

March 22, 2005

S 757. ESC OMNIBUS ACT. MAKING OMNIBUS CHANGES TO THE EMPLOYMENT

SECURITY LAWS OF NORTH CAROLINA. Current GS 96-13(a)(3) provides that an individual will be disqualified from the receipt of unemployment compensation benefits in any week in which the individual is attending school, unless the school has been approved by Unemployment Comm'n, applying standards specified in section. Act deletes this provision and provides that an individual will not be disqualified from unemployment benefits solely on the grounds of school attendance. Act also seeks to amend GS 96-9(b)(3)d3. and GS 96-9(b)(3)d5. effective July 1, 2005, to reduce employer's contribution rate by 50% in any year in which balance in Unemployment Insurance Fund on computation date is at least 1.95% of the gross taxable wages reported to the Comm'n in the previous calendar year (was, when Fund balance is at least \$800 million) and fund ratio is less than 5%, and by 60% in any year in which Fund balance is at least 1.95% of wages reported (was, when Fund balance is at least \$800 million) and fund ratio is 5% or more.

Intro. by Nesbitt.

Ref. to Commerce

GS 96

May 31, 2005

S 757. ESC OMNIBUS ACT. Intro. 3/22/05. Senate committee substitute makes the following changes to 1st edition. (1) Deletes requirement in GS 96-13(a)(1) that an individual receiving unemployment benefits report to an employment office at regular intervals of not less than three weeks and not more than six weeks apart and instead requires reporting as directed by the Commission. (2) Enacts new GS 96-8(28) defining the term "willfully" as having the same meaning as "knowingly" for purposes of GS Chapter 96. (3) Amends GS 96-9(c)(4)a. to provide that (i) an employer's account does not transfer when an employer's business or part of the business is acquired by another individual who is not an employer at the time of the acquisition or when the individual acquired the business for the purpose of getting a reduced contribution rate and (ii) whenever part of a business is transferred between entities with substantially common ownership, the tax account will be transferred in accordance with regulations, except that employing units transferring entities with common ownership will not be entitled to separate employer status. (4) Amends GS 96-18(b1) effective December 1, 2005, to provide that the crime of attempting to evade or defeat a unemployment insurance contribution is a Class 1 misdemeanor unless (i) the employing unit employs more than 10 employees; (ii) a contribution of more than \$2000 has not been paid; or (iii) an experience rating account balance is more than \$5000 overdrawn. Also provides that any person who violates GS 105-236(9a) (assisting in preparation of fraudulent tax information) and is not subject to a fraud penalty must pay a civil penalty of \$500 per violation for each day the violations continue. Makes technical changes.

July 25, 2005

S 757. ESC OMNIBUS ACT. Intro. 3/22/05. House committee substitute makes the following changes to 2nd edition. Makes technical change only.

August 4, 2005

S 757. ESC OMNIBUS ACT. Intro. 3/22/05. House committee substitute makes the following changes to 3rd edition. Makes technical change only.

August 11, 2005

S 757. ESC OMNIBUS ACT. Intro. 3/22/05. House amendment makes the following changes to 4th edition. Changes from July 1, 2005, to October 1, 2005, the effective date of amendments to the conditions triggering an adjustment of the contribution rate.

September 21, 2005

SL 2005-410 (S 757). ESC OMNIBUS ACT. AN ACT MAKING OMNIBUS CHANGES TO THE EMPLOYMENT SECURITY LAWS OF NORTH CAROLINA. Summarized in *Daily Bulletin* 3/22/05, 5/31/05, 7/25/05, 8/4/05, and 8/11/05. Enacted September 20, 2005. Sections 2 and 3 are effective October 1, 2005. Section 6 is effective December 1, 2005. The remainder is effective September 20, 2005.