

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

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HOUSE BILL 128  
Committee Substitute Favorable 3/2/21  
PROPOSED SENATE COMMITTEE SUBSTITUTE H128-PCS30431-BHa-19

Short Title: An Act to Reemploy NC's Workforce.

(Public)

Sponsors:

Referred to:

February 24, 2021

A BILL TO BE ENTITLED

AN ACT TO REEMPLOY NORTH CAROLINA'S WORKFORCE BY PROVIDING  
BONUSES FOR ACCEPTING REEMPLOYMENT AND REQUIRING INDIVIDUALS  
TO RESPOND TO EMPLOYER REQUESTS AND TO MAKE ADMINISTRATIVE  
CHANGES TO THE UNEMPLOYMENT INSURANCE LAWS.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** Use of Federal Funds. – North Carolina seeks approval from the U.S. Department of Labor to use the funds appropriated by Congress for the FPUC program or other federal funds administered by the U.S. Department of Labor to provide a signing bonus for unemployed claimants who accept reemployment. The Division of Employment Security, Department of Commerce, is directed to seek approval from the U.S. Department of Labor to use federal funds allocated to this State and enter an agreement with the U.S. Department of Labor to provide a back-to-work bonus under this section. The back-to-work bonus amount would vary and be payable as follows:

- (1) A one thousand five hundred dollar (\$1,500) bonus for accepting reemployment within 30 days after this section becomes law.
- (2) An eight hundred dollar (\$800.00) bonus for accepting reemployment within the period starting 30 days after this section becomes law and before 60 days after this section becomes law.
- (3) In no event will a bonus be paid for accepting reemployment after September 6, 2021.

**SECTION 1.(b)** FPUC. – For purposes of this section, "FPUC" is the Federal Pandemic Unemployment Compensation program authorized by section 2104, Emergency Increase in Unemployment Compensation Benefits of the CARES Act of 2020 (P.L. 116-136), as amended by the Protecting Nonprofits from Catastrophic Cash Flow Strain Act of 2020 (P.L. 116-151) and the Continued Assistance for Unemployed Workers Act of 2020 (P.L. 116-260).

**SECTION 2.(a)** G.S. 96-14.9 reads as rewritten:

**"§ 96-14.9. Weekly certification.**

(a) Requirements. – An individual's eligibility for a weekly benefit amount is determined on a week-to-week basis. An individual must meet all of the requirements of this section for each weekly benefit period. An individual who fails to meet one or more of the requirements is ineligible to receive benefits until the condition causing the ineligibility ceases to exist:

- (1) File a claim for benefits.
- (2) Report as requested by the Division and present valid photo identification meeting the requirements of subsection (k) of this section.



