

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

H.B. 922
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HOUSE PRINCIPAL CLERK

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HOUSE DRH70293-LB-133 (04/04)

Short Title: Extend Federal Emergency UI. (Public)

Sponsors: Representative L. Hall.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROTECT THE UNEMPLOYED FROM THE UNNECESSARY LOSS OF
3 FEDERAL EMERGENCY UNEMPLOYMENT COMPENSATION IN 2013.

4 Whereas, North Carolina has one of the highest unemployment rates in the country;
5 and

6 Whereas, currently in 2013, there are not enough jobs for all North Carolinians who
7 are looking for work; and

8 Whereas, unemployment insurance benefits provide much needed assistance to
9 workers who have lost their jobs through no fault of their own until they are able to get back to
10 work; and

11 Whereas, unemployment insurance benefits provide a safety net to North Carolina
12 families to help meet basic living costs like housing, utilities, food, clothing, and other
13 necessities; and

14 Whereas, the federal Emergency Unemployment Compensation (EUC) program
15 currently provides benefits to unemployed North Carolinians who exhaust their State benefits;
16 and

17 Whereas, the EUC is 100% funded by the United States federal government; and

18 Whereas, House Bill 4 (Session Law 2013-2) contained provisions that reduce State
19 unemployment insurance benefits effective July 1, 2013; and

20 Whereas, the cuts to State unemployment insurance benefits contained in House Bill
21 4 violate North Carolina's agreement with the United States Department of Labor regarding
22 EUC ending the payment of EUC on July 1, 2013, to North Carolina workers who have
23 exhausted their State benefits; and

24 Whereas, on July 1, 2013, North Carolina will be the only State that does not
25 provide additional weeks of unemployment benefits under the federal Extended Unemployment
26 Compensation program; and

27 Whereas, it is estimated that approximately 104,000 North Carolinians will be cut
28 off from EUC because of the effective date of July 1, 2013, for the cuts to benefits contained in
29 House Bill 4; and

30 Whereas, it is estimated that another 66,000 workers who will need extended
31 benefits will not be able to access EUC after July 1, 2013, because of the effective date of July
32 1, 2013, for the cuts to benefits contained in House Bill 4; and

33 Whereas, by deliberately violating the federal agreement regarding EUC, North
34 Carolina will lose over \$700 million in federal funds over the last six months of 2013; and

35 Whereas, it is estimated that the debt owed to the federal government for the
36 payment of unemployment insurance benefits will be paid off or other measures are available



1 over the next three years so that reductions to employers' federal Unemployment Tax Credit
2 will end in 2016; Now, therefore,

3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** Section 11 of S.L. 2013-2 reads as rewritten:

5 "**SECTION 11.** This act becomes effective ~~July 1, 2013.~~ January 1, 2014. Changes made
6 by this act to unemployment benefits apply to claims for benefits filed on or after ~~July 1,~~
7 ~~2013.~~ January 1, 2014. Changes made by this act to require an account balance by an employer
8 that is a governmental entity or a nonprofit organization and that elects to finance benefits by
9 making reimbursable payments in lieu of contributions apply to advance payments payable for
10 calendar quarters beginning on or after ~~July 1, 2013.~~ January 1, 2014. Changes made by this act
11 to the determination and application of the contribution rate apply to contributions payable for
12 calendar quarters beginning on or after January 1, 2014."

13 **SECTION 2.** This act is effective when it becomes law.