## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2005

S SENATE DRS65221-LR-51 (2/24)

Short Title: ESC Omnibus Act. (Public)

Sponsors: Senator Nesbitt.

Referred to:

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A BILL TO BE ENTITLED

AN ACT MAKING OMNIBUS CHANGES TO THE EMPLOYMENT SECURITY LAWS OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 96-13(a)(3) reads as rewritten:

## "§ 96-13. Benefit eligibility conditions.

The individual is able to work, and is available for work: Provided "(3) that, unless temporarily excused by Commission regulations, no individual shall be deemed available for work unless he establishes to the satisfaction of the Commission that he is actively seeking work: Provided further, that an individual customarily employed in seasonal employment shall, during the period of nonseasonal operations, show to the satisfaction of the Commission that such individual is actively seeking employment which such individual is qualified to perform by past experience or training during such nonseasonal period: Provided further, however, that no individual shall be considered available for work for any week not to exceed two in any calendar year in which the Commission finds that his unemployment is due to a vacation. In administering this proviso, benefits shall be paid or denied on a payroll-week basis as established by the employing unit. A week of unemployment due to a vacation as provided herein means any payroll week within which the equivalent of three customary full-time working days consist of a vacation period. For the purpose of this subdivision, any unemployment which is caused by a vacation period and which occurs in the calendar year following that within which the vacation period begins shall be deemed to have occurred in the calendar year within which such vacation period begins. For purposes

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of this subdivision, no individual shall be deemed available for work during any week that the individual tests positive for a controlled substance if (i) the test is a controlled substance examination administered under Article 20 of Chapter 95 of the General Statutes, (ii) the test is required as a condition of hire for a job, and (iii) the job would be suitable work for the claimant. The employer shall report to the Commission, in accordance with regulations adopted by the Commission, each claimant that tests positive for a controlled substance under this subdivision. For the purposes of this subdivision, no individual shall be deemed available for work during any week in which he is registered at and attending an established school, or is on vacation during or between successive quarters or semesters of such school attendance, or on vacation between yearly terms of such school attendance. Except: (i) Any person who was engaged in full-time employment concurrent with his school attendance, who is otherwise eligible, shall not be denied benefits because of school enrollment and attendance. Except: (ii) Any otherwise qualified unemployed individual who is attending a vocational school or training program which has been approved by the Commission for such individual shall be deemed available for work. However, any unemployment insurance benefits payable with respect to any week for which a training allowance is payable pursuant to the provisions of a federal or State law, shall be reduced by the amount of such allowance which weekly benefit amount shall be rounded to the nearest lower full dollar amount (if not a full dollar amount). The Commission may approve such training course for an individual only if:

- a. 1. Reasonable employment opportunities for which the individual is fitted by training and experience do not exist in the locality or are severely curtailed;
  - 2. The training course relates to an occupation or skill for which there are expected to be reasonable opportunities for employment; and
  - 3. The individual, within the judgment of the Commission, has the required qualifications and the aptitude to complete the course successfully; or,
- b. Such approval is required for the Commission to receive the benefits of federal law.
- a. An unemployed individual shall not be disqualified for eligibility for unemployment compensation solely on the basis that the individual is in school."

**SECTION 2.** G.S. 96-9(a)(3)d3. reads as rewritten:

"d3. The standard contribution rate set by subdivision (b)(1) of this section applies to an employer unless the employer's account has a credit balance. Beginning January 1, 1999, for any

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calendar year that the training and reemployment contribution in G.S. 96-6.1 does apply, not the contribution rate of an employer whose account has a credit balance is determined in accordance with the rate set in the following Experience Rating Formula table for the applicable rate schedule. The contribution rate of an employer whose contribution rate is determined by this Experience Rating Formula table shall be reduced by fifty percent (50%) for any year in which the balance in the Unemployment Insurance Fund on computation date equals or exceeds eight hundred million dollars (\$800,000,000) on the computation date one and ninety-five hundredths percent (1.95%) of the gross taxable wages reported to the Commission in the previous calendar year and the fund ratio determined on that date is less than five percent (5%) and shall be reduced by sixty percent (60%) for any year in which the balance in the Unemployment Insurance Fund on computation date equals or exceeds eight hundred million dollars (\$800,000,000) on the computation date, one and ninety-five hundredths percent (1.95%) of the gross taxable wages as reported to the Commission in the previous calendar year, and the fund ratio determined on that date is five percent (5%) or more.

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## EXPERIENCE RATING FORMULA

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## When The Credit Ratio Is:

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	General Assembly of North Carolina							Session 2005	
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4	0.6% 0.8%	2.16%	2.00% 1.84%	1.68%	1.52%	1.36%	1.20%	1.04%	0.88%
5	0.8% 1.0%	2.00%	1.84% 1.68%	1.52%	1.36%	1.20%	1.04%	0.88%	0.72%
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**SECTION 4.** Sections 2 and 3 of this act become effective July 1, 2005. The remainder of this act is effective when it becomes law.

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