

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

H.B. 713
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH10410-LR-74B

Short Title: Unemployment Insurance Changes/Restorations. (Public)

Sponsors: Representatives Richardson, Gailliard, Insko, and Hawkins (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED

AN ACT AMENDING THE EMPLOYMENT SECURITY LAWS TO ELIMINATE MULTIPLE WAITING WEEKS FOR BENEFITS, THE SLIDING SCALE DURATION OF BENEFITS, AND THE THREE-HUNDRED-FIFTY-DOLLAR WEEKLY CAP ON BENEFITS; TO REESTABLISH TWENTY-SIX WEEKS OF ELIGIBILITY AND USING THE AVERAGE OF THE HIGHEST TWO QUARTERS FOR THE BENEFIT FORMULA; AND TO RESTORE BENEFITS IN CASES WHERE AN INDIVIDUAL LEAVES EMPLOYMENT FOR SPOUSAL RELOCATION OR HEALTH REASONS OR DUE TO AN UNDUE HARDSHIP.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 96-14.1(b) reads as rewritten:

"(b) Valid Claim. – To obtain benefits, an individual must file a valid claim for unemployment benefits, register for work, and have a weekly benefit amount calculated pursuant to G.S. 96-14.2(a) that equals or exceeds fifteen dollars (\$15.00). An individual must serve a one-week waiting period ~~for each claim filed, during each benefit year,~~ except no waiting period applies under this subsection to a claim for unemployment due directly to a disaster covered by a federal disaster declaration. A valid claim is one that meets the employment and wage standards in this subsection for the individual's base period. A valid claim for a second benefit year is one that meets the employment and wage standards in this subsection since the beginning date of the prior benefit year and before the date the new benefit claim is filed:

- (1) Employment. – The individual has been paid wages in at least two quarters of the individual's base period.
- (2) Wages. – The individual has been paid wages totaling at least six times the average weekly insured wage during the individual's base period. If an individual lacks sufficient base period wages, then the wage standard for that individual is determined using the last four completed calendar quarters immediately preceding the first day of the individual's benefit year. This alternative base period may not be used by an individual in making a claim for benefits in the next benefit year."

SECTION 2. G.S. 96-14.2(a) reads as rewritten:

"(a) Weekly Benefit Amount. – The weekly benefit amount for an individual who is totally unemployed is an amount equal to the wages paid to the individual in ~~the last two completed quarters~~ two highest quarters of the individual's base period divided by 52 and rounded to the next lower whole dollar. If this amount is less than fifteen dollars (\$15.00), the individual is not eligible for benefits. ~~The weekly benefit amount may not exceed three hundred fifty dollars (\$350.00).~~ Each August 1, the Division shall calculate the maximum weekly benefit amount



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1 available to an individual. The maximum weekly benefit amount is fifty percent (50%) of the
 2 average weekly insured wage rounded, if the amount is not a whole dollar, to the next lower
 3 whole dollar. The maximum weekly benefit amount set on August 1 of a year applies to an
 4 individual whose benefit year begins on or after that date and before August 1 of the following
 5 year."

6 **SECTION 3.** G.S. 96-14.3 reads as rewritten:

7 "**§ 96-14.3. Duration of benefits.**

8 (a) ~~Duration.—The number of weeks an individual is allowed to receive unemployment~~
 9 ~~benefits depends on the seasonal adjusted statewide unemployment rate that applies to the~~
 10 ~~six-month base period in which the claim is filed. One six-month base period begins on January~~
 11 ~~1 and one six-month base period begins on July 1. For the base period that begins January 1, the~~
 12 ~~average of the seasonal adjusted unemployment rates for the State for the preceding months of~~
 13 ~~July, August, and September applies. For the base period that begins July 1, the average of the~~
 14 ~~seasonal adjusted unemployment rates for the State for the preceding months of January,~~
 15 ~~February, and March applies. The Division must use the most recent seasonal adjusted~~
 16 ~~unemployment rate determined by the U.S. Department of Labor, Bureau of Labor Statistics, and~~
 17 ~~not the rate as revised in the annual benchmark.~~

| 18 Seasonal Adjusted | 18 Number |
|--|--------------------|
| 19 Unemployment Rate | 19 of Weeks |
| 20 Less than or equal to 5.5% | 20 12 |
| 21 Greater than 5.5% up to 6% | 21 13 |
| 22 Greater than 6% up to 6.5% | 22 14 |
| 23 Greater than 6.5% up to 7% | 23 15 |
| 24 Greater than 7% up to 7.5% | 24 16 |
| 25 Greater than 7.5% up to 8% | 25 17 |
| 26 Greater than 8% up to 8.5% | 26 18 |
| 27 Greater than 8.5% up to 9% | 27 19 |
| 28 Greater than 9% | 28 20 |

