

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** House Bill 334 (First Edition)

**SHORT TITLE:** Exemption for Student Interns - AB

**SPONSOR(S):** Representative Luebke

**FISCAL IMPACT**

**Yes ( )      No ( )      No Estimate Available (X)**

**FY 2001-02   FY 2002-03   FY 2003-04   FY 2004-05   FY 2005-06**

**REVENUES**

**EXPENDITURES**                      see ASSUMPTIONS AND METHODOLOGY

**PRINCIPAL DEPARTMENT(S) &  
PROGRAM(S) AFFECTED:**              Employment Security Commission

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BILL SUMMARY:** The bill amends the Employment Security laws to exempt North Carolina Internship Council student interns from the definition of employment.

**ASSUMPTIONS AND METHODOLOGY:** This legislation will provide future savings to the Unemployment Insurance Trust Fund because it prevents unemployment claims from students whose base period employment for Unemployment Insurance (UI) monetary eligibility was an internship with the Department of Administration. While being a temporary intern does not appear to justify UI benefits, the Employment Security Commission has no specific statute to prohibit payments to this group. In the past year, the Employment Security Commission received its first two claims from former student interns. The claims for approximately \$1,000 were paid the students. With 103 students employed each summer by the State Government Internship Program in the Department of Administration, there is a potential UI liability from this group in the future.

**PREPARED BY:** Richard Bostic  
**APPROVED BY:** James D. Johnson

**DATE:** March 19, 2001



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