginia workers should receive the wages they have earned, young workers should be protected from unlawful and unsafe employment practices, employees should not be improperly classified or retaliated against for exercising their rights, and workers should receive the paid sick leave and prevailing wages to which they are entitled under Virginia law. Employers, in turn, should have clear information about their responsibilities and confidence that businesses competing in the Commonwealth are held to the same standards.

Achieving those outcomes requires more than adding positions. It requires an enforcement model capable of responding when individual workers need assistance while also identifying and addressing patterns of violations that affect larger groups of workers. It requires trained investigators, effective legal and administrative support, strategic compliance assistance, reliable data, modern case management, and the ability to deploy resources where they can have the greatest impact.

This implementation plan establishes a focused framework for that work by organizing DOLI's response around the four areas specifically requested by the General Assembly while recognizing the operational dependencies that cut across them. DOLI will move forward deliberately, aligning personnel with appropriate leadership and supervision, coordinating hiring with space and equipment readiness, strengthening case management and operational data, and using implementation experience to inform future resource decisions.

Implementation will remain responsive. As new staff are hired, responsibilities are integrated, and new systems and processes become operational, DOLI will evaluate what is

working, identify emerging needs, and adjust as necessary to maintain effective enforcement and compliance programs and responsible stewardship of the Commonwealth's investment in worker protections.