29 (a1) Maximum Duration. – An eligible individual is entitled to receive unemployment
 30 benefits for a maximum period of 26 weeks, unless the benefit period is extended expressly by
 31 State or federal law.

32 (b) Total Benefits. – The total benefits paid to an individual equals the individual's
 33 weekly benefit amount allowed under G.S. 96-14.2 multiplied by the number of weeks allowed
 34 under subsection (a) of this section.26."

35 **SECTION 4.** G.S. 96-14.8 reads as rewritten:

36 "**§ 96-14.8. Military spouse relocation Spousal relocation, undue family hardship, health**
 37 **reasons, and domestic violence are good causes for leaving.**

38 An individual is not disqualified for benefits for leaving work for one of the reasons listed in
 39 this section. Benefits paid on the basis of this section are not chargeable to the employer's
 40 account:

- 41 (1) Military spouse relocation. – Leaving work to accompany the individual's
 42 spouse to a new place of residence because the spouse has been reassigned
 43 from one military assignment to another.
- 44 (2) Domestic violence. – Leaving work for reasons of domestic violence if the
 45 individual reasonably believes that the individual's continued employment
 46 would jeopardize the safety of the individual or of any member of the
 47 individual's immediate family. For purposes of this subdivision, an individual
 48 is a victim of domestic violence if one or more of the following applies:
 49 a. The individual has been adjudged an aggrieved party as set forth by
 50 Chapter 50B of the General Statutes.

- 1 b. There is evidence of domestic violence, sexual offense, or stalking.
- 2 Evidence of domestic violence, sexual offense, or stalking may
- 3 include any one or more of the following:
- 4 1. Law enforcement, court, or federal agency records or files.
- 5 2. Documentation from a domestic violence or sexual assault
- 6 program if the individual is alleged to be a victim of domestic
- 7 violence or sexual assault.
- 8 3. Documentation from a religious, medical, or other professional
- 9 from whom the individual has sought assistance in dealing
- 10 with the alleged domestic violence, sexual abuse, or stalking.
- 11 c. The individual has been granted program participant status pursuant to
- 12 G.S. 15C-4 as the result of domestic violence committed upon the
- 13 individual or upon a minor child with or in the custody of the
- 14 individual by another individual who has or has had a familial
- 15 relationship with the individual or minor child.
- 16 (3) Health reasons. – Where an individual leaves work due solely to a disability
- 17 incurred or other health condition, whether or not related to the work, and the
- 18 individual shows:
- 19 a. That, at the time of leaving, an adequate disability or health condition
- 20 of the employee, of a minor child who is in the legally recognized
- 21 custody of the individual, of an aged or disabled parent of the
- 22 individual, or of a disabled member of the individual's immediate
- 23 family, either medically diagnosed or otherwise shown by competent
- 24 evidence, existed to justify the leaving and prevented the employee
- 25 from doing other alternative work offered by the employer which
- 26 pays the minimum wage or eighty-five percent (85%) of the
- 27 individual's regular wage, whichever is greater; and
- 28 b. That, at a reasonable time prior to leaving, the individual gave the
- 29 employer notice of the disability or health condition.
- 30 (4) Undue family hardship. – Arises when an individual is unable to accept a
- 31 particular shift because the individual is unable to obtain (i) child care during
- 32 the shift for a minor child under 14 years of age who is in the legally
- 33 recognized custody of the individual or (ii) elder care during that shift for an
- 34 aged or disabled parent of the individual.
- 35 (5) Spousal relocation. – Leaving work to accompany the claimant's spouse to a
- 36 new place of residence where the spouse has secured work in a location that
- 37 is too far removed for the claimant reasonably to continue his or her work."
- 38 **SECTION 5.** This act is effective when it becomes law and applies to claims for
- 39 unemployment insurance arising on or after that date.