

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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BILL DRAFT 2019-RBfz-15C [v.1]

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)

4/6/2020 6:42:05 PM

Short Title: COVID-19 UI Response Act.

(Public)

Sponsors:

Referred to:

A BILL TO BE ENTITLED

AN ACT TO PROVIDE EMERGENCY UNEMPLOYMENT COMPENSATION FLEXIBILITY TO INDIVIDUALS IMPACTED BY THE CORONAVIRUS AND TO PROVIDE ADDITIONAL FINANCIAL AID TO EMPLOYERS BY ALLOWING A CREDIT AGAINST THE STATE UNEMPLOYMENT TAX EQUAL TO THE FIRST QUARTER OF THE CALENDAR YEAR'S PAYMENT, AS RECOMMENDED BY THE ECONOMIC SUPPORT WORKING GROUP OF THE HOUSE SELECT COMMITTEE ON COVID-19.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 96 of the General Statutes is amended by adding a new section to read:

"§ 96-14.15. Emergency unemployment benefits and tax credit to respond to the coronavirus emergency of 2020.

(a) Benefits Payable. – Unemployment benefits are payable in response to the coronavirus emergency in any of the following circumstances:

- (1) An employer temporarily ceases operations due to the coronavirus, preventing the individual from going to work.
- (2) An employer reduces the hours of employment due to the coronavirus.
- (3) An individual has a current diagnosis of coronavirus.
- (4) An individual is quarantined at the instruction of a health care provider or a local State, or federal official.

(b) Exceptions Allowed. – The provisions of this Chapter apply to benefits payable under this section except as follows:

- (1) Waiting week. – No waiting week applies to a claim for unemployment under this section.
- (2) Work search. – The work search requirements do not apply to an individual who is eligible for unemployment under this section.
- (3) Non-charging. – Benefits paid to an individual under this section are not charged to the account of any base period employer of the individual.
- (4) Attached claim. – An employer may file an attached claim for benefits allowed under this section. The restrictions for filing an attached claim under G.S. 96-15(a1) do not apply to an employed filed claim under this section and a claim filed by an employer under this section is not an attached claim filed under G.S. 96-15(a1).



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1 (c) Tax Credit. – An employer is allowed a tax credit for a contribution to the
2 Unemployment Insurance Fund payable under G.S. 96-9.2 for contributions due for the calendar
3 year 2020. The amount of the credit is equal to the amount of contributions payable on the report
4 filed by the employer on or before April 30, 2020.

5 If an employer remitted the contributions payable with the report due on or before April 30,
6 2020, the credit will be applied to the contributions payable on the report due on or before July
7 31, 2020. An employer must file the report to receive the credit. If the amount of the credit
8 exceeds the amount of contributions due on the report, the excess credit amount is considered an
9 overpayment and will be refunded pursuant to G.S. 96-9.15(b).

10 (d) Coronavirus. – For purposes of this section, the term "coronavirus" has the same
11 meaning as defined in section 506 of the Coronavirus Preparedness and Response Supplemental
12 Appropriations Act, 2020.

13 (e) Applicability. – This section applies for unemployment benefits filed for periods
14 beginning on or after March 10, 2020, and expires for unemployment benefits filed for periods
15 beginning on or after the earlier of the following: (i) the date the Governor signs an Executive
16 Order rescinding Executive Order 116, a Declaration of a State of Emergency to Coordinate
17 Response and Protective Actions to Prevent the Spread of Covid-19", or (ii) December 31, 2020."

18 **SECTION 2.** Notwithstanding G.S. 96-14.9, an individual may meet the reporting
19 requirements of that section by telephone or via the Internet for the period beginning March 10,
20 2020, and ending on the earlier of the following: (i) the date the Governor signs an Executive
21 Order rescinding Executive Order 116, a Declaration of a State of Emergency to Coordinate
22 Response and Protective Actions to Prevent the Spread of Covid-19, or (ii) December 31, 2020.

23 **SECTION 3.** This act becomes effective when it becomes law.