

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 414
Committee Substitute Favorable 4/24/97

Short Title: Unemp. Ins. Bene. Severance Pay/AB.

(Public)

Sponsors:

Referred to:

March 6, 1997

1 A BILL TO BE ENTITLED
2 AN ACT RELATING TO SEVERANCE PAY FOR THE PURPOSES OF
3 UNEMPLOYMENT INSURANCE BENEFITS.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 96-8(10) reads as rewritten:

6 "(10) Total and partial unemployment.

7 a. For the purpose of establishing a benefit year, an individual shall
8 be deemed to be unemployed:

9 1. If he has payroll attachment but, because of lack of work
10 during the payroll week for which he is requesting the
11 establishment of a benefit year, he worked less than the
12 equivalent of three customary scheduled full-time days in
13 the establishment, plant, or industry in which he has
14 payroll attachment as a regular employee. If a benefit year
15 is established, it shall begin on the Sunday preceding the
16 payroll week ending date.

17 2. If he has no payroll attachment on the date he reports to
18 apply for unemployment insurance. If a benefit year is
19 established, it shall begin on the Sunday of the calendar

- 1 week with respect to which the claimant met the reporting
2 requirements provided by Commission regulation.
- 3 b. For benefit weeks within an established benefit year, a claimant
4 shall be deemed to be:
- 5 1. Totally unemployed, irrespective of job attachment, if his
6 earnings for such week, including payments defined in
7 subparagraph c below, would not reduce his weekly
8 benefit amount as prescribed by G.S. 96-12(c).
- 9 2. Partially unemployed, if he has payroll attachment but
10 because of lack of work during the payroll week for which
11 he is requesting benefits he worked less than three
12 customary scheduled full-time days in the establishment,
13 plant, or industry in which he is employed and whose
14 earnings from such employment (including payments
15 defined in subparagraph c below) would qualify him for a
16 reduced payment as prescribed by G.S. 96-12(c).
- 17 3. Part-totally unemployed, if the claimant had no job
18 attachment during all or part of such week and whose
19 earnings for odd jobs or subsidiary work (including
20 payments defined in subparagraph c below) would qualify
21 him for a reduced payment as prescribed by G.S. 96-12(c).
- 22 c. No individual shall be considered unemployed if, with respect to
23 the entire calendar week, he is receiving, has received, or will
24 receive as a result of his separation from employment,
25 remuneration in the form of (i) wages in lieu of notice, (ii)
26 accrued vacation pay, (iii) terminal leave pay, (iv) severance pay,
27 (v) separation pay, or (vi) dismissal payments or wages by
28 whatever name. Provided, however, if such payment is applicable
29 to less than the entire week, the claimant may be considered to be
30 unemployed as defined in subsections a and b of this paragraph.
31 Sums received by any individual for services performed as an
32 elected official who holds an elective office, as defined in G.S.
33 128-1.1(d), or as a member of the N. C. National Guard, as
34 defined in G.S. 127A-3, or as a member of any reserve
35 component of the United States Armed Forces shall not be
36 considered in determining that individual's employment status
37 under this subsection. Provided further, however, that an
38 individual shall be considered to be unemployed as to receipt of
39 severance pay for any week the individual is registered at or
40 attending any institution of higher education as defined in G.S.
41 96-8(5)j., or secondary school as defined in G.S. 96-8(5)q., or
42 Commission approved vocational, educational, or training
43 programs as defined in G.S. 96-13.

1 d. An individual's week of unemployment shall be deemed to
2 commence only after his registration at an employment office,
3 except as the Commission may by regulation otherwise
4 prescribe."

5 Section 2. This act is effective when it becomes law and applies to new initial
6 claims filed on or after September 1, 1997.