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- 1 (3) Meet the work search requirements of subsection (b) of this section.
- 2 (b) Work Search Requirements. – The Division must find that the individual meets all of  
3 the following work search requirements:
- 4 (1) The individual is able to work.
- 5 (2) The individual is available to work.
- 6 (3) The individual is actively seeking work.
- 7 (4) The individual accepts suitable work when offered.
- 8 (c) Able to Work. – An individual is not able to work during any week that the individual  
9 is receiving or is applying for benefits under any other state or federal law based on the  
10 individual's temporary total or permanent total disability.
- 11 (d) Available to Work. – An individual is not available to work during any week that one  
12 or more of the following applies:
- 13 (1) The individual tests positive for a controlled substance. An individual tests  
14 positive for a controlled substance if all of the conditions of this subdivision  
15 apply. An employer must report an individual's positive test for a controlled  
16 substance to the Division:
- 17 a. The test is a controlled substance examination administered under  
18 Article 20 of Chapter 95 of the General Statutes.
- 19 b. The test is required as a condition of hire for a job.
- 20 c. The job would be suitable work for the individual.
- 21 (2) The individual is incarcerated or has received notice to report to or is  
22 otherwise detained in a state or federal jail or penal institution. This  
23 subdivision does not apply to an individual who is incarcerated solely on a  
24 weekend in a county jail and who is otherwise available for work.
- 25 (3) The individual is an alien and is not in satisfactory immigration status under  
26 the laws administered by the United States Department of Justice,  
27 Immigration and Naturalization Service.
- 28 (4) The individual is on disciplinary suspension for 30 or fewer days based on  
29 acts or omissions that constitute fault on the part of the employee and are  
30 connected with the work.
- 31 (e) Actively Seeking Work. – The Division's determination of whether an individual is  
32 actively seeking work is based upon the following:
- 33 (1) The individual is registered for employment services, as required by the  
34 Division.
- 35 (2) The individual has engaged in an active search for employment that is  
36 appropriate in light of the employment available in the labor market and the  
37 individual's skills and capabilities.
- 38 (3) The individual has made at least three job contacts with potential employers  
39 during the week. ~~An individual may satisfy one of the weekly job contacts by~~  
40 ~~attending a reemployment activity offered by a local career center. The~~  
41 ~~Division shall verify the suitability of the activity for the credit and the~~  
42 ~~claimant's attendance at the activity.~~
- 43 (4) The individual has maintained a record of the individual's work search efforts.  
44 The record must include the potential employers contacted, the method of  
45 contact, and the date contacted. The record must also include whether any of  
46 the potential employers have made an interview request and, if so, the  
47 responses made under subsection (f1) of this section. The individual must  
48 provide the record to the Division upon request.
- 49 (f) Suitable Work. – The Division's determination of whether an employment offer is  
50 suitable must vary based upon the individual's length of unemployment as follows:

- 1 (1) During the first 10 weeks of a benefit period, the Division may consider all of  
2 the following:  
3 a. The degree of risk involved to the individual's health, safety, and  
4 morals.  
5 b. The individual's physical fitness and prior training and experience.  
6 c. The individual's prospects for securing local work in the individual's  
7 customary occupation.  
8 d. The distance of the available work from the individual's residence.  
9 e. The individual's prior earnings.

- 10 (2) During the remaining weeks of a benefit period, the Division must consider  
11 any employment offer paying one hundred twenty percent (120%) of the  
12 individual's weekly benefit amount to be suitable work. The weekly benefit  
13 amount considered under this subdivision only includes benefits paid under  
14 this Chapter.

15 (f1) An individual who has received an interview request by an employer offering suitable  
16 work under this section must respond to the employer in the following manner:

- 17 (1) Respond to the interview request within 48 hours using the contact  
18 information provided by the employer.  
19 (2) Schedule an interview following an interview request received under  
20 subdivision (1) of this subsection within seven days if the employer has made  
21 available to the individual an opportunity to interview during that same period,  
22 or a period outside of seven days if mutually agreed upon by both parties.  
23 (3) Appear for an interview scheduled under subdivision (2) of this subsection.  
24 (4) Attend any reemployment activity associated with the interview request if  
25 required by an employer in their normal course of recruitment. A  
26 reemployment activity under this subdivision may include drug testing, skills  
27 assessments, or other similar reemployment activities.

28 An employer may report any violation of this subsection by an individual to the Division.  
29 The Division shall audit all violations reported by an employer under this subsection to determine  
30 if the violation would impact the individual's eligibility to receive benefits. The Division shall  
31 utilize a private third-party firm if necessary to satisfy the audit requirements of this subsection.

32 ...."

33 **SECTION 2.(b)** G.S. 96-14.11 reads as rewritten:

34 "**§ 96-14.11. Disqualification for the remaining weeks of the benefit period.**

35 (a) Duration. – An individual may be disqualified from receiving benefits for the  
36 remaining weeks of the claim's duration if one or more subsections of this section apply. The  
37 period of disqualification under this section begins with the first day of the first week after the  
38 disqualifying act occurs.

