

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE JOINT RESOLUTION 498

Sponsors: Representatives C. Wilson; Hardy and Morris.

Referred to: Rules, Calendar and Operations of the House.

March 11, 1997

1 A JOINT RESOLUTION HONORING THE MEMORY OF COLONEL HENRY ELI
2 KENDALL, JR., FOR HIS COMMITMENT TO CONSERVATIVE AND
3 EFFECTIVE UTILIZATION OF PUBLIC FUNDS DURING HIS SERVICE AS
4 CHAIR OF THE EMPLOYMENT SECURITY COMMISSION, AND
5 REQUESTING CONGRESS TO DEVOLVE THE UNEMPLOYMENT
6 INSURANCE SYSTEM TO STATE CONTROL.

7 Whereas, Colonel Henry Eli Kendall, Jr., deserves honor and recognition for
8 his commitment to conservative and effective utilization of public funds in his
9 unprecedented 27 years of service to North Carolina as Chair of the Employment
10 Security Commission; and

11 Whereas, Colonel Kendall's contempt for needless levels of bureaucracy and
12 unwarranted federal intervention into matters best addressed by the states was timely
13 during his lifetime; more than a decade after his death his philosophy in this regard is
14 shared by elected officials of both political parties in this State; and

15 Whereas, in 1988 the National Governors Association presented a proposal to
16 devolve the unemployment insurance system to the states, which proposal was defeated
17 by a minority of states still receiving more than their fair share of operating expenses of
18 the unemployment insurance system; and

19 Whereas, because some states, North Carolina among them, are more
20 efficient in their operation of the unemployment insurance system than other states, the
21 employers' tax dollars of these more efficient states should not be used to support the
22 inefficiencies of the other states in operating the unemployment insurance system; and

1 Whereas, North Carolina employers are responsible for paying tax dollars for
2 their own employees' coverage under the unemployment insurance system and should
3 not be responsible for paying other states' costs to provide coverage; and

4 Whereas, the current unemployment insurance system has too many levels of
5 bureaucracy both nationally and regionally; and

6 Whereas, the unemployment insurance trust fund in Washington, D.C., is
7 contained within the "unified budget" but should be separate since only employers pay
8 this tax and do so for a very specific purpose; and

9 Whereas, employers are confused and burdened by having to pay two
10 separate unemployment insurance taxes to two different government agencies for the
11 operation of the unemployment insurance, employment service, and local market
12 information programs, and for paying benefits; and

13 Whereas, state legislatures should have the authority to run their own
14 unemployment insurance system to fit the needs of their own workforce at a reduced
15 cost and savings to the employers through lower unemployment insurance taxes; and

16 Whereas, several other states are considering similar initiatives and
17 resolutions proposing devolution of the unemployment insurance system; Now,
18 therefore,

19 Be it resolved by the House of Representatives, the Senate concurring:

20 Section 1. The General Assembly honors the memory of Colonel Henry Eli
21 Kendall, Jr., and expresses the gratitude and appreciation of this State and its citizens
22 for his life and devoted service to North Carolina.

23 Section 2. The General Assembly requests that the Congress of the United
24 States devolve the unemployment insurance system to the states, and that Federal
25 Unemployment Tax Act taxes be repealed, and that states be authorized to set their own
26 method for administrative costs in implementing unemployment insurance, employment
27 security, and local market information programs.

28 Section 3. The Secretary of State shall transmit a certified copy of this
29 resolution to the family of Colonel Henry Eli Kendall, Jr., and to the President of the
30 United States, the President of the United States Senate, the Speaker of the United
31 States House of Representatives, and to each of the members of North Carolina's
32 Congressional Delegation.

33 Section 4. This resolution is effective upon ratification.