39 (b) Suitable Work. – An individual is disqualified for any remaining benefits if the  
40 Division determines that the individual has failed, without good cause, to do one or more of the  
41 following:

- 42 (1) Apply for available suitable work when so directed by the employment office  
43 of the Division.  
44 (2) Accept suitable work when offered.  
45 (3) Return to the individual's customary self-employment when so directed by the  
46 Division.

47 (b1) Interview Response. – An individual is disqualified for any remaining benefits if the  
48 Division determines that the individual has failed, without good cause, to satisfy any of the  
49 requirements set forth in G.S. 96-14.9(f1) three or more times during a benefit year.

50 (c) Recall After Layoff. – An individual is disqualified for any remaining benefits if it is  
51 determined by the Division that the individual is unemployed because the individual, without

1 good cause attributable to the employer and after receiving notice from the employer, refused to  
2 return to work for an employer under one or more of the following circumstances:

- 3 (1) The individual was recalled within four weeks after a layoff. As used in this  
4 subdivision, the term "layoff" means a temporary separation from work due  
5 to no work available for the individual at the time of separation from work and  
6 the individual is retained on the employer's payroll and is a continuing  
7 employee subject to recall by the employer.
- 8 (2) The individual was recalled in a week in which the work search requirements  
9 were satisfied under G.S. 96-14.9(g) due to job attachment."

10 **SECTION 2.(c)** G.S. 96-40 reads as rewritten:

11 **"§ 96-40. Unemployment insurance program integrity; reporting.**

12 (a) Findings and Purpose. – The General Assembly finds that program integrity measures  
13 have been implemented by the Division to maximize the efficiency and effectiveness of the  
14 State's unemployment insurance program. The purpose of this section is to assure that these  
15 efforts shall include the rigorous and consistent use of business intelligence and data analytics  
16 for enhanced unemployment insurance program integrity.

17 (b) Required Activities. – To achieve the program integrity enhancements required by  
18 this section, at a minimum, the Division shall do all of the following:

- 19 (1) Prioritize Division program integrity efforts that maximize utilization of and  
20 information sharing with or between these projects and initiatives in order to  
21 prevent, detect, and reduce unemployment insurance fraud, improper  
22 payments, overpayments, and other programmatic irregularities:
  - 23 a. Government Data Analytics Center (GDAC);
  - 24 b. Southeast Consortium Unemployment Insurance Benefits Initiative  
25 (SCUBI); and
  - 26 c. Any other program integrity capabilities identified by the Division.
- 27 (2) Coordinate efforts with the Office of Information Technology Services to  
28 ensure that the Division identifies and integrates into its operations and  
29 procedures the most effective and accurate processes and scalable tools  
30 available to prevent payment of fraudulent, suspicious, or irregular claims.
- 31 (3) Coordinate efforts with the Department of Revenue to enhance alerts  
32 indicating circumvention of the payment of unemployment insurance taxes.
- 33 (4) Coordinate efforts with the Department of Health and Human Services to  
34 facilitate claims cross-matching and other appropriate steps to enhance  
35 program integrity.
- 36 (5) Coordinate efforts with the Office of State Controller to facilitate  
37 cross-matching and other appropriate steps using BEACON (Building  
38 Enterprise Access for North Carolina's Core Operation Needs).
- 39 (6) Audit at least twenty-five percent (25%) of all weekly certifications under  
40 G.S. 96-14.9 filed with the Division each week. An audit performed under this  
41 subdivision must include a review or examination of a sufficient nature to  
42 analyze whether the certification and any associated materials are accurate and  
43 have complied with applicable law in order to prevent, detect, and reduce  
44 unemployment insurance fraud, improper payments, overpayments, and other  
45 programmatic irregularities.

46 ...

47 (e) The Division shall utilize a private third-party firm if necessary to satisfy the audit  
48 requirements of subdivision (6) of subsection (b) of this section."

49 **SECTION 2.(d)** This section is effective when it becomes law and applies to claims  
50 with weekly certification under G.S. 96-14.9 filed on or after that date.

1                   **SECTION 3.** Except as otherwise provided, this act is effective when it becomes  
2 law.